COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE ADJUSTMENT
OF NATURAL GAS RATES OF DUKE ENERGY KENTUCKY, INC.

CASE NO. 2025-00125

FILING REQUIREMENTS

VOLUME 1

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Forecasted Test Period Filing Requirements
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1	1	KRS 278.180	30 days' notice of rates to PSC.	Amy B. Spiller
1	2	807 KAR 5:001 Section 7(1)	The original and 10 copies of application plus copy for anyone named as interested party.	Amy B. Spiller
1	3	807 KAR 5:001 Section 12(2)	(a) Amount and kinds of stock authorized. (b) Amount and kinds of stock issued and outstanding. (c) Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets or otherwise. (d) Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of indebtedness actually secured, together with any sinking fund provisions. (e) Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with amount of interest paid thereon during the last fiscal year. (f) Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year. (g) Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year. (h) Rate and amount of dividends paid during the five (5) previous fiscal years, and the amount of capital stock on which dividends were paid each year. (i) Detailed income statement and balance sheet.	Thomas J. Heath, Jr. Linda L. Miller
1	4	807 KAR 5:001 Section 14(1)	Full name, mailing address, and electronic mail address of applicant and reference to the particular provision of law requiring PSC approval.	Amy B. Spiller
1	5	807 KAR 5:001 Section 14(2)	If a corporation, the applicant shall identify in the application the state in which it is incorporated and the date of its incorporation, attest that it is currently in good standing in the state in which it is incorporated, and, if it is not a Kentucky corporation, state if it is authorized to transact business in Kentucky.	Amy B. Spiller

1	6	807 KAR 5:001 Section 14(3)	If a limited liability company, the applicant shall identify in the application the state in which it is organized and the date on which it was organized, attest that it is in good standing in the state in which it is organized, and, if it is not a Kentucky limited liability company, state if it is authorized to transact business in Kentucky.	Amy B. Spiller
1	7	807 KAR 5:001 Section 14(4)	If the applicant is a limited partnership, a certified copy of its limited partnership agreement and all amendments, if any, shall be annexed to the application, or a written statement attesting that its partnership agreement and all amendments have been filed with the commission in a prior proceeding and referencing the case number of the prior proceeding.	Amy B. Spiller
1	8	807 KAR 5:001 Section 16 (1)(b)(1)	Reason adjustment is required.	Amy B. Spiller Sarah E. Lawler
1	9	807 KAR 5:001 Section 16 (1)(b)(2)	Certified copy of certificate of assumed name required by KRS 365.015 or statement that certificate not necessary.	Amy B. Spiller
1	10	807 KAR 5:001 Section 16 (1)(b)(3)	New or revised tariff sheets, if applicable in a format that complies with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed.	Bruce L. Sailers
1	11	807 KAR 5:001 Section 16 (1)(b)(4)	Proposed tariff changes shown by present and proposed tariffs in comparative form or by indicating additions in italics or by underscoring and striking over deletions in current tariff.	Bruce L. Sailers
1	12	807 KAR 5:001 Section 16 (1)(b)(5)	A statement that notice has been given in compliance with Section 17 of this administrative regulation with a copy of the notice.	Amy B. Spiller
1	13	807 KAR 5:001 Section 16(2)	If gross annual revenues exceed $5,000,000, written notice of intent filed at least 30 days, but not more than 60 days prior to application. Notice shall state whether application will be supported by historical or fully forecasted test period.	Amy B. Spiller
1	14	807 KAR 5:001 Section 16(3)	Notice given pursuant to Section 17 of this administrative regulation shall satisfy the requirements of 807 KAR 5:051, Section 2.	Amy B. Spiller
1	15	807 KAR 5:001 Section 16(6)(a)	The financial data for the forecasted period shall be presented in the form of pro forma adjustments to the base period.	Clare C. Hudson
1	16	807 KAR 5:001 Section 16(6)(b)	Forecasted adjustments shall be limited to the twelve (12) months immediately following the suspension period.	Jefferson “Jay” P. Brown Claire C. Hudson Sharif S. Mitchell
1	17	807 KAR 5:001 Section 16(6)(c)	Capitalization and net investment rate base shall be based on a thirteen (13) month average for the forecasted period.	Jefferson “Jay” P. Brown
1	18	807 KAR 5:001 Section 16(6)(d)	After an application based on a forecasted test period is filed, there shall be no revisions to the forecast, except for the correction of mathematical errors, unless the revisions reflect statutory or regulatory enactments that could not, with reasonable diligence, have been included in the forecast on the date it was filed. There shall be no revisions filed within thirty (30) days of a scheduled hearing on the rate application.	Claire C. Hudson

1	19	807 KAR 5:001 Section 16(6)(e)	The commission may require the utility to prepare an alternative forecast based on a reasonable number of changes in the variables, assumptions, and other factors used as the basis for the utility's forecast.	Claire C. Hudson
1	20	807 KAR 5:001 Section 16(6)(f)	The utility shall provide a reconciliation of the rate base and capital used to determine its revenue requirements.	Jefferson "Jay" P. Brown
1	21	807 KAR 5:001 Section 16(7)(a)	Prepared testimony of each witness supporting its application including testimony from chief officer in charge of Kentucky operations on the existing programs to achieve improvements in efficiency and productivity, including an explanation of the purpose of the program.	All Witnesses
1	22	807 KAR 5:001 Section 16(7)(b)	Most recent capital construction budget containing at minimum 3 year forecast of construction expenditures.	Claire C. Hudson Brian R. Weisker
1	23	807 KAR 5:001 Section 16(7)(c)	Complete description, which may be in prefiled testimony form, of all factors used to prepare forecast period. All econometric models, variables, assumptions, escalation factors, contingency provisions, and changes in activity levels shall be quantified, explained, and properly supported.	Claire C. Hudson
1	24	807 KAR 5:001 Section 16(7)(d)	Annual and monthly budget for the 12 months preceding filing date, base period and forecasted period.	Claire C. Hudson
1	25	807 KAR 5:001 Section 16(7)(e)	Attestation signed by utility's chief officer in charge of Kentucky operations providing: 1. That forecast is reasonable, reliable, made in good faith and that all basic assumptions used have been identified and justified; and 2. That forecast contains same assumptions and methodologies used in forecast prepared for use by management, or an identification and explanation for any differences; and 3. That productivity and efficiency gains are included in the forecast.	Amy B. Spiller
1	26	807 KAR 5:001 Section 16(7)(f)	For each major construction project constituting 5% or more of annual construction budget within 3 year forecast, following information shall be filed: 1. Date project began or estimated starting date; 2. Estimated completion date; 3. Total estimated cost of construction by year exclusive and inclusive of Allowance for Funds Used During construction ("AFUDC") or Interest During construction Credit; and 4. Most recent available total costs incurred exclusive and inclusive of AFUDC or Interest During Construction Credit.	Claire C. Hudson Brian R. Weisker
1	27	807 KAR 5:001 Section 16(7)(g)	For all construction projects constituting less than 5% of annual construction budget within 3 year forecast, file aggregate of information requested in paragraph (f) 3 and 4 of this subsection.	Claire C. Hudson Brian R. Weisker

1	28	807 KAR 5:001 Section 16(7)(h)	Financial forecast for each of 3 forecasted years included in capital construction budget supported by underlying assumptions made in projecting results of operations and including the following information: 1. Operating income statement (exclusive of dividends per share or earnings per share); 2. Balance sheet; 3. Statement of cash flows; 4. Revenue requirements necessary to support the forecasted rate of return; 5. Load forecast including energy and demand (electric); 6. Access line forecast (telephone); 7. Mix of generation (electric); 8. Mix of gas supply (gas); 9. Employee level; 10. Labor cost changes; 11. Capital structure requirements; 12. Rate base; 13. Gallons of water projected to be sold (water); 14. Customer forecast (gas, water); 15. MCF sales forecasts (gas); 16. Toll and access forecast of number of calls and number of minutes (telephone); and 17. A detailed explanation of any other information provided.	Claire C. Hudson Jonathon C. Thorpe Brian R. Weisker
1	29	807 KAR 5:001 Section 16(7)(i)	Most recent FERC or FCC audit reports.	Linda L. Miller
1	30	807 KAR 5:001 Section 16(7)(j)	Prospectuses of most recent stock or bond offerings.	Thomas J. Heath, Jr.
1	31	807 KAR 5:001 Section 16(7)(k)	Most recent FERC Form 1 (electric), FERC Form 2 (gas), or PSC Form T (telephone).	Linda L. Miller
2	32	807 KAR 5:001 Section 16(7)(l)	Annual report to shareholders or members and statistical supplements for the most recent 2 years prior to application filing date.	Thomas J. Heath, Jr.
3	33	807 KAR 5:001 Section 16(7)(m)	Current chart of accounts if more detailed than Uniform System of Accounts charts.	Linda L. Miller
3	34	807 KAR 5:001 Section 16(7)(n)	Latest 12 months of the monthly managerial reports providing financial results of operations in comparison to forecast.	Linda L. Miller
3	35	807 KAR 5:001 Section 16(7)(o)	Complete monthly budget variance reports, with narrative explanations, for the 12 months prior to base period, each month of base period, and subsequent months, as available.	Linda L. Miller Claire C. Hudson
3-8	36	807 KAR 5:001 Section 16(7)(p)	SEC's annual report for most recent 2 years, Form 10-Ks and any Form 8-Ks issued during prior 2 years and any Form 10-Qs issued during past 6 quarters.	Linda L. Miller
8	37	807 KAR 5:001 Section 16(7)(q)	Independent auditor's annual opinion report, with any written communication which indicates the existence of a material weakness in internal controls.	Linda L. Miller
8	38	807 KAR 5:001 Section 16(7)(r)	Quarterly reports to the stockholders for the most recent 5 quarters.	Thomas J. Heath, Jr.

9	39	807 KAR 5:001 Section 16(7)(s)	Summary of latest depreciation study with schedules itemized by major plant accounts, except that telecommunications utilities adopting PSC's average depreciation rates shall identify current and base period depreciation rates used by major plant accounts. If information has been filed in another PSC case, refer to that case's number and style.	John J. Spanos
9	40	807 KAR 5:001 Section 16(7)(t)	List all commercial or in-house computer software, programs, and models used to develop schedules and work papers associated with application. Include each software, program, or model; its use; identify the supplier of each; briefly describe software, program, or model; specifications for computer hardware and operating system required to run program	Jefferson "Jay" P. Brown
9	41	807 KAR 5:001 Section 16(7)(u)	If utility had any amounts charged or allocated to it by affiliate or general or home office or paid any monies to affiliate or general or home office during the base period or during previous 3 calendar years, file: 1. Detailed description of method of calculation and amounts allocated or charged to utility by affiliate or general or home office for each allocation or payment; 2. method and amounts allocated during base period and method and estimated amounts to be allocated during forecasted test period; 3. Explain how allocator for both base and forecasted test period was determined; and 4. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during base period is reasonable.	Rebekah E. Buck
9	42	807 KAR 5:001 Section 16(7)(v)	If gas, electric or water utility with annual gross revenues greater than $5,000,000, cost of service study based on methodology generally accepted in industry and based on current and reliable data from single time period.	Douglas J. Heitkamp
9	43	807 KAR 5:001 Section 16(7)(w)	Local exchange carriers with fewer than 50,000 access lines need not file cost of service studies, except as specifically directed by PSC. Local exchange carriers with more than 50,000 access lines shall file: 1. Jurisdictional separations study consistent with Part 36 of the FCC's rules and regulations; and 2. Service specific cost studies supporting pricing of services generating annual revenue greater than $1,000,000 except local exchange access: a. Based on current and reliable data from single time period; and b. Using generally recognized fully allocated, embedded, or incremental cost principles.	Not Applicable
9	44	807 KAR 5:001 Section 16(8)(a)	Jurisdictional financial summary for both base and forecasted periods detailing how utility derived amount of requested revenue increase.	Jefferson "Jay" P. Brown

9	45	807 KAR 5:001 Section 16(8)(b)	Jurisdictional rate base summary for both base and forecasted periods with supporting schedules which include detailed analyses of each component of the rate base.	Jefferson "Jay" P. Brown Douglas J. Heitkamp Claire C. Hudson Linda L. Miller Sharif S. Mitchell John R. Panizza
9	46	807 KAR 5:001 Section 16(8)(c)	Jurisdictional operating income summary for both base and forecasted periods with supporting schedules which provide breakdowns by major account group and by individual account.	Jefferson "Jay" P. Brown
9	47	807 KAR 5:001 Section 16(8)(d)	Summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors.	Jefferson "Jay" P. Brown Douglas J. Heitkmap Claire C. Hudson Sharif S. Mitchell Lindsay B. Philemon
9	48	807 KAR 5:001 Section 16(8)(e)	Jurisdictional federal and state income tax summary for both base and forecasted periods with all supporting schedules of the various components of jurisdictional income taxes.	John R. Panizza
9	49	807 KAR 5:001 Section 16(8)(f)	Summary schedules for both base and forecasted periods (utility may also provide summary segregating items it proposes to recover in rates) of organization membership dues; initiation fees; expenditures for country club; charitable contributions; marketing, sales, and advertising; professional services; civic and political activities; employee parties and outings; employee gifts; and rate cases.	Jefferson "Jay" P. Brown
9	50	807 KAR 5:001 Section 16(8)(g)	Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title.	Jefferson "Jay" P. Brown Shannon A. Caldwell
9	51	807 KAR 5:001 Section 16(8)(h)	Computation of gross revenue conversion factor for forecasted period.	Jefferson "Jay" P. Brown
9	52	807 KAR 5:001 Section 16(8)(i)	Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for 5 calendar years prior to application filing date, base period, forecasted period, and 2 calendar years beyond forecast period.	Claire C. Hudson Linda L. Miller
9	53	807 KAR 5:001 Section 16(8)(j)	Cost of capital summary for both base and forecasted periods with supporting schedules providing details on each component of the capital structure.	Thomas J. Heath, Jr.
9	54	807 KAR 5:001 Section 16(8)(k)	Comparative financial data and earnings measures for the 10 most recent calendar years, base period, and forecast period.	Thomas J. Heath, Jr. Claire C. Hudson Linda L. Miller Sharif S. Mitchell
9	55	807 KAR 5:001 Section 16(8)(l)	Narrative description and explanation of all proposed tariff changes.	Bruce L. Sailers
9	56	807 KAR 5:001 Section 16(8)(m)	Revenue summary for both base and forecasted periods with supporting schedules which provide detailed billing analyses for all customer classes.	Bruce L. Sailers
9	57	807 KAR 5:001 Section 16(8)(n)	Typical bill comparison under present and proposed rates for all customer classes.	Bruce L. Sailers
9	58	807 KAR 5:001 Section 16(9)	The commission shall notify the applicant of any deficiencies in the application within thirty (30) days of the application's submission. An application shall not be accepted for filing until the utility has cured all noted deficiencies.	Sarah E. Lawler

9	59	807 KAR 5:001 Section 16(10)	A request for a waiver from the requirements of this section shall include the specific reasons for the request. The commission shall grant the request upon good cause shown by the utility. In determining if good cause has been shown, the commission shall consider: 1. if other information that the utility would provide if the waiver is granted is sufficient to allow the commission to effectively and efficiently review the rate application; 2. if the information that is the subject of the waiver request is normally maintained by the utility or reasonably available to it from the information that it maintains; and 3. the expense to the utility in providing the information that is the subject of the waiver request.	Not Applicable
9	60	807 KAR 5:001 Section (17)(1)	(1) Public postings. (a) A utility shall post at its place of business a copy of the notice no later than the date the application is submitted to the commission. (b) A utility that maintains a Web site shall, within five (5) business days of the date the application is submitted to the commission, post on its Web sites: 1. A copy of the public notice; and 2. A hyperlink to the location on the commission's Web site where the case documents are available. (c) The information required in paragraphs (a) and (b) of this subsection shall not be removed until the commission issues a final decision on the application.	Amy B. Spiller
9	61	807 KAR 5:001 Section 17(2)	(2) Customer Notice. (a) If a utility has twenty (20) or fewer customers, the utility shall mail a written notice to each customer no later than the date on which the application is submitted to the commission. (b) If a utility has more than twenty (20) customers, it shall provide notice by: 1. Including notice with customer bills mailed no later than the date the application is submitted to the commission; 2. Mailing a written notice to each customer no later than the date the application is submitted to the commission; 3. Publishing notice once a week for three (3) consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made no later than the date the application is submitted to the commission; or 4. Publishing notice in a trade publication or newsletter delivered to all customers no later than the date the application is submitted to the commission. (c) A utility that provides service in more than one (1) county may use a combination of the notice methods listed in paragraph (b) of this subsection.	Amy B. Spiller

9	62	807 KAR 5:001 Section 17(3)	(3) Proof of Notice. A utility shall file with the commission no later than forty-five (45) days from the date the application was initially submitted to the commission: (a) If notice is mailed to its customers, an affidavit from an authorized representative of the utility verifying the contents of the notice, that notice was mailed to all customers, and the date of the mailing; (b) If notice is published in a newspaper of general circulation in the utility's service area, an affidavit from the publisher verifying the contents of the notice, that the notice was published, and the dates of the notice's publication; or (c) If notice is published in a trade publication or newsletter delivered to all customers, an affidavit from an authorized representative of the utility verifying the contents of the notice, the mailing of the trade publication or newsletter, that notice was included in the publication or newsletter, and the date of mailing.	Amy B. Spiller

9	63	807 KAR 5:001 Section 17(4)	(4) Notice Content. Each notice issued in accordance with this section shall contain: (a) The proposed effective date and the date the proposed rates are expected to be filed with the commission; (b) The present rates and proposed rates for each customer classification to which the proposed rates will apply; (c) The amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rates will apply; (d) The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply, except for local exchange companies, which shall include the effect upon the average bill for each customer classification for the proposed rate change in basic local service; (e) A statement that a person may examine this application at the offices of (utility name) located at (utility address); (f) A statement that a person may examine this application at the commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the commission's Web site at http://psc.ky.gov; (g) A statement that comments regarding the application may be submitted to the Public Service Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602; (h) A statement that the rates contained in this notice are the rates proposed by (utility name) but that the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice; (i) A statement that a person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602, establishing the grounds for the request including the status and interest of the party; and (j) A statement that if the commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the commission may take final action on the application.	Bruce L. Sailers
9	64	807 KAR 5:001 Section 17(5)	(5) Abbreviated form of notice. Upon written request, the commission may grant a utility permission to use an abbreviated form of published notice of the proposed rates, provided the notice includes a coupon that may be used to obtain all the required information.	Not Applicable

10	-	807 KAR 5:001 Section 16(8)(a) through (k)	Schedule Book (Schedules A-K)	Various
11	-	807 KAR 5:001 Section 16(8)(l) through (n)	Schedules L-N	Bruce L. Sailers
12	-	-	Workpapers	Various
13	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 1 of 3)	Various
14	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 2 of 3)	Various
15	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 3 of 3)	Various
16-17	-	KRS 278.2205(6)	Cost Allocation Manual	Rebekah E. Buck

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR KRS 278.180

KRS 278.180

Description of Filing Requirement:

Provide thirty (30) days' notice of rate change to Kentucky Public Service Commission.

Response:

See attached.

Sponsoring Witness:

Amy B. Spiller

DUKE ENERGY.

Amy B. Spiller
President
Duke Energy Kentucky

139 E. 4th Street
Room 1409-M
Cincinnati, OH 45202

513.287.4359
amy.spiller@duke-energy.com

VIA ELECTRONIC MAIL: PSCED@ky.gov

April 17, 2025

Ms. Linda Bridwell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

RECEIVED
APR 17 2025
PUBLIC SERVICE COMMISSION

RE: Case No. 2025-00125
The Electronic Application of Duke Energy Kentucky, Inc., for: 1) An Adjustment of the Natural Gas Rates; 2) Approval of New Tariffs; and 3) All Other Required Approvals, Waivers, and Relief.

Dear Ms. Bridwell:

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company) notifies the Commission that it will file a general natural rate case in at least thirty days, but no more than sixty days.[1] Duke Energy Kentucky will use a forward-looking test period for this case.

Duke Energy Kentucky is contemporaneously filing a Notice of Election for use of Electronic Filing Procedures for this proceeding. Please assign this matter a case number and style and advise us of the same so that it can be incorporated in the application and supporting testimony before filing with the Commission.

Duke Energy Kentucky is providing a copy of this notice to the Attorney General's Utility Intervention and Rate Division. We will work diligently with the Commission and our other stakeholders to seek a constructive resolution. Thank you for your consideration.

Sincerely,

Amy B. Spiller

cc: Hon. John G. Horne, II (via email: rateintervention@ag.ky.gov)

[1] Duke Energy Kentucky provides this notice pursuant to Commission regulation 807 KAR 5:001 Section 16(2).

Mailing Address
139 East Fourth Street
1303-Main
Cincinnati, Ohio 45202

o 513-287-4320
f 513-370-5720

Rocco.D'Ascenzo@duke-energy.com
Rocco O D'Ascenzo
Deputy General Counsel

VIA ELECTRONIC MAIL: PSCED@ky.gov

April 17, 2025

Ms. Linda Bridwell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

RE: Case No. 2025-00125
The Electronic Application of Duke Energy Kentucky, Inc., for: 1) An Adjustment of the Natural Gas Rates; 2) Approval of New Tariffs; and 3) All Other Required Approvals, Waivers, and Relief.

Dear Ms. Bridwell:

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company), pursuant to 807 KAR 5:001, Section 8, is requesting to use the electronic filing procedures set forth in that regulation. Duke Energy Kentucky intends to file on or after June 2, 2025, an Application for Authority to Adjust its Natural Gas Rates, Approval of New Tariffs, and for All Other Required Approvals, Waivers, and Relief. The Company would like to utilize the electronic filing procedures when filing documents in this case. As such, I have enclosed a completed *Notice of Election of Use of Electronic Filing Procedures* as required by the Commission.

Should you have any questions regarding the enclosed, please do not hesitate to contact me.

Sincerely,

/s/Rocco D'Ascenzo
Rocco O. D'Ascenzo, Esq.
Deputy General Counsel

Case No. 2025-00125

Notice of Election to Use Electronic Filing Procedures
Revised June 2014

NOTICE OF ELECTION OF USE OF ELECTRONIC FILING PROCEDURES
(Complete All Shaded Areas and Check Applicable Boxes)

In accordance with 807 KAR5:001, Section 8, Duke Energy Kentucky, Inc. gives notice of its intent to file an application for an adjustment of the Natural Gas Rates, etc.... with the Public Service Commission no later than June 2, 2024 and to use the electronic filing procedures set forth in that regulation.

Duke Energy Kentucky, Inc. further states that:

	Yes	No
1. It requests that the Public Service Commission assign a case number to the intended application and advise it of that number as soon as possible;	☒	☐
2. It or its authorized representatives have registered with the Public Service Commission and are authorized to make electronic filings with the Public Service Commission;	☒	☐
3. Neither it nor its authorized representatives have registered with the Public Service Commission for authorization to make electronic filings but will do so no later than seven days before the date of its filing of its application for rate adjustment;	☐	☒
4. It or its authorized agents possess the facilities to receive electronic transmissions;	☒	☐

5. The following persons are authorized to make filings on its behalf and to receive electronic service of Public Service Commission orders and any pleadings filed by any party or the Public Service Commission Staff:

Name	Electronic Mail Address
Rocco D'Ascenzo	rocco.d'ascenzo@duke-energy.com
Larisa M. Vaysman	larisa.vaysman@duke-energy.com
Elizabeth Brama	EBrama@taftlaw.com
Minna Sunderman	minna.sunderman@duke-energy.com
Tammy Meyer	tammy.meyer@duke-energy.com

6. It and its authorized representatives listed above have read and understand the procedures for electronic filing set forth in 807 KAR 5:001 and will fully comply with those procedures unless the Public Service Commission directs otherwise.	☒	☐

Signed */s/Rocco D'Ascenzo*

Name: Rocco O. D'Ascenzo
Title: Deputy General Counsel
Address: 139 East Fourth Street, 1303-Main
Cincinnati, Ohio 45202
Telephone Number: 513-287-4320

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 7(1)

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807 KAR 5:001, SECTION 7(1)

Description of Filing Requirement:

Unless the Commission orders otherwise or the electronic filing procedures established in Section 8 of this administrative regulation are used, if a paper is filed with the commission, an original unbound and ten (10) additional copies in paper medium shall be filed.

Response:

Duke Energy Kentucky elected, and was approved for, the use of electronic filing procedures in this matter. As such, in accordance with 807 KAR 5:001, Section 8(3) and the permanent deviation granted in Case No. 2020-00085,[1] the Company will retain the original filing in paper medium.

Witness Responsible:

Amy B. Spiller

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[1] *In the Matter of Electronic Emergency Docket Related to the Novel Coronavirus COVID-19*, Order, Case No. 2020-00085 (Ky. P.S.C. July 22, 2021).

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 12(2)(a) through (i)

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807 KAR 5:001, SECTIONS 12(2)(a) through 12(2)(i)

Description of Filing Requirements:

Section 12(2)(a)

- Amount and kinds of stock authorized.

Section 12(2)(b)

- Amount and kinds of stock issued and outstanding.

Section 12(2)(c)

- Terms of preference of preferred stock, cumulative or participating, or on dividends or assets or otherwise.

Section 12(2)(d)

- A brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee or trustee, amount of indebtedness authorized to be secured, and the amount of indebtedness actually secured, together with sinking fund provisions, if applicable.

Section 12(2)(e)

- The amount of bonds authorized and amount issued, giving the name of the public utility that issued the same, describing each class separately and giving the date of issue, face value, rate of interest, date of maturity, and how secured, together with amount of interest paid during the last fiscal year.

Section 12(2)(f)

- Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid during the last fiscal year.

Section 12(2)(g)

- Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of a portion of the indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid during the last fiscal year.

Section 12(2)(h)

- The rate and amount of dividends paid during the five (5) previous fiscal years, and the amount of capital stock on which dividends were paid each year.

Section 12(2)(i)

- A detailed Income Statement and Balance Sheet

Response:

See attached.

Sponsoring Witness:

Thomas J. Heath, Jr. – Sections 12(2)(a)-(h)
Linda L. Miller – Section 12(2)(i)

FINANCIAL EXHIBIT

(1) Section 12(2)(a) Amount and kinds of stock authorized.

1,000,000 shares of Capital Stock $15 par value amounting to $15,000,000 par value.

(2) Section 12(2)(b) Amount and kinds of stock issued and outstanding.

585,333 shares of Capital Stock $15 par value amounting to $8,779,995 total par value. Total Capital Stock and Additional Paid-in Capital as of March 31, 2025:

Capital Stock and Additional Paid-in Capital
As of March 31, 2025
($ per 1,000)

Capital Stock	$8,780
Premiums thereon	18,839
Total Capital Contributions from Parent (since 2006)	353,150
Contribution from Parent Company for Purchase of Generation Assets	140,061
Total Capital Stock and Additional Paid-in-Capital	$520,830

(3) Section 12(2)(c) Terms of preference or preferred stock, cumulative or participating, or on dividends or assets or otherwise.

There is no preferred stock authorized, issued or outstanding.

(4) Section 12(2)(d) Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name or mortgagee, or trustee, amount of indebtedness authorized to be secured, and the amount of indebtedness actually secured, together with any sinking fund provision.

Duke Energy Kentucky does not have any liabilities secured by a mortgage.

(5) **Section 12(2)(e) Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving the date of issue, face value, rate of interest, date of maturity and how secured, together with the amount of interest paid thereon during the last fiscal year.**

The Company has 16 outstanding issues of unsecured senior debentures issued under an Indenture dated December 1, 2004, between itself and Deutsche Bank Trust Company Americas, as Trustee, as supplemented by eight Supplemental Indentures. The Indenture allows the Company to issue debt securities in an unlimited amount from time to time. The Debentures issued and outstanding under the Indenture are the following:

Supplemental Indenture	Date of Issue	Principal Amount Authorized and Issued	Principal Amount Outstanding	Rate of Interest	Date of Maturity	Interest Paid Year 2024
1st Supplemental	3/7/2006	$65,000,000	$65,000,000	6.200%	3/10/2036	$4,030,000
3rd Supplemental	1/5/2016	45,000,000	45,000,000	3.420%	1/15/2026	1,539,000
3rd Supplemental	1/5/2026	50,000,000	50,000,000	4.450%	1/15/2046	2,225,000
4th Supplemental	9/7/2027	30,000,000	30,000,000	3.350%	9/15/2029	1,005,000
4th Supplemental	9/7/2017	30,000,000	30,000,000	4.110%	9/15/2047	1,233,000
4th Supplemental	9/7/2017	30,000,000	30,000,000	4.260%	9/15/2057	1,278,000
5th Supplemental	10/3/2018	40,000,000	40,000,000	4.180%	10/15/2028	1,672,000
5th Supplemental	12/12/2018	35,000,000	35,000,000	4.620%	12/15/2048	1,617,000
6th Supplemental	7/17/2019	40,000,000	40,000,000	4.320%	7/15/2049	1,728,000
7th Supplemental	9/26/2019	95,000,000	95,000,000	3.230%	10/01/2025	3,068,500
7th Supplemental	9/26/2019	75,000,000	75,000,000	3.560%	10/01/2029	2,670,000
8th Supplemental	9/15/2020	35,000,000	35,000,000	2.650%	9/15/2030	927,500
8th Supplemental	9/15/2020	35,000,000	35,000,000	3.660%	9/15/2050	1,281,000
9th Supplemental	6/28/2024	80,000,000	80,000,000	5.900%	7/15/2031	2,360,000
9th Supplemental	6/28/2024	95,000,000	95,000,000	6.000%	7/15/2034	2,850,000
9th Supplemental	6/28/2024	50,000,000	50,000,000	6.170%	7/15/2039	1,542,500
			$830,000,000			$31,026,500

(6) **Section 12(2)(f) Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.**

Not applicable.

(7) **Section 12(2)(g) Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.**

The Company has two series of Pollution Control Revenue Refunding Bonds issued under a Trust Indenture dated as of August 1, 2006 and a Trust Indenture dated as of December 1, 2008, between the County of Boone, Kentucky and Deutsche Bank National Trust Company as Trustee. The Company's obligation to make payments equal to debt service on the Bonds is evidenced by a Loan Agreement dated as of August 1, 2006 and December 1, 2008 between the County of Boone, Kentucky and Duke Energy Kentucky. The Bonds issued under the Indentures are below. On November 1, 2021, the Company bought in the Series 2008A bond, and remarketed the bond in June 2022.

Indenture	Date of Issue	Principal Amount Authorized and Issued	Principal Amount Outstanding	Rate of Interest	Date of Maturity	Interest Paid Year 2024
Series 2010	2/1/2012	$26,720,000	$26,720,000	3.86% [1]	8/1/2027	$1,031,392
Series 2008A	6/27/2022	$50,000,000	50,000,000	3.70%	8/1/2027	1,850,000
			$76,720,000			$2,881,392

[1] The bonds were issued at a variable-rate and were swapped to a fixed rate of 3.86% for the life of the debt.

The Company has no outstanding financing leases as of March 31, 2025.

The Company also has $25,000,000 of money pool borrowings outstanding as of March 31, 2025, $25,000,000 of which is classified as Long-Term Debt payable to affiliated companies. This obligation, which is short-term by nature, is classified as long-term due to Duke Energy Kentucky's intent and ability to utilize such borrowings as long-term financing.

(8) Section 12(2)(h) Rate and amount of dividends paid during the last five (5) previous fiscal years, and the amount of capital stock on which dividends were paid each year.

DIVIDENDS PER SHARE

Year Ending	Per Share	Total	No. of Shares	Par Value of Stock
December 31, 2020	$0	$0	585,333	$8,779,995
December 31, 2021	$0	$0	585,333	$8,779,995
December 31, 2022	$0	$0	585,333	$8,779,995
December 31, 2023	$0	$0	585,333	$8,779,995
December 31, 2024	$239.18	$140,000,000	585,333	$8,779,995

(9) Section 12(2)(i) A detailed Income Statement and Balance Sheet.

FINANCIAL STATEMENTS

DUKE ENERGY KENTUCKY, INC.
Condensed Statements of Operations
(Unaudited)

(in millions)	Three Months Ended March 31, 2025	2024
Operating Revenues		
Electric	$ 131.5	$ 124.2
Natural gas	77.1	57.9
Total operating revenues	208.6	182.1
Operating Expenses		
Fuel used in electric generation and purchased power	50.6	38.9
Cost of natural gas	34.5	23.7
Operation, maintenance and other	41.2	40.4
Depreciation and amortization	27.3	28.4
Property and other taxes	6.0	5.3
Total operating expenses	159.6	136.7
Gains on Sales of Other Assets and Other, net	0.1	0.1
Operating Income	49.1	45.5
Other Income and Expenses, net	1.9	2.1
Interest Expense	10.3	7.4
Income Before Income Taxes	40.7	40.2
Income Tax Expense	8.3	8.0
Net Income	$ 32.4	$ 32.2

FINANCIAL STATEMENTS

DUKE ENERGY KENTUCKY, INC.
Condensed Balance Sheets
(Unaudited)

(in millions, except share amounts)	March 31, 2025	December 31, 2024
ASSETS		
Current Assets		
Cash and cash equivalents	$ 3.5	$ 4.7
Receivables (net of allowance for doubtful accounts of $3.6 at 2025 and $3.5 at 2024)	92.3	88.0
Receivables from affiliated companies	1.4	0.1
Notes receivable from affiliated companies	29.8	29.6
Inventory	54.2	58.1
Regulatory assets	14.8	19.3
Other	7.3	8.8
Total current assets	203.3	208.6
Property, Plant and Equipment		
Cost	3,611.2	3,574.9
Accumulated depreciation and amortization	(1,200.8)	(1,179.3)
Net property, plant and equipment	2,410.4	2,395.6
Other Noncurrent Assets		
Regulatory assets	110.3	110.3
Operating lease right-of-use assets, net	3.9	4.0
Other	21.4	20.4
Total other noncurrent assets	135.6	134.7
Total Assets	$ 2,749.3	$ 2,738.9
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	$ 31.9	$ 60.3
Accounts payable to affiliated companies	25.4	17.4
Taxes accrued	36.0	31.7
Interest accrued	9.5	14.5
Current maturities of long-term debt	139.9	94.9
Asset retirement obligations	7.1	7.6
Regulatory liabilities	16.3	12.1
Other	14.1	14.4
Total current liabilities	280.2	252.9
Long-Term Debt	764.1	809.0
Long-Term Debt Payable to Affiliated Companies	25.0	25.0
Other Noncurrent Liabilities		
Deferred income taxes	311.1	312.9
Asset retirement obligations	79.9	79.5
Regulatory liabilities	94.2	96.7
Operating lease liabilities	3.8	3.8
Accrued pension and other post-retirement benefit costs	28.2	27.8
Other	22.9	23.8
Total other noncurrent liabilities	540.1	544.5
Commitments and Contingencies		
Equity		
Common stock, $15.00 par value, 1,000,000 shares authorized and 586,333 shares outstanding	8.8	8.8
Additional paid-in capital	493.2	493.2
Retained earnings	637.9	605.5
Total equity	1,139.9	1,107.5
Total Liabilities and Equity	$ 2,749.3	$ 2,738.9

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 14(1)

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807 KAR 5:001, SECTION 14(1)

Description of Filing Requirement:

Each application shall state the full name, mailing address, and electronic mail address of the applicant, and shall contain fully the facts on which the application is based, with a request for the order, authorization, permission, or certificate desired and a reference to the particular law requiring or providing for the information.

Response:

See application submitted in this proceeding.

Sponsoring Witness:

Amy B. Spiller

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 14(2)

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807 KAR 5:001, SECTION 14(2)

Description of Filing Requirement:

If a corporation, the applicant shall identify in the application the state in which it is incorporated and the date of its incorporation, attest that it is currently in good standing in the state in which it is incorporated, and, if it is not a Kentucky corporation, state if it is authorized to transact business in Kentucky.

Response:

See attached.

Sponsoring Witness:

Amy B. Spiller

Commonwealth of Kentucky
Michael G. Adams, Secretary of State

Michael G. Adams
Secretary of State
P. O. Box 718
Frankfort, KY 40602-0718
(502) 564-3490
http://www.sos.ky.gov

Certificate of Existence

Authentication number: 335641
Visit https://web.sos.ky.gov/ftshow/certvalidate.aspx to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

DUKE ENERGY KENTUCKY, INC.

DUKE ENERGY KENTUCKY, INC. is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 271B, whose date of incorporation is March 20, 1901 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 28th day of May, 2025, in the 233rd year of the Commonwealth.

Michael G. Adams
Secretary of State
Commonwealth of Kentucky
335641/0052929

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 14(3)

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807 KAR 5:001, SECTION 14(3)

Description of Filing Requirement:

If a limited liability company, the applicant shall identify in the application the state in which it is organized and the date on which it was organized, attest that it is in good standing in the state in which it is organized, and, if it is not a Kentucky limited liability company, state if it is authorized to transact business in Kentucky.

Response:

Duke Energy Kentucky is a corporation; therefore, this requirement does not apply.

Sponsoring Witness:

Amy B. Spiller

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 14(4)

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807 KAR 5:001, SECTION 14(4)

Description of Filing Requirement:

If the applicant is a limited partnership, a certified copy of its limited partnership agreement and all amendments, if any, shall be annexed to the application, or a written statement attesting that its partnership agreement and all amendments have been filed with the commission in a prior proceeding and referencing the case number of the prior proceeding.

Response:

Duke Energy Kentucky is a corporation; therefore, this requirement does not apply.

Sponsoring Witness:

Amy B. Spiller

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(1)(b)(1)

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807 KAR 5:001, SECTION 16(1)(b)(1)

Description of Filing Requirement:

Statement of the reason the adjustment is required.

Response:

1) Duke Energy Kentucky's current base rates reflect its cost of service as prepared in 2021. At current rates, the Company's calculated rate of return on rate base for the test period is 4.46% which is not sufficient to enable the Company to furnish safe, efficient and reliable service and to have the opportunity to earn a fair rate of return on its investments.
2) Duke Energy Kentucky needs to adjust its current cost of service to reflect its increased capital investments and associated depreciation and property taxes of its natural gas operations that have changed since its 2021 case.
    a. The thirteen-month average of gross plant in this forecasted test period for this case is $925 million, as compared to $772 million included in the 2021 rate case. The return on this increased investment and the associated increased depreciation and property taxes are the drivers of the need for new rates.

Please refer to the direct testimony of Duke Energy Kentucky witnesses Amy B. Spiller and Sarah E. Lawler.

Sponsoring Witness:

Amy B. Spiller
Sarah E. Lawler

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(1)(b)(2)

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807 KAR 5:001, SECTION 16(1)(b)(2)

Description of Filing Requirement:

A certified copy of a certificate of assumed name as required by KRS 365.015 or a statement that a certificate is not necessary.

Response:

Duke Energy Kentucky transacts business using the following assumed name: Duke Energy.

A certified copy of the Company's certificate of assumed name is attached.

Sponsoring Witness:

Amy B. Spiller

COMMONWEALTH OF KENTUCKY

Michael G. Adams
Secretary of State

Certificate

I, Michael G. Adams, Secretary of State for the Commonwealth of Kentucky, do hereby certify that the foregoing writing has been carefully compared by me with the original thereof, now in my official custody as Secretary of State and remaining on file in my office, and found to be a true and correct copy of

RENEWAL CERTIFICATE OF ASSUMED NAME OF

DUKE ENERGY ADOPTED BY DUKE ENERGY KENTUCKY, INC. FILED FEBRUARY 10 2021.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 29th day of May, 2025.

COMMONWEALTH OF KENTUCKY
OFFICE OF SECRETARY OF STATE

Michael G. Adams
Secretary of State
Commonwealth of Kentucky
aburlingame/0052929 - Certificate ID: 335724

C227
0052929.04
Michael G. Adams
KY Secretary of State
Received and Filed
2/10/2021 2:15:11 PM
Fee receipt: $20.00

Commonwealth of Kentucky
Michael G. Adams, Secretary of St

Michael G. Adams
Secretary of State
P. O. Box 718
Frankfort, KY 40602-0718
(502) 564-3490
http://www.sos.ky.gov

Renewal Certificate of Assumed Name

REN

This certifies that the assumed name of

DUKE ENERGY

is hereby renewed by

DUKE ENERGY KENTUCKY, INC.

a business entity organized and existing in the state of Kentucky.

Signatures

Signature	Kenna C. Jordan
Title	Assistant Corporate Secretary
Date	2/10/2021 2:15:11 PM

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(1)(b)(3)

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807 KAR 5:001, SECTION 16(1)(b)(3)

Description of Filing Requirement:

New or revised tariff sheets, if applicable in a format that complies with 807 KAR 5:011 with an effective date not less than thirty (30) days from the date the application is filed.

Response:

The proposed tariffs are at Schedule L-1.

Sponsoring Witness:

Bruce L. Sailers

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(1)(b)(4)

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807 KAR 5:001, SECTION 16(1)(b)(4)

Description of Filing Requirement:

New or revised tariff sheets, if applicable, identified in compliance with 807 KAR 5:011, shown either by providing:

a. The present and proposed tariffs in comparative form on the same sheet side by side or on facing sheets side by side; or

b. A copy of the present tariff indicating proposed additions by italicized inserts or underscoring and striking over proposed deletions.

Response:

See Schedules L-2.1 and L-2.2.

Sponsoring Witness:

Bruce L. Sailers

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(1)(b)(5)

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807 KAR 5:001, SECTION 16(1)(b)(5)

Description of Filing Requirement:

A statement that notice has been given in compliance with Section 17 of this administrative regulation with a copy of the notice.

Response:

See attached.

Sponsoring Witness:

Amy B. Spiller

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF DUKE ENERGY KENTUCKY, INC., FOR: 1) AN ADJUSTMENT OF THE NATURAL GAS RATES; 2) APPROVAL OF NEW TARIFFS; AND 3) ALL OTHER REQUIRED APPROVALS, WAIVERS, AND RELIEF.	))))))	CASE NO. 2025-00125

CERTIFICATE OF NOTICE

Pursuant to the Kentucky Public Service Commission's Regulation 807 KAR 5:001, Section 16(1)(b)(5), I hereby certify that I am Amy B. Spiller, President of Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), a utility furnishing retail electric and natural gas service within the Commonwealth of Kentucky, which, on the 2nd day of June 2025, filed an application with the Kentucky Public Service Commission for the approval of an adjustment of the natural gas rates, terms, conditions, and tariffs of Duke Energy Kentucky and that notice to the public of the issuing of the same is being given in all respects as required by 807 KAR 5:001, Section 17 and 807 KAR 5:001, Sections 8(2)(c) and 9(2), as follows:

On the 2nd day of June 2025, the notice to the public was delivered for exhibition and public inspection at 1262 Cox Road, Erlanger, Kentucky 41018 and the same will be kept open to public inspection at said office in conformity with the requirements of 807 KAR 5:001, Section 17(1)(a) and 807 KAR 5:011, Section 8(1)(a).

I further certify that more than twenty (20) customers will be affected by said change by way of an increase in their rates or charges and that on the 13th day of May 2025, there was delivered to the Kentucky Press Association, an agency that acts on

behalf of newspapers of general circulation throughout the Commonwealth of Kentucky in which customers affected reside, for publication therein once a week for three consecutive weeks beginning on or before June 2, 2025, a notice of the filing of Duke Energy Kentucky's application, including its proposed rates, a copy of said notice being attached hereto as Exhibit A, and a list of newspapers of general circulation throughout the Commonwealth of Kentucky in which customers affected reside, a copy of said list being attached hereto as Exhibit B. A certificate of publication of said notice will be furnished to the Kentucky Public Service Commission upon completion of same pursuant to 807 KAR 5:001, Section 17(3)(b).

Also beginning on June 2, 2025, Duke Energy Kentucky posted on its website a complete copy of the Company's notice and a hyperlink to the location on the Kentucky Public Service Commission's website where the case documents and tariff filings are available.

Given under my hand this 2nd day of June 2025.

Amy B. Spiller
President, Duke Energy Kentucky, Inc.
139 E. 4th Street
Cincinnati, Ohio 45202

Subscribed and sworn to before me, a Notary Public, in and before said County and State, this 2nd day of June 2025.

Notary Public

My Commission expires: July 8, 2027

EMILIE SUNDERMAN
Notary Public
State of Ohio
My Comm. Expires
July 8, 2027

NOTICE

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company) hereby gives notice that, in an application to be filed no sooner than June 2, 2025, Duke Energy Kentucky will be seeking approval by the Public Service Commission, Frankfort, Kentucky, of an adjustment of natural gas rates and charges proposed to become effective on and after July 2, 2025. The Commission has docketed this proceeding as Case No. 2025-00125.

The proposed gas rates are applicable to the Company's service area including the following communities:

Alexandria	Elsmere	Ludlow
Bellevue	Erlanger	Melbourne
Boone County	Fairview	Newport
Bracken County	Falmouth	Park Hills
Bromley	Florence	Pendleton County
Butler	Fort Mitchell	Ryland Heights
Campbell County	Fort Thomas	Silver Grove
Cold Spring	Fort Wright	Southgate
Covington	Gallatin County	Taylor Mill
Crescent Park	Glencoe	Union
Crescent Springs	Grant County	Villa Hills
Crestview	Highland Heights	Visalia
Crestview Hills	Independence	Walton
Crittenden	Kenton County	Warsaw
Dayton	Kenton Vale	Wilder
Dry Ridge	Lakeside Park	Woodlawn
Edgewood	Latonia Lakes	Williamstown

DUKE ENERGY KENTUCKY CURRENT AND PROPOSED NATURAL GAS RATES & SIGNIFICANT TEXT CHANGES

Index to Applicable Gas Tariff Schedules and Communities Served (Gas Tariff Sheet No. 10)

Current Description of Sheet No. 82:
Local Franchise Fee.

Proposed Description of Sheet No. 82:
Local Government Fee.

Residential Service – Rate RS (Gas Tariff Sheet No. 30)

	Current Rate	Proposed Rate
Customer Charge per month	$17.50	$21.00
Base Rate for all Ccf	$0.52474	$0.73613
GCA* for all Ccf	$0.82800	$0.82800
Total Rate (Base Rate + GCA) for all Ccf	$1.35274	$1.56413

*The proposed rates do not include the regular and quarterly adjustments to the gas cost adjustment (GCA) mechanism and final rates could vary based upon this mechanism and final orders by the Commission.

General Service – Rate GS
(Gas Tariff Sheet No. 31)

	Current Rate	Proposed Rate
Customer Charge per month	$58.00	$65.00
Base Rate for all Ccf	$0.37443	$0.59280
GCA* for all Ccf	$0.82800	$0.82800
Total Rate (Base Rate + GCA) for all Ccf	$1.20243	$1.42080

*The proposed rates do not include the regular and quarterly adjustments to the gas cost adjustment (GCA) mechanism and final rates could vary based upon this mechanism and final orders by the Commission.

Full Requirements Aggregation Service – Rate FRAS
(Gas Tariff Sheet No. 44)

Current Operation Flow Orders (OFO):

Under-deliveries

(1) the payment of a gas cost equal to the highest incremental cost paid by Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate;
(2) one month's demand charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any calendar month; and
(3) the payment of all other charges incurred by Company including but not limited to pipeline penalty charges on the date of the OFO shortfall.

Over-deliveries

(1) Over-deliveries will be cashed out to the Supplier at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and
(2) Company shall bill and Supplier shall pay any charges incurred by Company including but not limited to pipeline penalty charges from the interstate pipelines for such excess deliveries, provided such penalties can be attributed to Supplier's over-deliveries.

Proposed Operation Flow Orders (OFO):

Under-deliveries

(1) Supplier will be subject to a daily charge based on the per Dekatherm difference between the scheduled quantity and the actual deliveries multiplied by $15/DTH; plus
(2) the higher of Platts' Gas Daily Daily Columbia Gulf, Mainline + TCO FTS fuel and transportation commodity variables or Platts' Gas Daily Daily Tennessee, 800 Leg + TCO FTS fuel and transportation commodity variables; multiplied by the per Dekatherm difference between the scheduled quantity and the actual deliveries;
(3) one month's demand charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any calendar month; and
(4) the payment of all other charges incurred by Company including but not limited to pipeline penalty charges on the date of the OFO shortfall.

Over-deliveries

(1) Over-deliveries will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier; and
(2) An OFO over-delivery charge of $15 per DTH will be charged for unauthorized over-delivery resulting from the pool operator's failure to comply with the OFO; and
(3) Company shall bill and Supplier shall pay any charges incurred by Company including but not limited to pipeline penalty charges from the interstate pipelines for such excess deliveries, provided such penalties can be attributed to Supplier's over-deliveries.

Interruptible Transportation Service – Rate IT
(Gas Tariff Sheet No. 50)

	Current Rate	Proposed Rate
Customer Charge per month	$430.00	$430.00
Base Rate for all Ccf	$0.11300	$0.11878

Current Charges for Unauthorized Deliveries:

Any customer taking unauthorized deliveries shall be billed: (1) an amount reflective of the general service delivery rate, Rate GS, Sheet No. 31; plus (2) the higher of (a) the expected gas cost component of the gas cost recovery rate, (b) the Company's highest cost gas plus one month's demand charges on the highest daily unauthorized volume (this charge shall not be imposed more frequently than once in any calendar month), or (c) the cost of operating the Company's propane peak shaving plant. In any event, customer shall reimburse the Company for any interstate pipeline penalty charges resulting from such unauthorized deliveries as well as the cost incurred to valve-off the customer's service if so required to effectuate compliance with the interruptible provisions of this rate.

Proposed Charges for Unauthorized Deliveries:

Any customer taking unauthorized deliveries shall be billed: (1) an amount reflective of the general service delivery rate, Rate GS, Sheet No. 31; plus (2) the higher of (a) the expected gas cost component of the gas cost recovery rate, or (b) the Company's highest cost gas plus one month's demand charges on the highest daily unauthorized volume (this charge shall not be imposed more frequently than once in any calendar month). In any event, customer shall reimburse the Company for any interstate pipeline penalty charges resulting from such unauthorized deliveries as well as the cost incurred to valve-off the customer's service if so required to effectuate compliance with the interruptible provisions of this rate.

Firm Transportation Service – Rate FT-L
(Gas Tariff Sheet No. 51)

	Current Rate	Proposed Rate
Customer Charge per month	$430.00	$430.00
Base Rate for all Ccf	$0.21976	$0.22770

Aggregation Service for Interruptible Gas Transportation – Rate AS
(Gas Tariff Sheet No. 55)

Current Rate:

Pooling service available to (1) customers receiving interruptible gas transportation service under Rate IT and special contract interruptible customers who are acting as their own pool operator for supply management purposes, and (2) pool operators designated by Rate IT and special contract interruptible customers to manage gas supplies on their behalf and as a part of an aggregated customer pool. For purposes of administering this tariff, the usages of all customers within a pool will be combined into a single pool usage number, which will be matched against the pool operator's total deliveries to its Rate IT and special contract interruptible transportation pool.

Proposed Rate:

There are no proposed changes to this rate.

Gas Trading Service – Rate GTS
(Gas Tariff Sheet No. 57)

	Current Rate	Proposed Rate
Per Transaction	$5.00	No proposed changes

Interruptible Monthly Balancing Service – Rate IMBS
(Gas Tariff Sheet No. 58)

	Current Rate	Proposed Rate
All Pools per Mcf	$0.1366	$0.3915

Current Net Monthly Bill – Operational Flow Orders:

(a) Over-deliveries
  (i) Over-deliveries will be cashed out to the pool operator at the lowest cost of gas available to Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate; and
  (ii) Company shall bill and Supplier shall pay any charges incurred by Company including but not limited to pipeline penalty charges from the interstate pipelines for such excess deliveries, provided such penalties can be attributed to Supplier's over-deliveries.

(b) Under-deliveries
  (i) the payment of a gas cost equal to the highest incremental cost paid by Company on the date of non-compliance, plus transportation and fuel charges to the Company's city gate;
  (ii) one month's demand charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any calendar month; and
  (iii) the payment of all other charges incurred by Company including but not limited to pipeline penalty charges on the date of the OFO shortfall.

Proposed Net Monthly Bill – Operational Flow Orders:

(a) Over-deliveries
  (i) Over-deliveries will be confiscated by the Company and used for its general supply requirements, without compensation to Supplier, and
  (ii) Company shall bill and Supplier shall pay any charges incurred by Company including but not limited to pipeline penalty charges from the interstate pipelines for such excess deliveries, provided such penalties can be attributed to Supplier's over-deliveries; and
  (iii) An OFO over-delivery charge of $15 per dth will be charged for unauthorized over-delivery resulting from the pool operator's failure to comply with the OFO.

(b) Under-deliveries
  (i) Supplier will be subject to a daily charge based on the per Dekatherm difference between the scheduled quantity and the actual deliveries multiplied by $15/DTH; plus
  (ii) The higher of Platts' Gas Daily Daily Columbia Gulf, Mainline + TCO FTS fuel and transportation commodity variables or Platts' Gas Daily Daily Tennessee, 800 Leg + TCO FTS fuel and transportation commodity variables; multiplied by the per Dekatherm difference between the scheduled quantity and the actual deliveries;
  (iii) one month's demand charges on the OFO shortfall. This charge shall not be imposed more frequently than once in any calendar month; and
  (iv) the payment of all other charges incurred by Company including but not limited to pipeline penalty charges on the date of the OFO shortfall.

Distributed Generation Service – Rate DGS
(Gas Tariff Sheet No. 59)

	Current Rate	Proposed Rate
Administration Charge	$25.00	No Proposed
Minimum Capacity Reservation Charge	$2.00	Rate
Facilities Charge	Per Service Agreement	Changes to
Delivery Charge	Per Applicable Service Tariff	this Rider

Main Extension Policy – Rider X
(Gas Tariff Sheet No. 60)

Current Rate:
Normal Extensions. An extension of one hundred (100) feet or less shall be made by the Company to an existing distribution main without charge for a prospective customer who shall apply for and contract to use service for one year or more.

Proposed Rate:
There are no proposed rate changes to this rider.

Demand Side Management Cost Recovery Rider – Rider DSM
(Gas Tariff Sheet No. 61)

	Current Rate	Proposed Rate
DSM Charge	PC + LR + PI + BA	No Proposed Rate Changes to this Rider

PC = DSM Program Cost Recovery
LR = Lost Revenue from Decreased Throughput Recovery
PI = DSM Program Incentive Recovery
BA = DSM Balance Adjustment

Demand Side Management Rate – Rider DSMR
(Gas Tariff Sheet No. 62)

	Current Rate	Proposed Rate
DSMR per Ccf	$0.001249	No Proposed Rate
Home Energy Assistance Program per bill	$0.30	Changes to this Rider

Weather Normalization Adjustment Rider – Rider WNA
(Gas Tariff Sheet No. 65)

	Current Factors	Proposed Factors
Base Load for RS	1.047887	0.986070
Heat Sensitivity Factor for RS	0.015467	0.014698
Base Load for GS	9.159645	11.921161
Heat Sensitivity Factor for GS	0.096462	0.100621

Pipeline Modernization Mechanism – Rider PMM
(Gas Tariff Sheet No. 66)

PMM Surcharge or Credit per Ccf

	Current Rate	Proposed Rate
Residential (Rate RS)	$0.12 / Ccf	No Proposed Rate
General Service (Rate GS)	$0.03 / Ccf	Changes to
Firm Transportation – Large (Rate FT-L)	$0.00102 / Ccf	this
Interruptible Transportation (Rate IT)	$0.00115 / Ccf	Rider

Current Rate:
Customers shall be assessed a surcharge or credit to enable the Company to recover costs associated with compliance with regulations promulgated by the U.S. Department of Transportation Pipeline and Hazardous Materials Administration, as approved by the Kentucky Public Service Commission. The Rider includes a true-up provision based on a two-year lag. The monthly billing amount calculated for each rate schedule for which this rider is eligible shall increase or decrease as shown below. This Rider shall initially be limited to the Company's AM07 Project, which is subject to approval of a certificate of public convenience and necessity by the Kentucky Public

Service Commission. This Rider will not reflect costs for other pipeline projects unless approved by the Kentucky Public Service Commission.

Proposed Rate:
Customers shall be assessed a surcharge or credit to enable the Company to recover costs associated with compliance with regulations and guidance, including but not limited to safety advisory bulletins, promulgated by the U.S. Department of Transportation Pipeline and Hazardous Materials Administration, as approved by the Kentucky Public Service Commission. The Rider includes a true-up provision based on a two-year lag. The monthly billing amount calculated for each rate schedule for which this rider is eligible shall increase or decrease as shown below. This Rider has been approved to recover costs for the Company's AM07 Project, which is subject to approval of a certificate of public convenience and necessity by the Kentucky Public Service Commission and for the replacement of Aldyl-A polyethylene pipe within the Company's distribution system. This Rider will not reflect costs for other pipeline projects unless approved by the Kentucky Public Service Commission.

Gas Cost Adjustment Clause – Rider GCA
(Gas Tariff Sheet No. 70)

	Current Rate	Proposed Rate
GCA Rate	EGC + RA + AA + BA	No Proposed Rate Changes to this Rider

EGC = Expected Gas Cost
RA = Refund Adjustment
AA = Actual Adjustment
BA = Balance Adjustment

Gas Cost Adjustment Transition Rider – Rider GCAT
(Gas Tariff Sheet No. 77)

	Current Rate	Proposed Rate
Charge (Credit) per Ccf	$0.0037	No Proposed Rate Changes to this Rider

Bad Check Charge
(Gas Tariff Sheet No. 80)

	Current Rate	Proposed Rate
Bad Check Charge	$5.00	No Proposed Rate Changes to this Rider

Charge for Reconnection of Service
(Gas Tariff Sheet No. 81)

	Current Rate	Proposed Rate
Reconnect charge for service which has been disconnected due to enforcement of Rule 3	$90.00	$110.00
Reconnect charge for service which has been disconnected within the preceding twelve months at the request of the customer	$90.00	$110.00
If service is discontinued because of fraudulent use	$90.00 plus estimated gas used and expenses incurred by the Company	$110.00 plus estimated gas used and expenses incurred by the Company

Current Section D:
For eligible customers who desire to disconnect on a seasonal basis the company will utilize a soft close process in which the meter will be read remotely and billing will be discontinued until the customer uses more than 40 Ccf for residential customers, 100 Ccf for non-residential customers or October 15th, whichever comes first. The soft-close

process will be discontinued for a residential customer who uses more than 20 Ccf prior to July 15th or a non-residential customer who uses more than 50 Ccf prior to July 15th. Since the meter will not be physically disconnected or reconnected, there will be no reconnection fee for this service. Gas only customers are not eligible for the soft close process.

Proposed Section D:
The Company proposes to delete this section.

Local Government Fee
(Gas Tariff Sheet No. 82)

Current Rate:
The amount of such fee added to the customer's bill shall be determined in accordance with the terms of the ordinance, franchise or other directive agreed to be the Company.

Proposed Rate:
The amount of such fee added to the customer's bill shall be determined in accordance with the terms of the ordinance, franchise or other directive agreed to by the Company.

Curtailment Plan for Management of Available Gas Supplies
(Gas Tariff Sheet No. 83)

Current Curtailment Plan:
AVAILABILITY
Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

APPLICABILITY
In the event of an emergency which necessitates curtailment of gas service, Duke Energy Kentucky, Inc. shall curtail gas service to its customers in the manner set forth herein, except where the Public Service Commission of Kentucky (Commission) or other authority having jurisdiction in the matter orders otherwise.

DEFINITIONS
Special Gas Service Contract Customers:
A customer who purchases gas, off-peak and firm, under a Special Gas Service Contract. Such a customer shall not qualify as a Domestic or Non-Domestic Customer.
Domestic Customers:
Customers which use gas in private homes, boarding houses, apartment houses, hotels, motels, restaurants, food processors, hospitals and places of like kind where the element of human welfare is the predominating requirement.
Non-Domestic Customers:
All other customers not defined as Domestic Customers or Special Gas Service Contract Customers.
Winter Period:
The consecutive customer billing months of November and December, of one year and the months of January, February and March in the next year.
Summer Period:
The consecutive customer billing months of April, May, June, July, August, September and October.
Winter Base Volumetric Limitation:
A Non-Domestic Customer's total gas usage during the billing months of January, February, March, November and December of 1972.
Summer Base Volumetric Limitation:
A Non-Domestic Customer's total gas usage during the billing months of April, May, June, July, August, September and October of 1972.
Adjusted Winter Volumetric Limitation:
A Non-Domestic Customer's winter base volumetric limitation for the gas usage during a winter period as adjusted from time to time by Duke Energy Kentucky, Inc. to reflect pro rata curtailment.

Adjusted Summer Volumetric Limitation:
A Non-Domestic Customer's summer base volumetric limitation for the gas usage during the summer period as adjusted from time to time by Duke Energy Kentucky, Inc. to reflect pro rata curtailment.

ORDER OF CURTAILMENT

(1) The Special Gas Service Contract Customer will be curtailed to the extent of its off-peak usage limitation noted in the customer's contract whenever:

(a) Duke Energy Kentucky, Inc. cannot supply the Special Gas Service Contract customer its full requirements in excess of such customer's Contract Demand without incurring penalties under tariffs of Duke Energy Kentucky, Inc.'s supplier, or without having to purchase additional volumes of gas at premium rates, or without Duke Energy Kentucky, Inc. operating its peak load manufacturing facilities.

(b) Duke Energy Kentucky, Inc.'s supplier curtails delivery and as a result Duke Energy Kentucky, Inc. determines that it cannot supply the total requirements of its customers.

The off-peak gas of the Special Gas Service Contract Customer shall be fully curtailed before curtailment is imposed upon other customers; however, since all the contracted for firm gas is considered necessary for plant protection, it will not be curtailed prior to other customer curtailment.

(2) Where additional curtailment is necessary after full curtailment of the off-peak of the Special Gas Service Contract Customers, Duke Energy Kentucky, Inc. shall, after giving reasonable notice, curtail those Non-Domestic Customers which use 50,000 cubic feet or more of gas per day on a pro rata basis by adjusting their Winter and/or Summer Base Volumetric Limitations downward to the extent necessary to limit the total usage to the gas supply available to Duke Energy Kentucky, Inc. The resulting volumes will be the Non-Domestic Customer's adjusted Winter and/or Summer Volumetric Limitation. For plant protection the adjusted Winter and Summer Volumetric Limitations shall not be less than 20% of the respective Winter and Summer Base Volumetric Limitation. A Non-Domestic Customer consuming over 50,000 cubic feet or more of gas per day and having more than one metering location may, upon mutual agreement with Duke Energy Kentucky, Inc., combine his adjusted Volumetric Limitation at one or more locations only for curtailment purposes. Such customer must notify Duke Energy Kentucky, Inc. in writing and receive Duke Energy Kentucky, Inc.'s written consent of the accounts to be effected and the volumes to be combined.

(3) Where additional curtailment of gas service is necessary, after curtailment in curtailment with paragraph (2) above, then gas service to Non-Domestic Customers using under 50,000 cubic feet of gas per day shall be curtailed on a pro rata basis in the same manner provided in the above paragraph (2).

(4) Where additional curtailment is necessary the Domestic Customer will then be curtailed on a pro rata basis.

CARRY-OVER AND ADJUSTMENT OF BASE VOLUMETRIC LIMITATION

No carry-over of volumes will be permitted from the Winter to Summer Period or from the Summer to Winter Period. In the establishment of the Winter and Summer Base Volumetric Limitations a customer may request an investigation as to the proper maximum volumes so determined. If such investigation discloses that the volumetric limitations do not reasonably reflect the normal usage of his equipment that was connected in 1972 or authorized by Duke Energy Kentucky, Inc. to be installed at a later date, such limitation will be adjusted accordingly. Such request must be made within 60 days of the approval of this curtailment plan and absent such a request the Base Volumetric Limitations will not be subject to any increase.

PENALTIES

Special Gas Service Contract Customers will be subject to penalties as set forth in their contract. As to the Non-Domestic Customers, after the end of the Winter Period and Summer Period the actual gas usage of each Non-Domestic Customer for the period during which curtailment was required shall be compared respectively to the Adjusted Winter and Summer Volumetric Limitations, and in addition to the Non-Domestic Customer's regular monthly bill, a penalty shall be charged if such usage exceeds the respective Adjusted Winter or Summer Volumetric Limitation. The penalty amount will be based on the same penalty rate applicable to Duke Energy Kentucky, Inc. from its sold supplier of natural gas, the Columbia Gas Transmission Corporation. As of June 1, 1975 the penalty as stated in the Columbia Gas Transmission Corporation's FPC filed tariff is ten dollars ($10.00) for each 1,000 cubic feet overrun.

ACTION FOR EXCESSIVE USAGE
During periods of curtailment, where it appears to Duke Energy Kentucky, Inc. through its procedure of monitoring monthly usage of Non-Domestic Customers being curtailed, that a Non-Domestic Customer's usage will significantly exceed his adjusted Winter or Summer Volumetric Limitation, Duke Energy Kentucky, Inc. will give such customer notice to cease such excessive usage and, in the event such customer does not cease, Duke Energy Kentucky, Inc. may disconnect gas service to such customer.

PENALTY REFUND
Penalties collected from Duke Energy Kentucky, Inc.'s customers will be added to the refunds received from Duke Energy Kentucky, Inc.'s supplier and held for redistribution and shall be refunded to all customers in accordance with Duke Energy Kentucky, Inc.'s gas cost adjustment provision. If Duke Energy Kentucky, Inc. incurred penalties from its supplier as a result of volumetric overruns, the amount of such penalties shall be subtracted from the total penalties collected by Duke Energy Kentucky, Inc. from its customers to determine the amount of penalties to be refunded.

BILLING OF PENALTIES
Penalties, as provided above, shall be reflected in the customers service bill for the Winter Period on the May bill and for the Summer Period on the December bill. Two and three tenths percent (2.3%) will be added to the penalty amount if not paid on or before fourteen (14) calendar days after mailing date of the bill.

EMERGENCIES
In the event of a short-term emergency situation where immediate deliveries of additional gas are needed to prevent irreparable injury to life or property of an existing customer, Duke Energy Kentucky, Inc. shall, at its option, have the right to deliver additional volumes of gas to meet such emergency needs in excess of any limited volumes specified herein, without imposition of penalties where the emergency volumes are repaid by reduction of future gas purchases by the customer within ninety (90) days after termination of the emergency period.

EXEMPTION
No exemptions from this Plan, other than emergency deliveries, as defined above, shall be granted except by Order of the Commission, directly through its duly designated Staff, or other authority having jurisdiction in this matter.

AMENDMENT, MODIFICATION OR CLARIFICATION
Due to governmental order or rapid changes in gas supply it may be necessary to amend, modify or clarify this Curtailment Plan. This Plan may be so amended, modified or clarified by filing a Motion with the Commission.

AVAILABILITY OF THE PLAN
Copies of this Plan, together with the address and telephone number of the Commission shall be kept at each business office of Duke Energy Kentucky, Inc. and shall be made available to any customer upon request.

Proposed Curtailment Plan:
AVAILABILITY
Available in entire territory to which tariff Ky.P.S.C. Gas No. 2 applies.

APPLICABILITY
In the event of an emergency which necessitates curtailment of gas service, Duke Energy Kentucky, Inc. shall curtail gas service to its customers in the manner set forth herein, except where the Public Service Commission of Kentucky (Commission) or other authority having jurisdiction in the matter orders otherwise.

DEFINITIONS
Interruptible Transportation (IT) Customers:
A customer who receives gas under a Gas Transportation Agreement, Duke Energy Kentucky Rate IT (KY P.S.C. Gas No. 2, Sheet No. 50). These customers are subject to interruption in accordance with the gas curtailment provisions of Duke Energy Rate IT.
Priority Use Customers:

Gas supply needed for human needs customers and for specific and definable plant protection purposes; including, but not limited to: residential sites; medical facilities; governmental offices; utility companies; production, processing, or transportation of perishable medicines or foods; and other similar uses as may be determined by the Commission.
Firm Customers:
A firm customer shall mean any customer being served under Duke Energy Kentucky Rates: RS, GS, and FT-L.

CURTAILMENT COMMUNICATIONS
To the extent practicable, Duke Energy Kentucky shall appeal to all customers to voluntarily reduce their consumption prior to and during a curtailment.
To the extent practicable, Duke Energy Kentucky shall communicate with customers and suppliers directly via its electronic bulletin board, email, fax and/or telephone. Where such communication is not practical, Duke Energy Kentucky shall, at its discretion, utilize media, governmental, and other outlets deemed appropriate.
Duke Energy Kentucky Gas Control will advise the Commission, as required by the Commission or as Duke Energy Kentucky may otherwise deem appropriate, of the nature, time, and duration of implemented emergency conditions and procedures that affect normal service to customers.

CURTAILMENT SEQUENCE
In case of a declared emergency, the order of curtailment below refers to those customers whose curtailment will allow Duke Energy Kentucky to maintain operating pressures and its system integrity in areas that have been, or may be, affected by a supply or capacity disruption.
Duke Energy Kentucky will minimize, to the extent possible, the number of Priority Use Customers whose service will be disrupted.

ORDER OF CURTAILMENT
There is no distinction made between supply, pressure, or capacity shortage related scenarios for implementation of the Gas Supply Emergency Curtailment Plan, as all have similar impacts with regard to potential disruptions of service.

Methods to be utilized for curtailing gas usage shall be determined by Duke Energy Kentucky's Gas Operations personnel on an as-needed basis, in response to the particular needs of the situation. Methods may include, but are not limited to, the actions described below:
Stage 1 - Under a mandatory curtailment, the first stage will include the following actions:
- Interruption of Rate IT customers in accordance with the Duke Energy Kentucky Rate IT curtailment provisions;
- In consultation with Duke Energy Kentucky's Corporate Communications personnel, implement general public service announcement(s).

Stage 2 - Under a mandatory curtailment where stage one is elevated, the following provisions will be added to the previous stage restrictions:
- Firm gas to customers using more than fifty thousand cubic feet per day shall be curtailed, except for service to any Priority Use Customer for such priority use;
- In consultation with Duke Energy Kentucky's Corporate Communications personnel, implement general public service announcement(s).

Stage 3 - Under a mandatory curtailment where stage two is elevated, the following provisions will be added to the previous stage restrictions:
- Gas to firm customers shall be curtailed, except for service to any Priority Use Customer for such priority use;
- In consultation with Duke Energy Kentucky's Corporate Communications personnel, implement general public service announcement(s).

OPERATIONS TO RESTORE SERVICE
Upon termination of a gas emergency or event, if service to customers has been curtailed, the service restoration process will be based upon the configuration of the distribution system at the time and system supply distribution assets, with consideration for Priority Use Customers, as practicable.

SERVICE RESTRICTIONS DURING CURTAILMENT
During an emergency curtailment period, unless otherwise ordered by the Commission or other authority having jurisdiction in the matter, Duke Energy Kentucky reserves the right to restrict or permit service as set forth in KRS 278.506(5).

CONSEQUENCES OF NONCOMPLIANCE
During periods of curtailment, if deliveries of gas to a Non-Priority Use Customer exceed its authorized daily volumetric limitation, Duke Energy Kentucky will give such customer notice to cease such unauthorized usage. In the event such customer does not cease, Duke Energy Kentucky may, at its sole discretion, disconnect gas service to the customer. The customer shall be liable for all gas costs, transportation costs, penalties, and fines incurred by Duke Energy Kentucky as a result of the unauthorized usage.

Meter Pulse Service – Rate MPS
(Gas Tariff Sheet No. 84)

	Current Rate	Proposed Rate
Installation of Meter Pulse Equipment:	$970.00	$1,025.00
If replacement of Meter Index is necessary, additional charge of:	$680.00	$760.00

Current Type of Charges:
If the Company is required to make additional visits to the meter site due to the inability to gain access to the meter location or the necessary Communication Link has not been installed, or the Communication Link is not working properly, the Company may charge the customer for any additional trip to the meter site at the per visit rate of: $60.00.

Proposed Type of Charges:
If the Company is required to make additional visits to the meter site due to the inability to gain access to the meter location or the necessary Communication Link has not been installed, or the Communication Link is not working properly, the Company may charge the customer for any additional trip to the meter site during normal business hours at the per visit rate of: $60.00. After hour visits to the meter site are not available for this service.

IMPACT OF PROPOSED RATES

The foregoing rates reflect a proposed increase in gas revenues of approximately $26,387,365 or 17.13% over current total gas revenues to Duke Energy Kentucky. The estimated amount of increase per customer class is as follows:

	Total Increase ($)	Total Increase (%)
Rate RS – Residential Service:	$17,139,137	16.8%
Rate GS – Commercial Service	$6,985,263	19.3%
Rate GS – Industrial Service	$463,527	19.9%
Rate GS – Other Public Authority Service	$601,619	19.8%
Rate FT-L – Firm Transportation Service	$238,374	3.2%
Rate IT – Interruptible Transportation Service	$95,655	4.8%
Charge for Reconnection of Service	$1,925	22.2%
Interdepartmental	$9,875	19.8%
Special Contracts	$851,990	125.8%

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

	Average Ccf/Bill	Monthly Increase ($)	Percent Increase (%)
Rate RS – Residential Service:	51	$14.28	16.8%
Rate GS – Commercial Service	363	$86.27	19.3%
Rate GS – Industrial Service	1,005	$226.46	19.9%
Rate GS – Other Public Authority Service	749	$170.56	19.8%
Rate FT-L – Firm Transportation Service	16,596	$131.77	3.2%
Rate IT – Interruptible Transportation Service	73,227	$423.25	4.8%
Rate IMBS – Interruptible Monthly Balancing Service *	89,823	$2,289.59	186.6%

* IMBS revenues are credited to sales customers through the GCA.

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

Any corporation, association, body politic or person with a substantial interest in the matter may, by written request within thirty (30) days after publication of this notice of the proposed rate changes, request leave to intervene; intervention may be granted beyond the 30-day period for good cause shown. Such motion shall be submitted to the Kentucky Public Service Commission, P.O. Box 615, 211 Sower Boulevard, Frankfort, Kentucky 40602-0615, and shall set forth the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication the Commission may take final action on the application.

Intervenors may obtain copies of the application and other filings made by the Company by requesting same through email at DEKInquiries@duke-energy.com or by telephone at (513) 287-4366. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at http://psc.ky.gov, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. to 4:30 p.m., and at the following Company offices: 1262 Cox Road, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION
COMMONWEALTH OF KENTUCKY
P.O. BOX 615
211 SOWER BOULEVARD
FRANKFORT, KENTUCKY 40602-0615
(502) 564-3940

DUKE ENERGY KENTUCKY
1262 COX ROAD
ERLANGER, KENTUCKY 41018
(513) 287-4366

List of Newspapers in Duke Energy Kentucky Territory

Falmouth Outlook
Kentucky Enquirer
Gallatin County News
Grant County News
Link NKY

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(2)

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807 KAR 5:001, SECTION 16(2)

Description of Filing Requirement:

Notice of intent. A utility with gross annual revenues greater than $5,000,000 shall notify the commission in writing of its intent to file a rate application at least thirty (30) days, but not more than sixty (60) days, prior to filing its application.

(a) The notice of intent shall state if the rate application will be supported by a historical test period or a fully forecasted test period.

(b) Upon filing the notice of intent, an application may be made to the commission for permission to use an abbreviated form of newspaper notice of proposed rate increases provided the notice includes a coupon that may be used to obtain a copy from the applicant of the full schedule of increases or rate changes.

(c) Upon filing the notice of intent with the commission, the applicant shall mail to the Attorney General's Office of Rate Intervention a copy of the notice of intent or send by electronic mail in a portable document format, to rateintervention@ag.ky.gov.

Response:

See Duke Energy Kentucky's response to Filing Requirement KRS 278.180 [Tab 1].

Sponsoring Witness:

Amy B. Spiller

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(3)

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807 KAR 5:001, SECTION 16(3)

Description of Filing Requirement:

Notice given pursuant to Section 17 of this administrative regulation shall satisfy the requirements of 807 KAR 5:051, Section 2.

Response:

Notice given pursuant to 807 KAR 5:001, Section 17 satisfies the requirements of 807 KAR 5:051, Section 2. A copy of the customer notice is attached in response to Filing Requirement, 807 KAR 5:001, Section 16(1)(b)(5) [Tab 12].

Sponsoring Witness:

Amy B. Spiller

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(6)(a)

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807 KAR 5:001, SECTION 16(6)(a)

Description of Filing Requirement:

The financial data for the forecasted period shall be presented in the form of pro forma adjustments to the base period.

Response:

See Schedules D-2.1 through D-2.15 located in Schedule Book.

Witness Responsible:

Claire C. Hudson

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(6)(b)

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807 KAR 5:001, SECTION 16(6)(b)

Description of Filing Requirement:

Forecasted adjustments shall be limited to the twelve (12) months immediately following the suspension period.

Response:

See Schedules D-2.16 through D-2.29 for adjustments to the forecasted period located in Schedule Book. These adjustments are limited to the twelve (12) months immediately following the suspension period.

Witness Responsible:

Claire C. Hudson – Schedule D-2.16
Jefferson "Jay" P. Brown – Schedules D-2.17 through D-2.23, D-2.25, D-2.27 through D-2.29
Sharif S. Mitchell – Schedule D-2.24
Lindsay B. Philemon – Schedule D-2.26

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(6)(c)

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807 KAR 5:001, SECTION 16(6)(c)

Description of Filing Requirement:

Capitalization and net investment rate base shall be based on a thirteen (13) month average for the forecasted period.

Response:

Capitalization and net investment rate base for the forecasted period are based on a thirteen-month average.

Witness Responsible:

Jefferson "Jay" P. Brown

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(6)(d)

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807 KAR 5:001, SECTION 16(6)(d)

Description of Filing Requirement:

After an application based on a forecasted test period is filed, there shall be no revisions to the forecast, except for the correction of mathematical errors, unless the revisions reflect statutory or regulatory enactments that could not, with reasonable diligence, have been included in the forecast on the date it was filed. There shall be no revisions filed within thirty (30) days of a scheduled hearing on the rate application.

Response:

The Company will comply with this requirement.

Witness Responsible:

Claire C. Hudson

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(6)(e)

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807 KAR 5:001, SECTION 16(6)(e)

Description of Filing Requirement:

The commission may require the utility to prepare an alternative forecast based on a reasonable number of changes in the variables, assumptions, and other factors used as the basis for the utility's forecast.

Response:

The Company will prepare an alternative forecast if requested by the Commission.

Witness Responsible:

Claire C. Hudson

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(6)(f)

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807 KAR 5:001, SECTION 16(6)(f)

Description of Filing Requirement:

The utility shall provide a reconciliation of the rate base and capital use to determine its revenue requirements.

Response:

See attached.

Witness Responsible:

Jefferson "Jay" P. Brown

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2025-00125
RECONCILIATION OF CAPITALIZATION AND RATE BASE
THIRTEEN MONTH AVERAGE BALANCE ENDING DECEMBER 31, 2026

FR 16(6)(f) Forecasted Period
PAGE 1 OF 5
WITNESS RESPONSIBLE:
J. P. BROWN

Line No.	Description	Source	Amount
1	Capitalization Allocated to Gas Operations	Page 2 of 5	681,468,602
2	Adjustments to Plant in Service	Sch. B-2.2 & B-3.1	(210,018,321)
3	Assets per Books not included in Rate Base:		
4	Other Property and Investments	Schedule B-8	(5,628,777)
5	CWIP	Schedule B-4	(34,282,545)
6	Cash	Schedule B-8	(2,484,759)
7	Other Current Assets	Schedule B-8	(24,255,914)
8	Other Regulatory Assets	Schedule B-8	(35,207,073)
9	Other Deferred Debits	Schedule B-8	(15,924,799)
10	Subtotal		(117,783,867)
11	Liabilities per Books not included in Rate Base:		
12	Other Current liabilities	Schedule B-8	24,671,178
13	Other Non-current liabilities	Schedule B-8	11,696,020
14	Deferred Credits	Schedule B-8	5,722,450
15	Subtotal		42,089,648
16	Items included in Rate Base:		
17	Cash Working Capital Formula	Sch.B-5	31,851
18	Depreciation adjustment not included in capitalization	Sch. D-2.24	932,526
19	Capitalization / Rate Base Differences		157,110,853
20	Subtotal		158,075,230
21	Total Variance		(127,637,310)
22	Gas Rate Base	Schedule B-1	553,831,292

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2025-00125
RECONCILIATION OF CAPITALIZATION AND RATE BASE
THIRTEEN MONTH AVERAGE BALANCE ENDING DECEMBER 31, 2026

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WITNESS RESPONSIBLE:
J. P. BROWN

Line No.	Description		Capitalization Total	Capitalization Gas
1	Total Forecasted Period Capitalization	(1)	2,254,736,972	
2				
3	Less: Gas Non-jurisdictional Rate Base	(2)	54,801,687	
4	Electric Non-jurisdictional Rate Base	(2)	(4,219,902)	
5	Non-jurisdictional Rate Base	(2)	(19,451,045)	
6				
7	Jurisdictional Capitalization		2,223,606,233	
8				
9	Gas Jurisdictional Rate Base Allocation %	(2)	30.647%	681,468,602
10				
11	Plus: Jurisdictional Gas ITC	(3)		0
12				
13	Total Allocated Capitalization			681,468,602

Notes:
(1) Schedule J-1, page 2 of 2.
(2) Page 3 of 5.
(3) Schedule B-6, page 2 of 2.

DUKE ENERGY KENTUCKY, INC
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RECONCILIATION OF CAPITALIZATION AND RATE BASE
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WITNESS RESPONSIBLE
J. P. BROWN

Line No	Description	Schedule Reference	Total Company	Gas Excl. of Facil. Dev. to Other Than DE-Ky Custs.		Gas Non-Juris		Electric Jurisdictional		Electric Non-Juris.	Non-Jurisdictional
1	Total Utility Plant in Service (Accts 101 & 106) (B)	Sch B-2 (E)	3,865,024,542	1,076,329,547		67,450,697	(E)	2,721,244,298	(E)	0	0
2											
3	Additions										
4	Construction Work in Progress (Account 107)	Sch B-4 (D)	158,929,594	34,282,545		0		124,647,049		0	0
5											
6	Fuel Inventory	Sch B-5	24,788,993	0		0		24,788,993		0	0
7											
8	Materials & Supplies -										
9	Propane Inventory (Account 151) (B)	WPB-5.1a	0	0		0		0		0	0
10	Other Material and Supplies (Accts. 154 & 163)	WPB-5.1b	24,943,403	630,182		0		24,313,221		0	0
11	Total Materials & Supplies		24,943,403	630,182		0		24,313,221		0	0
12											
13	Gas Stored Underground (Account 164) (B)	WPB-5.1e	1,610,670	1,610,670		0		0		0	0
14											
15	Prepayments (Account 165) (B)	WPB-5.1d	2,368,201	199,960		207,916		1,044,504		915,802	0
16											
17	Emission Allowances (Account 158)	WPB-5.1h	0	0		0		0			
18											
19	Cash Working Capital Allowance	Sch B-5.1	31,851	31,851		0		0		0	0
20											
21	Other Rate Base Items	WPB-1.1a	1,299,897	1,299,897		0		0		0	0
22	Total Additions		213,972,609	38,055,125		207,916		174,793,767		915,802	0
23											
24	Deductions										
25	Reserve for Accumulated Depreciation (Acct 108) (B)	Sch B-1, Sch B-3 (E)	1,281,935,463	254,264,145	(A)	6,901,348	(E)	1,020,769,970	(E)	0	0
26											
27	Accum. Deferred Income Taxes (Accts 190, 282 & 283) (B)	Sch B-6, WPB-6a	360,434,075	118,202,203	(B)	4,288,464	(C)	218,492,363		0	19,451,045
28											
29	Customer Advances for Construction (Account 252)	WPB-6a	1,801,940	1,801,940		0		0		0	0
30											
31	Total Regulatory Liability - Excess Deferred Taxes (Acct 254)	Sch B-6	71,078,162	26,818,693		1,657,114		42,592,355		0	0
32											
33	Investment Tax Credits	Sch B-6	5,135,704	0		0		0		5,135,704	0
34	Total Deductions		1,720,385,344	401,086,981		12,856,926		1,281,854,688		5,135,704	19,451,045
35											
36	Net Original Cost Rate Base		2,358,611,807	713,297,691		54,801,687		1,614,183,377		(4,219,902)	(19,451,045)
37											
38	Jurisdictional Rate Base Ratio		100.000%	30.242%		2.323%		68.438%		-0.179%	-0.825%
39											
40	Jurisdictional Rate Base Ratio - Excluding Non-Jurisdictional		100.000%	30.647%				69.353%			

Notes
(A) Does not include depreciation annualization adjustment per Commission precedent
(B) Adjusted for non-jurisdictional gas plant
(C) WPB-6d Liberalized Depreciation of $4,375,813 minus WPB-5f- Total Deferred Income Taxes Adjustment 13-Month Average
(D) The Company is not requesting to include recovery of CWIP in base rates
(E) Company records

DUKE ENERGY KENTUCKY, INC.
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WITNESS RESPONSIBLE:

LINE NO.	Description	WPB-6b	Allocation % (A)	To Be Eliminated (Col. 1 * Col. 2)
		(1)	(2)	(3)
1	Investment tax Credit - 3%	0	22.91%	0
2				
3	Liberalized Depreciation	(73,247,627)	5.97%	(4,375,813)
4				
5	Excess Deferred Taxes	(27,906,168)	5.97%	(1,667,114)

(2) Source: FR 16(6)(f) Forecasted Period, page 5 of 5 & Sch D-2.20.

DUKE ENERGY KENTUCKY, INC.
CASE NO. 2025-00125
RECONCILIATION OF CAPITALIZATION AND RATE BASE
COMPUTATION OF RATIO OF PLANT DEVOTED TO OTHER THAN
DE-KENTUCKY CUSTOMERS & EXCLUDED RIDER PMM TO TOTAL PLANT FOR ELIMINATION PURPOSES
THIRTEEN MONTH AVERAGE BALANCE ENDING DECEMBER 31, 2026

FR 16(6)(f) Forecasted Period
PAGE 5 OF 5
WITNESS RESPONSIBLE:
J. P BROWN

Line No.	Description			Amount (1)
1	Total Net Gas Plant before Adjustment			
2	of Facilities Devoted to Other	Original Cost	$	1,143,780,244
3	Than DE-Kentucky Customers & Excluded Rider PMM	Accum Depr		261,165,493
4		Net Plant	$	882,614,751
5				
6	Total Net Gas Plant Devoted to	Original Cost	$	210,246,237
7	Other Than DE-Kentucky Customers & Excluded Rider PMM	Accum Depr.		8,045,864
8		Net Plant	$	202,200,373
9				
10				
11	Ratio of Plant Devoted to Other Than			
12	DE-Kentucky Customers & Rider PMM to Total Plant	(Line 8 / Line 4		22.91%

(1) Company Records.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(a)

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807 KAR 5:001, SECTION 16(7)(a)

Description of Filing Requirement:

The written testimony of each witness the utility proposes to use to support its application, which shall include testimony from the utility's chief officer in charge of Kentucky operations on the existing programs to achieve improvements in efficiency and productivity, including an explanation of the purpose of the program.

Response:

All testimony is provided under separate cover. Also, please see the Direct Testimony of Amy B. Spiller, Duke Energy Kentucky's chief officer in charge of operations, for an overview discussion of efficiency and productivity improvements.

Sponsoring Witness:

All Witnesses

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(b)

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807 KAR 5:001, SECTION 16(7)(b)

Description of Filing Requirement:

The utility's most recent capital construction budget containing at minimum a three (3) year forecast of construction expenditures.

Response:

See attached.

Sponsoring Witnesses:

Claire C. Hudson
Brian R. Weisker

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Capital Expenditure Budget
Years 2025 - 2027

Line No.	Project ID/Description	Includes AFUDC CWIP Balance @ 12/31/24	Includes AFUDC Projected Expenditures 2025	2026	2027
1	NORMAL RECURRING CONSTRUCTION	16,622,468	40,450,505	15,744,903	56,461,868
2					
5	Transmission Integrity_Line AM07 - Pipeline Replacement_Mnt - Phase 3	7,050,127	38,829,514	809,882	0
6	Transmission Integrity_Line AM07 - Pipeline Replacement_Mnt - Phase 4	1,229,260	5,780,937	31,193,085	1,140,994
7	Transmission Integrity_Line AM07 - Pipeline Replacement_Mnt - Phase 5		728,858	5,437,495	23,280,684
12	DEK_Gas_SYSST-System Infrastructure_Mnt (Harris Pike)	911,542	1,202,084	11,925,390	0
15	TOTAL	25,813,397	86,991,898	65,110,754	80,883,547

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(c)

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807 KAR 5:001, SECTION 16(7)(c)

Description of Filing Requirement:

A complete description, which may be filed in written testimony form, of all factors used in preparing the utility's forecast period. All econometric models, variables, assumptions, escalation factors, contingency provisions, and changes in activity levels shall be quantified, explained, and properly supported.

Response:

Attached are copies of the Confidential Budget Guidelines and Assumptions for 2024 and 2025 which were used in developing the projected data in the base and forecasted test periods. Descriptions of the factors used in preparing the forecasted test period are also incorporated in each witness' pre-filed testimony.

All confidential information is being provided under seal pursuant to a Petition for Confidential Treatment that is being filed simultaneously with this Application.

Sponsoring Witness:

Claire C. Hudson

2024

BUDGET GUIDELINES AND ASSUMPTIONS

Duke Energy - Corporate Version No: 3.0 - Last Update: 12/13/2023

Business Confidential & Proprietary

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1.0 GENERAL GUIDELINES FOR THE 2024 BUDGET

All guidance contained in this document is based on the best available information as of the published date. The contents and guidance are subject to change as business circumstances require.

1.1 Key Changes for 2024 Budgeting

- Loading detailed budget for 2024 only. Guidance for Year 2 budgets has been removed.
- Expectation is for all functions to be complete and on target by first budget lock.
- Updates to OneStream Budgeting Tool
  - Auto-save functionality added in Headcount Worker Cost (HWC)
  - Automatic deletion of Plan Data/Labor Calculations when HWC workflow is reverted
  - Warning message to users when importing data in HWC to confirm – prior updates will be lost
  - New Post DnV Labor Acctg Dashboard by employee added
  - Update to send notes for all data types in OneStream on the load templates to the budget description field in Budget Detail in FIHUB reporting
  - Email notification to users when loading data to RC/RCs not assigned to workflow
  - Enhancement to block accounting dollars step if DnV errors exist – example: will stop blank/no account from loading to FIHUB
  - New PowerBI Dashboard reporting – post DNV labor acctg, OneStream vs FIHUB budget data comparison, Additional levels of RC, OU and business rule reporting
  - Functional User Support dashboards/process to identify workflows not completed – stage and cube data differences for HWC and Working scenarios

- The budget calendar has been updated - see section **2.0 Budget Timeline**
- Inflation and Loading rates have been updated
  - Section 3.1 & 3.2 Labor Inflation Rates and Labor Loading Rates
  - Section 4.2 Non-Labor Loading Rates (Stores/Freight/Handling)

1.2 Reference Material

- Enterprise Budget Development SharePoint - contains the following information:
  - Budget Calendar and Guidelines
  - Security – Workflow and Department Security
  - Budget Status Reports
  - Quick Links (includes links to Worker Cost and Budget Power BI Dashboards)
  - Workflow RC Node Inventory – Workflow RC assignment
  - Budget Integration Schedule
  - MyTime Load File
  - HR Load File – no salary info included

- Training materials for OneStream are available on the Finance Portal at **Portal Home -> Our Company -> Finance -> Training & Development ->** OneStream Planning. Materials include:
  - Job Aids
  - Exercise Guide
  - Video demonstrations

1.3 Budget Systems

All 2024 budgets (excluding PeopleSoft allocations) make their way to the OneStream Budget Tool, by direct entry or by an interface from Regulated & Renewable Energy, Gas and Nuclear long range planning tools to OneStream (i.e., PowerPlan LRP and Copperleaf Product Suite (CPS).

- Regulated & Renewable Energy will plan all capital projects and outage projects using PowerPlan LRP; users cannot modify these budgets in OneStream.
- Nuclear will plan all capital and O&M projects using Copperleaf Product Suite (CPS); users cannot modify these budgets in OneStream.
- Gas Operations will plan all Capex in PowerPlan LRP; users cannot modify these budgets in OneStream.
- All other budgets will be entered (directly or via spreadsheet upload) to OneStream.

Each night, OneStream budget data is sent to PeopleSoft for allocations / loadings, then sent to the FIHUB for reporting of "fully-loaded" budgets.

1.4 Budget Requirements

- O&M and Capital budgets for 2024 will be completed during the budget cycle.
- Targets are issued for each year. Functions are expected to be on target by jurisdiction at first budget lock.
- Results of budget allocations will be available in the FIHUB daily
- We recognize at present there are inflationary pressures resulting from the current macroeconomic environment which could impact costs incurred in the organizations. Functions should appropriately assess these pressures and plan on adding a slight inflation factor to costs as appropriate for impacted expense in order to account for inflation.

The table below shows which scenarios are open for editing:

Data Type	
Manual_Load	Open
Labor_Acctg**	Open
Labor_Default**	Open
Overtime_Labor**	Open
Budget_Adj***	Open
Print_Services***	Open
Copperleaf*	Closed
PWR_Plant*	Closed

** From external feeders (e.g., Copperleaf, Powerplan)*
*** Developed in OneStream using calculated Compensation/Overtime and Labor/Overtime Accounting loaded*
**** Budget_Adj is used by the forecasting team to load revenues, adjustments, etc. Print_Services is used for copier lease budgets*

1.5 Budget Development

Budgets should be prepared on an accrual basis. This should include a focus on accurate monthly timing of budgeted costs. The goal is to reduce actual versus budget timing variances for 2024 reporting by placing budget dollars in the months the costs are expected to be incurred, assuming accruals recorded based on completed work.

Costs should be directly charged to the legal entity (Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio, etc.) benefiting from the services to the extent it is feasible.

Care should be taken to identify where affiliate transactions are occurring to ensure that Service Agreements are put in place.

2.0 BUDGET TIMELINE

Below is a summary of the key dates for the 2024 budgeting process. *Please note that the deadlines indicated are for final signoffs. All internal department reviews must be completed prior to these final signoff dates*.

These dates reflect the calendar as planned, dates and events are subject to change as business circumstances may require.

Dates	Activity
May 15 - 26	OneStream Budget Refresher Training
June 1	Load MyTime labor charging snapshot (1 month of prior labor charging for use in labor budgeting)
June 2	Functional leadership approved capital data submitted to ECO team
June 2	Load HR snapshot to OneStream for labor budgeting
June 5	Budget Tool opens (OneStream)
June 26	O&M templates for 2024 - 2028 due - to be used in 6x6 model run that will set guidance
July 26	O&M Guidance updated
August 11	Forecasting completes 5 year model update (6x6)
August 18	ECO analysis complete
August 21	Budget lock - Corporate, Shared Services, Functional Allocations, and all Charges to Others (including headcount in woker cost cube)
August 28	Budget lock - Year 1 O&M and Capital (Including headcount in worker cost cube)
August 29	Employee Benefits loaded (headcount to be based on direction from SMC)
September 6 - 7	Fringe Benefit Loading Rates updated
September 11	O&M and Capital templates for 2024 - 2028 due - to be used in 8x4 model run that will be used for December board meeting
October 1	MyTime labor charging snapshot (1 month of prior labor charging for use in labor budgeting)
October 6	Budget allocation step owner sign-offs due
October 9 - 11	Update Service Company, Commercial, and OH/KY allocations
October 18	Info Scenario Created
October 23	Budget reopens for Cash Flow changes
October 27	Forecasting completes 5 year model update (8x4)
November 24	Final budget lock - Corporate, Shared Services and all charges to others
December 1	Final budget lock - **O&M and Capital on target**
December 11 - 12	Fringe Benefit Loading Rates updated
December 13 - 14	Board Meeting
December 15 - 16	Run monthly budget allocations
December 29	O&M and Capital templates for 2024 (tied to monthly budget) due - to be used for limited scope 12x0 run
January 23	Forecasting completes 5 year model update (limited scope 12x0)
January 24 - Feb 6	Forecasting loads rest of Income Statement to budget tools (FiHub Final load to OneStream Consolidations)
February 2 - 3	Budget scenario marked 'Final' for AvB reporting

3.0 WORKFORCE BUDGETING

3.1 Labor Inflation Rates

The table below contains the preliminary wage increases that will be used to begin the 2024 budgeting process. Labor increases will be automatically applied to the Headcount Worker Cost (HWC) in OneStream after HR employee data is loaded. If labor budgets are loaded using the Labor Mapping cube, labor will feed in with increases layered into the appropriate months. If labor is loaded using the Budgets Cube, be sure to budget the effects of labor increases in the appropriate months. TBD – "To Be Determined" guidance will be provided as information becomes available.

Category	Union	Date of Increase	2023 Wage Increase Est.[1]	2024 Wage Increase Est.[1]
Non-Union	n/a	March 1		
Non-Union	Non-represented Craft	September 23	TBD	TBD
Union	UWUA, IUU Local 600 (Technical)[2]	April 1	Expected by May 31st.	
Union	UWUA, IUU Local 600 (Clerical/Manual)[2]	April 1	Expected by May 31st	
Union	IBEW 1347	April 1		
Union	IBEW 1347-Matl Spec C, Meter Repair, Manual Techs	April 1		
Union	IBEW 1393[2]	May 1		
Union	USW 12049[2]	May 15		
Union	USW 5541-06[2]	May 15		
Union	USW 7202	October 1		
Union	IBEW 962	October 1		
Union	IBEW 962T	December 1		
Union	IBEW 1902 (NC/SC)	June 1		
Union	PPF 702 (TN)	April 1		
Union	IBEW SCU-8 Florida (Main IBEW Florida)	December		
Union	IBEW SCU-8 Florida (Citrus Contract)	April		
Union	IBEW SCU-8 Florida (Hines Energy Complex)	March		

Notes:
[1]*Estimates have been included where negotiations are pending. Estimates used are for budget purposes only and may not be representative of management's offer during future negotiations.*
[2]*Employees in the IBEW 1393, USW 12049 and 5541-06 unions receive one week of prepaid sick time in the month of January. This week of prepaid sick time is calculated by the Headcount Worker Cost Cube process in OneStream.*

3.2 Labor Loading Rates

The table below contains the final labor loading rates used for the 2024 budgeting process. These rates have been updated to reflect the anticipated impact as determined by the actuarial analysis and the amount of labor budgeted.

Category	2024 Rate	Comments
Fringe Benefits		
DE Carolinas		
DE Progress		*The fringe benefits rate includes health and insurance (medical, dental, life, disability), retirement, (pension, 401k),*
DE Florida		*service awards, EAP costs, tuition reimbursement, and the administrative fees that go along with those costs*
DE Indiana		
DE Kentucky		
DE Ohio		
Piedmont		
DE Commercial Power		
DE Business Services		
Payroll Tax		*Loader applies to capital projects. On income statement, payroll tax is in account that does not roll to O&M*
Incentive		
DEBS		
Other Non-Union		
Union		

3.3 Incentives

STPP and discretionary pool plans will be budgeted through incentive loading rates calculated at target performance. Executive stock-based incentives will be budgeted in a Human Resources responsibility center (RC 8937) and allocated to operating units as appropriate. Any incentives outside the aforementioned plans should be budgeted at the responsibility center level.

3.4 Workforce Planning

Usage of the Headcount Worker Cost (HWC) is required for headcount. Headcount should include interns, temporary employees, and individuals on short-term disability. It should not include employees on long-term disability. HWC data will be provided to HR at the budget lock for their workforce planning activities, including refinement of the calculation of the employee benefit budget. Additional changes are allowed in the HWC scenario in the second open, but this should be smaller tweaks around the edges. If significant changes are needed after the first budget lock, please discuss this during the bi-weekly budget call.

To better align headcount to dollars, and to facilitate headcount AvB reporting for management; headcount in HWC should be reflective of average budgeted headcount. We are calculating average headcount in OneStream and users will need to use the system functionality to enter estimated attrition via a negative headcount entry. We will use the average budgeted headcount calculated in OneStream as the official budgeted headcount. We will no longer use the manual excel process.

Definitions:

Note: Temporary employees do not receive employee benefits (e.g. Interns, Co-ops, Seasonal Workers, etc.), are identified with employee status "T" in WorkDay, and are excluded from the definitions below (dollars and headcount)

1. **Max Headcount** – The maximum SMC approved employee headcount (including vacancies). The SMC can use discretion to increase or decrease the maximum headcount based on strategic and budget needs.
2. **Actual Headcount** – All active and short-term leave employees, including full-time and part-time. This is the current (active and on-leave) headcount number per WorkDay.
3. **Monthly Budgeted Headcount** - Budgeted headcount, including vacancies, less Attrition Headcount Equivalent, as of the budget month-end. This number is static once the budget is locked. The only adjustment to this number after final budget lock is for significant reorganizations or "lift and shifts."
4. **Year-End Budgeted Headcount** – Budgeted headcount, including vacancies, less Attrition Headcount Equivalent as of the budget year-end. This number is static once the budget is locked. The only adjustment to this number after final budget lock is for significant reorganizations or "lift and shifts."
5. **Average Budgeted Headcount** – The average of the 12 Monthly Budgeted Headcount.
6. **Transfer** – When someone leaves their current department for another department within the Company.
7. **Attrition** – When someone leaves the Company.
8. **Attrition Credit** - The dollar savings that occur between the time an employee leaves a position and the time that position is backfilled. This time period is generally 3 months. This has formerly been referred to as "vacancy factor." **Attrition credits must be loaded using Resource Type 11003.**
9. **Attrition Headcount Equivalent** – The number of headcount that corresponds to the Attrition Credit. This has formerly been referred to as "vacancy factor."
10. **Vacancy** – An unfilled budgeted position.
11. **Full Time Equivalent (FTE)** – An FTE represents 40 hours per week. For example, two part time employees each working 20 hours per week together would equal 1 FTE. The number of FTE's will not equal total number of employees however an understanding of both is necessary to understand budget impacts and labor cost implications.

When inputting vacancies and/or new positions into HWC in OneStream, the job segment code should be included in the job seg field along with the vacancy type using the dropdown list (Current Vacancy, New Position, Temp Vacancy). The job segment codes can be found under Documents in OneStream and on the Enterprise Budget Development SharePoint.

If you have questions regarding which Workforce Planning Segment to use, please contact your HR contact for Workforce Planning (see excel file linked above). If your HR contact is unavailable, please contact Jonathan Boyte, Workforce Planning, Jonathan.Boyte@duke-energy.com.

Both Finance and HR will have access to the 2024 Headcount Worker Cost Fihub Labor Comparison Dashboard for summary headcount reporting. This report also shows a comparison between labor calculated in Worker Cost and what's been loaded to the FiHUB. Link will be provided upon report completion.

3.5 Payroll Cycle for Exempt and Non-Exempt Employees

All exempt employees should be budgeted assuming a semi-monthly pay cycle (two payrolls per month). Non-exempt employees should be budgeted assuming a bi-weekly payroll cycle.

In 2024, there will be two payrolls for all months except **May** and **November**, which will have **three pay periods**.

Accounting will budget payroll accruals quarterly to ensure the financial statements reflect the appropriate amounts of payroll in each quarter. Below are the number of days to be accrued each quarter.

Month	2024 (excluding weekends)	2024 (including weekends)
March	10	14
June	5	7
September	11	15
December	7	9

3.6 Recruiting & Relocation Expenses

Items budgeted by HR:

- Recruiting
- Job Postings
- Testing Fees
- Service and Retirement Awards

Items budgeted by hiring organization:

- Candidate Travel Expenses
- Agency Fees
- Staff Augmentation
- Relocation Expenses
- Military Leave Pay

If you have questions on Relocation & Recruiting Fees, please contact Sibyl Murray at 727-523-4307.

3.7 Education Reimbursement (Tuition Refund) Expenses

All education reimbursement will be budgeted within the employee benefit rates. No tuition refund expenses should be budgeted within the business unit budgets unless the business unit plans to exceed established limits on graduate education reimbursement.

3.8 Contingent Worker Costs

It is a goal of the company to accurately track and report the spend on contingent workers (those 3rd party contract workers performing FTE-equivalent work). Budgets should reflect the guidance below that was effective January 1, 2021 to help enhance our ability to monitor and report spending on 3rd party contingent workers:

1. Resource Type Cost Driver Tree and the level 03 Staff Augmentation will be used to identify contingent worker costs. In this grouping, resource type 69000 has been renamed "Staff Augmentation".

2. Resource type 69700 – Consultant was created under the level 03 grouping Outside_Services for true consulting costs (not for supplemental workers performing FTE-equivalent work)

Resource Type Cost Driver Tree - Revised		
Resource Type Level 02 Name - Description	**Resource Type Level 03 Name - Description**	**Resource Type CB - Description**
CONTINGENT_WORKER - Contingent Worker	CONTR_MEALS_TRAVEL - Contractor Meals Travel	60011 - CONTRACTOR MEALS/TRAVEL
	CONTR_SECUR_BASE - Contract Security Baseload	69110 - Security
	CONTR_SVCS_BASE - Contract Services Baseload	60006 - Contract Emp Exp - 50% Deduct
		60008 - Vendor Expenses-Per Diem
		60009 - Vendor EMP EXP - Deductible
		69100 - Baseload Contract Labor
	STAFF_AUGMENTATION - Staff Augmentation	**69000 - Staff Augmentation**
		69010 - SA Ctrct Emp Exp-50% Deduct
		69020 - SA Vendor Emp Exp-Per Diem
		69030 - SA Vndr Emp Exp - 100% Deduct
		69200 - Peak/Unplanned Contract Labor
CONTRACT_SERVICES - Contract Services	FEES_CS - Fees - Contract Svcs	60005 - Audit Fees
	OUTSIDE_SERVICES - Outside Services	62000 - Conract Retention
		63000 - Contract/Outside Services NLBR
		63015 - Contracts-Engineering Labor
		69300 - Contractor: Compl/Regulatory
		69500 - Other Contracts
		69600 - Construction Restoration
		69700 - Consultant
	TURNKEY_SERVICE - Turnkey Service	69400 - Turnkey Service Contract Labor

4.0 NON-LABOR BUDGETING

4.1 Rate Case and Other Regulatory Filings

Duke Energy uses the budget for rate cases or other regulatory filings in Ohio, Kentucky, Indiana, Florida and the Carolinas. To help provide details needed to support rate requests, please consider the following:

- Budget to Accounts where actual charges will occur.
- Budget to the appropriate Gas vs. Electric business units where actual charges will occur.

4.2 Non-Labor Loading Rates

The table below contains the non-labor loading rates that will be used to begin the 2024 budgeting process.

Stores, Freight & Handling	Carolinas	Indiana	Ohio	Kentucky	Progress	Florida	Piedmont
Regulated & Renewable Energy							
Transmission & Distribution							
Gas							
Nuclear – Catawba							
Nuclear – McGuire							
Nuclear – Oconee							
Nuclear – Brunswick							
Nuclear – Harris							
Nuclear – Robinson							

4.3 Managed Print Services

In 2024, Managed Print Services will charge business units (i.e., Nuclear, Regulated & Renewable Energy, Customer, Commercial Business, etc.) based on actual or allocated usage for copier use based on negotiated price per impression. The budgeted charges include impressions, supplies and maintenance. IT Finance will budget on behalf of the business – using the business' responsibility centers for all non-corporate departments and IT responsibility centers for corporate departments.

Departments should continue to budget for paper in 2024.

Print Centers (prints, binding, collateral, etc.)
Any copy/print job created at an off-site Print Center should be budgeted by the respective Business Unit. All accounting or credit card information should be provided at time of order within the myChoice Print Request tool.

Wide Format Fleet Devices (plotters) (non-Imaging Services)
Managed Print Services will charge the business units for wide format use based on negotiated cost per square foot of paper used. The budgeted charges include impressions only. Equipment, supplies, paper, and maintenance are included in the cost per square foot. IT Finance will budget on behalf of the business – using the business' responsibility centers for all non-corporate departments and IT responsibility centers for corporate departments.

Imaging Service services (prints, scans, etc.)
Any large format prints and scans created at the Imaging Production Centers should be budgeted by the respective Business Unit. This cost includes any printing of wide format drawings and digitization scanning projects in support of upcoming renovations. *If you have questions about the 2024 Print Services budget contact Gregy Spivey, IT_Finance@duke-energy.com.*

4.4 Facility Costs

Corporate Offices
Budgeting responsibility for renovations to corporate office space in 2024 will be handled by Real Estate, including office consolidations in Charlotte and regional headquarters locations in Cincinnati, Plainfield, Raleigh, St. Petersburg and Northpoint.

Facility Maintenance / Additions / Changes
Real Estate will budget all building maintenance costs (i.e., janitorial services, cleaning supplies, lease payments, utilities, grounds maintenance) for the corporate offices and electric/gas distribution facilities (excludes operational costs such as tools, equipment used by customer, services requested outside of approved service level agreements, etc.) for all Real Estate managed properties. Real Estate will budget for facility infrastructure replacements (i.e. roof, mechanical systems, paving, carpet). For Real Estate maintenance questions please contact Jared Kohler at (513) 432-6912.

Additions or changes to facilities and grounds will be budgeted by Real Estate in accordance with the Duke Energy Dynamic Workplace standards . A multi-year capital planning effort will address the needs from the business units as well as those of the corporate areas. Real Estate will also assist business partners with their emergent work needs outside of the capital plan, provided the work is funded by the requesting business unit and is in line with workplace standards. So that these needs are addressed during the budget process and included into the Real Estate multi-year capital plan, they should be reviewed with the contacts noted below:

- Gary Hutcheson - Midwest
- Zach Huett – Carolinas East
- Kristen Hayden – Carolinas West/Charlotte
- Lisa Echols – Florida

Note: Facility maintenance charges (O&M) for net new facilities and renovations/additions that increase the total managed square feet of a facility will be funded by the business unit(s) requesting the project. *A new facility or facility expansion is a long-term O&M commitment to the company and should be carefully considered.* The facility maintenance charges (O&M) for mid-year increases will be charged with the business unit's Responsibility Center for the balance of the year, then O&M dollars will be transferred from the business unit to Real Estate for future years. Annual facility maintenance costs should be considered by business units during the project planning process. Please contact the Real Estate Portfolio Manager referenced above with specific questions or for budget guidance.

Personnel Moves
Personnel moves that involve the movement of boxes and computers will be budgeted by the business unit unless associated with a Real Estate project. Typical rates for moves range from $75-150 for moves that occur within the same buildings, $100-175 for moves from bldg. to bldg. less than 25 miles, and $150-250 for moves greater than 25 miles. Customers requesting moves that involve reconfiguration of furniture, cubicles, keyboard trays, etc. should be budgeted within their department's budget, including special requests to meet ergonomic needs, etc.

Conference Room Set-ups
Default set-up configurations have been defined for large configurable conference/meeting room space to maximize space utilization. Business units will be charged a reset fee when a Facility Work Order is submitted for a custom configuration. The reset fee will vary based on the room size and set-up requirements (ranging from $250 min - $750 max). Employees should not rearrange the conference room furniture as the next group is expecting the standard room configuration. If a room has been rearranged, that business unit will be charged a room reset fee.

Substation control house and Telecommunication building facility maintenance (i.e. plumbing, roof, air conditioning) will be budgeted by Real Estate for all Real Estate-managed properties.

Lease Administration

Duke Energy Real Estate is responsible for administering all facility and land leases, payable and receivable. The administration of leases includes managing and adhering to critical dates and ensuring payment. Accounting for leases is provided by the requesting Business Unit and therefore funded through the Business Unit's Responsibility Center and Operating Unit. Leases are paid and billed according to the terms and conditions spelled out in the lease. Contact Patti Sutton (704) 382-4233 or Nancy Holmes (704) 382-8893/ Nancy.Holmes@am.jll.com for lease or lease administration questions.

4.5 Transportation – (Fleet Services) Costs

A direct charging process is used for costs associated with all assigned vehicles and mobile (off-road) equipment. This enables Fleet Services' customers to (1) see actual costs associated with owning their vehicle and to more appropriately show the costs associated with how a particular vehicle or piece of equipment is used in their daily work, (2) create awareness of the total costs to the company for owning and operating vehicles and equipment, and (3) provide an effective management tool to use in the decision making process regarding vehicle and equipment purchases.

The direct charging process breaks down costs by ownership, repair labor, parts, fuel, commercial repair, and other miscellaneous costs. Customers can view these breakdowns by accessing the Fleet Services Chargeback PowerBI report (link). If you have any issues accessing this report or if you have questions regarding the report, please contact Lauren Combs (704-549-6109).

All vehicle and mobile (off-road) equipment purchases are to be coordinated through Fleet Services (see Corporate Policy – link). Certain mobile equipment purchases may be eligible to be funded using the customer's departmental capital accounting. Please contact Meighan Read (see table below) for details and how this may affect Fleet Services chargebacks to the customer.

For budgeting purposes, all assigned vehicles and mobile equipment should be budgeted to Resource Type 53000 in the appropriate business unit budgets. This can be at a departmental level or as low as each individual responsibility center. The following guidelines may be used in determining what to budget for in the upcoming year:

(1) Take the current YTD costs in RT 50000 on your financial reports and annualize them. Then go to #3 below. OR
(2) Run the Fleet Services Chargeback PowerBI report (link) for the last 12 months. Take into consideration if units were added or reduced from the group or department and compare the result with (1) above. Then go to #3 below.
(3) If units are anticipated to be added in 2024, plan on adding monies for those units. Contact the Fleet Services Customer Representative for your region to assist with determining how much to budget for these additional units (see names and contact information below).
(4) If we are in a year where fuel costs are rising significantly each month, plan on adding a slight inflation factor to your costs in order to account for this increase in fuel costs. If unsure, please contact Fleet Services for guidance on this issue.

It is essential that adequate dollars are budgeted for the vehicles and equipment assigned to your group/department as Fleet Services does not budget these dollars for you. If you need assistance with how to calculate the Fleet Services' costs for your group/department, please contact any of the following Fleet Services representatives:

Contact	Region	Phone	Email
Dean Corbin	All	513-312-1356	Dean.Corbin@duke-energy.com
Patrick Cloninger	Carolinas	864 982-0354	Patrick.Cloninger@duke-energy.com
Jerry Shelley	Florida	407 942-9470	Jerry.Shelley@duke-energy.com
Cory Zimmerman	Midwest	317 838-2226	Cory.Zimmerman@duke-energy.com

If you need further assistance in getting this access or if you have questions regarding the reports, please contact Lauren Combs (704-549-6109).

4.6 Parking Costs for Company Owned Vehicles

Each Business Unit is responsible for budgeting monthly parking costs for their company owned vehicles. The accounting below should be used to process parking costs for company owned vehicles that are parked at company owned parking facilities (DE Plaza, Ohio Regional Headquarters, Florida Regional Headquarters, etc.):

Code block Element	What to charge
Responsibility Center	Business Unit Responsibility Center
Operating Unit	Business Unit Operating Unit
Process	PARK
Resource Type	69500
Account	0417007

Please contact your financial support contact for the appropriate parking accounting for non-company owned parking facilities.

4.7 Postage, Courier Services and Freight Logistics

The Administrative Services – Support Services group budgets for postage for routine mailings from the Corporate Mail Centers. Non-routine mailings will be budgeted by the business units. Please use the following guidelines for specific situations:

Type of Mailing Expense	Budgeted by

Customer billing and customer bill-related mailings	User organization
Marketing related mailings	User organization
Bulk or large mailings	User organization

4.8 Research Sources, Subscriptions and Books

Records Management:

- Business Units should budget for the purchase of banker boxes that are intended for storage of inactive corporate records. New storage boxes can be purchased through Guy Brown/Staples via the Portal.
- Business Units should budget for ingestion of new boxes sent to off-site record storage at Iron Mountain.
- Business Units should budget for deliveries of records from offsite storage at Iron Mountain if they anticipate expedited box requests such as deliveries via UPS 2nd Day Air. The Enterprise Record Center does not bill for routine, day-to-day operational costs associated with deliveries.
- Business Units should budget for any digitization of corporate records stored offsite at Iron Mountain (via Image on Demand) or digitization of records stored within Duke Energy Facilities (vendor scanning).
- Please contact the recordcenterstaff@duke-energy.com for information about Iron Mountain and offsite storage of inactive corporate records.
- For information about digitization of records and working with one of our approved scanning vendors, please contact the Enterprise Records Management Transformation team at ERMT@duke-energy.com.

Corporate Library:

- Corporate Library eBooks and audiobooks (for the Virtual Library) are budgeted by Administrative Services except for unique books needed for a specific business unit. Contact Chris Hamrick (704-382-6413) for information or a cost estimate.
- For Specialized Subscriptions/Memberships (syndicated content) which are unique to a specific organization, the Business Unit will budget for this. Chris Hamrick (704-382-6413) can be contacted for information or a cost estimate.

4.9 Information Technology Budget Guidelines

The Personal Mobile Device (PMD) program is managed out of IT Customer Services. The AirWatch Technology licenses are purchased by IT. The monthly reimbursement for approved PMD program participants is provided via the expense system, meaning these costs come out of individual manager's expense budgets.

5.0 CAPITAL BUDGETING - Work with Brooks

5.1 Capitalization Guidelines

If you have questions regarding the capitalization policies, please contact the following:

- Power Production, Renewables, Non-utility - Olga Leggett (704) 382-7232
- Software, Land, Power Delivery (T/D/Gas/Grid) and General Plant - Kristi Durham (980) 373-5131

- General Inquiries – Mike Mc Gee (704) 382-8625 or Olga Leggett (704) 382-7232

To access the current Duke Energy capitalization guidelines or the Unit of Property Catalog navigate to the following site on the Portal or click the link: https://dukeenergy.sharepoint.com/sites/portal_policies/Shared Documents/Forms/AllItems.aspx?id=%2Fsites%2Fportal_policies%2FShared Documents%2FDuke Energy Capitalization Guidelines - Consolidated%2Epdf&parent=%2Fsites%2Fportal_policies%2FShared Documents

5.2 Capital Class Types / Classifications & Definitions

Capital Class Type/ Classifications' Definitions:

Capital Class Type / Classification:	Capital Class Type/ Classifications' Definitions:
Recoverable	Defined as items that are recovered outside of normal base rates that: (1) have a specific clause/rider/tracker/special tariff with immediate recovery or (2) are deemed probable for future regulatory treatment that would result in a clause/rider/tracker. Examples: DCI-DEO Rider ECRC & ECCR Clause Recovery in Florida Indiana TDSIC Rider Nuclear Fuel
Expansion	**New Generation:** Expenditures on projects for assets expanding generation capabilities. **New Connects:** Capital expenditures to provide lighting and metered services to new customers including dollars to achieve connection and long-term capacity increases (includes new lighting installations). **Transmission Line Expansion/major modification**: to accommodate new generating facilities. **Renewables**: Would include projects adding MW, revenue producing projects, and acquisitions.
Major Projects	Includes large projects greater than $25M that are garnering AFUDC that are not in 'Recoverable' or 'Expansion', also includes strategic projects. Examples: Wholesale large replacement or retrofitting a plant. Strategic Projects (Grid)
Maintenance	Defined as capital expenditures not included in the above capital class types (Non-Recoverable, Non-Expansion, Non-Major Projects/Investments) Maintenance would generally include minimal to no AFUDC and carries regulatory lag implications.

For 2024, **Corporate Reporting** will continue to report on the following capital class types:

Recoverable
Expansion
Major Projects
Maintenance

If you have questions regarding the Capital Class definitions, please contact Tamara Kenney.

5.3 Capital Contingency

Project Management Center of Excellence standards require project teams to evaluate risks and establish, monitor, and report project contingency. Project contingency is typically included in developing estimates for project approval purposes but is generally not included in budgeted spend unless the project is in the early stages of development with little or no examination of risks completed.

For Business Units that include project contingency in their budgets, contingency should be cash-flowed based on the timing of the identified risks and estimates with which it is associated. If the Project is early in the development stages, and the risks have not yet

been defined, it is recommended that contingency be budgeted in December or in the final month of the Project if closing prior to year-end. This also applies to large O&M projects subject to PMCoE standards

6.0 SERVICE COMPANY GUIDELINES

Costs should be directly charged to the legal entity (Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio, etc.) benefiting from the services to the extent it is feasible. Otherwise, the service company allocations should be utilized.

There are three types of service company allocation pools:

Governance – Corporate departments with accountability for the management of the overall function and respective issues within Duke Energy; responsible for the governance, compliance, oversight, control, audit, and strategic program design of corporate-wide activities. These costs are charged to a governance identified operating unit that allocates across all businesses including those in the "Other" segment.

Enterprise – Support departments providing day-to-day services to all lines of business (e.g., IT, Corporate Facilities, Accounts Payable, HR Services); the execution of the governance process which benefits all business units. These costs are driven by and support the business, but for simplification, are allocated by the service company. These costs are charged to segment business units.

Utility – Support departments providing day-to-day services to regulated utilities only. The execution of the governance process which only benefits the regulated utilities. These costs are driven by and support the utility businesses, but for simplification, are allocated by the service company. These costs are charged to regulated utility business units.

7.0 BUDGET FINANCE SUPPORT BUSINESS CONTACTS

For detailed listings of the Finance Support of Business Unit Contacts, please reference:
Finance Business Support Representatives.xlsx (sharepoint.com)

2025

BUDGET GUIDELINES AND ASSUMPTIONS

Duke Energy - Corporate Version No: 6.0 · Last Update: 12/15/2024

Business Confidential & Proprietary

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1.0 GENERAL GUIDELINES FOR THE 2025 BUDGET

All guidance contained in this document is based on the best available information as of the published date. The contents and guidance are subject to change as business circumstances require.

1.1 Key Changes for 2025 Budgeting

- Loading detailed budget for 2025.
- Expectation is for all functions to be complete and on target by first budget lock.
- The budget calendar has been updated - see section **2.0 Budget Timeline**
- Inflation and Loading rates have been updated
  - Section 3.1 & 3.2 Labor Inflation Rates and Labor Loading Rates
  - Section 4.2 Non-Labor Loading Rates (Stores/Freight/Handling)

1.2 Reference Material

- Enterprise Budget Development SharePoint - contains the following information:
  - Budget Calendar and Guidelines
  - Security – Workflow and Department Security
  - Budget Status Reports
  - Quick Links (includes links to Worker Cost and Budget Power BI Dashboards)
  - Workflow RC Node Inventory – Workflow RC assignment
  - Budget Integration Schedule
  - MyTime Load File
  - HR Load File – no salary info included
  - Merit calculation example - OneStream

- Training materials for OneStream are available on the Finance Portal at **Portal Home -> Our Company -> Finance -> Training & Development ->** OneStream Planning. Materials include:
  - Job Aids
  - Exercise Guide
  - Video demonstrations

1.3 Budget Systems

All 2025 budgets (excluding PeopleSoft allocations) make their way to the OneStream Budget Tool, by direct entry or by an interface from Regulated & Renewable Energy, Gas and Nuclear long range planning tools to OneStream (i.e., PowerPlan LRP and Copperleaf Product Suite (CPS).

- Regulated & Renewable Energy will plan all capital projects and outage projects using PowerPlan LRP; users cannot modify these budgets in OneStream.
- Nuclear will plan all capital and O&M projects using Copperleaf Product Suite (CPS); users cannot modify these budgets in OneStream.
- Gas Operations will plan all Capex in PowerPlan LRP; users cannot modify these budgets in OneStream.
- All other budgets will be entered (directly or via spreadsheet upload) to OneStream.

Each night, OneStream budget data is sent to PeopleSoft for allocations / loadings, then sent to the FIHUB for reporting of "fully-loaded" budgets.

1.4 Budget Requirements

- O&M and Capital budgets for 2025 will be completed during the budget cycle.
- Targets are issued for each year. Functions are expected to be on target by jurisdiction at first budget lock.
- Results of budget allocations will be available in the FIHUB daily.
- We recognize at present there are inflationary pressures resulting from the current macroeconomic environment which could impact costs incurred in the organizations. Functions should appropriately assess these pressures and plan on adding a slight inflation factor to costs as appropriate for impacted expense in order to account for inflation.

The table below shows which scenarios are open for editing:

Data Type	
Manual_Load	Open
Labor_Acctg**	Open
Labor_Default**	Open
Overtime_Labor**	Open
Budget_Adj***	Open
Print_Services***	Open
Copperleaf*	Closed
PWR_Plant*	Closed

** From external feeders (e.g., Copperleaf, Powerplan)*
*** Developed in OneStream using calculated Compensation/Overtime and Labor/Overtime Accounting loaded*
**** Budget_Adj is used by the forecasting team to load revenues, adjustments, etc. Print_Services is used for copier lease budgets*

1.5 Budget Development

Budgets should be prepared on an accrual basis. This should include a focus on accurate monthly timing of budgeted costs. The goal is to reduce actual versus budget timing variances for 2025 reporting by placing budget dollars in the months the costs are expected to be incurred, assuming accruals recorded based on completed work.

Costs should be directly charged to the legal entity (Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio, etc.) benefiting from the services to the extent it is feasible.

Care should be taken to identify where affiliate transactions are occurring to ensure that Service Agreements are put in place.

2.0 BUDGET TIMELINE

Below is a summary of the key dates for the 2025 budgeting process. *Please note that the deadlines indicated are for final signoffs. All internal department reviews must be completed prior to these final signoff dates*.

These dates reflect the calendar as planned, dates and events are subject to change as business circumstances may require.

Dates	Activity
May 20 - 31	OneStream Budget Refresher Training Available on the Portal
June 1	Load MyTime labor charging snapshot (1 month of prior labor charging for use in labor budgeting)
June 1	Load HR snapshot to OneStream for labor budgeting
June 3	Budget Tool opens (OneStream)
June 28	ECO planned jurisdictional spend within target
July 8	Forecasting completes 5-year model update (4x8)
July 30	O&M Pressures discussions
Aug TBD	O&M & Capital Guidance updated based off 4x8
July 15 - Aug 16	Training for UI Capital Submission (new UI planner project)
August 9	ECO analysis complete
August 23	Open New UI for Capital Submissions
August 23	Budget lock - Corporate, Shared Services, Functional Allocations, and all Charges to Others (including headcount in worker cost cube)
August 30	Budget lock - Year 1 O&M and Capital on Target (including headcount in worker cost cube)
August 30	Employee Benefits budget loaded (headcount based on SMC direction)
September 4 - 5	Fringe Benefit Loading Rates updated
September 9	O&M and Capital templates for 2024 - 2028 due - to be used in 8x4 model run that will be used for December board meeting
October 1	MyTime labor charging snapshot (1 month of prior labor charging for use in labor budgeting)
October 4	Budget allocation step owner sign-offs due
October 7 - 11	Update Service Company and OH/KY allocations
October 15	Info Scenario Created
October 18	Budget reopens for Cash Flow changes
October 24	Forecasting completes 5-year model update (8x4)
November 25	Final budget lock - Corporate, Shared Services and all charges to others
December 2	Final budget lock - **O&M and Capital on target**
December 9 - 10	Fringe Benefit Loading Rates updated
December 10 - 11	Board Meeting
December 13 - 14	Run monthly budget allocations
December 27	O&M and Capital templates for 2024 (tied to monthly budget) due - to be used for limited scope 12x0 run
January 21	Forecasting completes 5-year model update (limited scope 12x0)
January 22 - 27	Forecasting loads rest of Income Statement to budget tools (FiHub Final load to OneStream Consolidations)
February 1 - 2	Budget scenario marked 'Final' for AvB reporting

3.0 WORKFORCE BUDGETING

3.1 Labor Inflation Rates

The table below contains the preliminary wage increases that will be used to begin the 2025 budgeting process. Labor increases will be automatically applied to the Headcount Worker Cost (HWC) in OneStream after HR employee data is loaded. If labor budgets are loaded using the Labor Mapping cube, labor will feed in with increases layered into the appropriate months. If labor is loaded using the Budgets Cube, be sure to budget the effects of labor increases in the appropriate months. TBD – "To Be Determined" guidance will be provided as information becomes available.

Category	Union	Date of Increase	2024 Wage Increase Est.[1]	2025 Wage Increase Est.[1]
Non-Union	n/a	March 1	[redacted]	[redacted]
Non-Union	Non-represented Craft	September 23	TBD	TBD
Union	UWUA, IUU Local 600 (Technical)[2]	April 1	[redacted]	[redacted]
Union	UWUA, IUU Local 600 (Clerical/Manual)[2]	April 1	[redacted]	[redacted]
Union	IBEW 1347	April 1	[redacted]	[redacted]
Union	IBEW 1347-Matl Spec C, Meter Repair, Manual Techs	April 1	[redacted]	[redacted]
Union	IBEW 1393[2]	May 1	[redacted]	TBD
Union	USW 12049[2]	May 15	[redacted]	[redacted]
Union	USW 5541-06[2]	May 15	[redacted]	[redacted]
Union	USW 7202	October 1	TBD	TBD
Union	IBEW 962	October 1	TBD	TBD
Union	IBEW 962T	December 1	TBD	TBD
Union	IBEW 1902 (NC/SC)	June 1	[redacted]	TBD
Union	PPF 702 (TN)	April 1	[redacted]	[redacted]
Union	IBEW SCU-8 Florida (Main IBEW Florida)	December	[redacted]	TBD
Union	IBEW SCU-8 Florida (Citrus Contract)	April	TBD	TBD
Union	IBEW SCU-8 Florida (Hines Energy Complex)	March	TBD	TBD

Notes:
[1]*Estimates have been included where negotiations are pending. Estimates used are for budget purposes only and may not be representative of management's offer during future negotiations.*
[2]*Employees in the IBEW 1393, USW 12049 and 5541-06 unions receive one week of prepaid sick time in the month of January. This week of prepaid sick time is calculated by the Headcount Worker Cost Cube process in OneStream.*

3.2 Labor Loading Rates

The table below contains the final labor loading rates used for the 2025 budgeting process. These rates have been updated to reflect the anticipated impact as determined by the actuarial analysis and the amount of labor budgeted.

Category	2025 Rate	Comments
Fringe Benefits		
DE Carolinas		
DE Progress		*The fringe benefits rate includes health and insurance (medical, dental, life, disability), retirement, (pension, 401k),*
DE Florida		
DE Indiana		*service awards, EAP costs, tuition reimbursement, and the administrative fees that go along with those costs*
DE Kentucky		
DE Ohio		
Piedmont		
DE Commercial Power		
DE Business Services		
Payroll Tax		*Loader applies to capital projects. On income statement, payroll tax is in account that does not roll to O&M*
Incentive		
DEBS		
Other Non-Union		
Union		

3.3 Incentives

STPP and discretionary pool plans will be budgeted through incentive loading rates calculated at target performance. Executive stock-based incentives will be budgeted in a Human Resources responsibility center (RC 8937) and allocated to operating units as appropriate. Any incentives outside the aforementioned plans should be budgeted at the responsibility center level.

3.4 Workforce Planning

Usage of the Headcount Worker Cost (HWC) is required for headcount. Budgeted headcount is used in all forward-looking rate cases. It is important that headcount is budgeted accurately by payroll company to support rate case filings. Headcount should include interns, temporary employees, and individuals on short-term disability. It should not include employees on long-term disability. HWC data will be provided to HR at the budget lock for their workforce planning activities, including refinement of the calculation of the employee benefit budget. Additional changes are allowed in the HWC scenario in the second open, but these should be minor changes. If significant changes are needed after the first budget lock, please discuss this during the bi-weekly budget call.

To better align headcount to dollars, and to facilitate headcount AvB reporting for management; headcount in HWC should be reflective of average budgeted headcount. We are calculating average headcount in OneStream and users will need to use the system functionality to enter estimated attrition via a negative headcount entry. We will use the average budgeted headcount calculated in OneStream as the official budgeted headcount.

Definitions:

Note: Temporary employees do not receive employee benefits (e.g., Interns, Co-ops, Seasonal Workers, etc.), are identified with employee status "T" in WorkDay, and are excluded from the definitions below (dollars and headcount)

1. **Max Headcount –** The maximum SMC approved employee headcount (including vacancies). The SMC can use discretion to increase or decrease the maximum headcount based on strategic and budget needs.
2. **Actual Headcount –** All active and short-term leave employees, including full-time and part-time. This is the current (active and on-leave) headcount number per WorkDay.
3. **Monthly Budgeted Headcount -** Budgeted headcount, including vacancies, less Attrition Headcount Equivalent, as of the budget month-end. This number is static once the budget is locked. The only adjustment to this number after final budget lock is for significant reorganizations or "lift and shifts."
4. **Year-End Budgeted Headcount –** Budgeted headcount, including vacancies, less Attrition Headcount Equivalent as of the budget year-end. This number is static once the budget is locked. The only adjustment to this number after final budget lock is for significant reorganizations or "lift and shifts."
5. **Average Budgeted Headcount –** The average of the 12 Monthly Budgeted Headcount.
6. **Transfer –** When someone leaves their current department for another department within the Company.
7. **Attrition –** When someone leaves the Company.
8. **Attrition Credit -** The dollar savings that occur between the time an employee leaves a position and the time that position is backfilled. This time period is generally 3 months. This has formerly been referred to as "vacancy factor." **Attrition credits must be loaded using Resource Type 11003**. Resource type 11008 shall not be used without approval from the Director Budget & Strategic Planning.
9. **Attrition Headcount Equivalent –** The number of headcount that corresponds to the Attrition Credit. This has formerly been referred to as "vacancy factor."
10. **Vacancy –** An unfilled budgeted position.
11. **Full Time Equivalent (FTE) –** An FTE represents 40 hours per week. For example, two part time employees each working 20 hours per week together would equal 1 FTE. The number of FTE's will not equal total number of employees however an understanding of both is necessary to understand budget impacts and labor cost implications.

When inputting vacancies and/or new positions into HWC in OneStream, the job segment code should be included in the job seg field along with the vacancy type using the dropdown list (Current Vacancy, New Position, Temp Vacancy). The job segment codes can be found under Documents in OneStream and on the Enterprise Budget Development SharePoint.

If you have questions regarding which Workforce Planning Segment to use, please contact your HR contact for Workforce Planning (see excel file linked above). If your HR contact is unavailable, please contact Jonathan Boyte, Workforce Planning, Jonathan.Boyte @duke-energy.com.

Both Finance and HR will have access to the 2025 Headcount Worker Cost Fihub Labor Comparison Dashboard for summary headcount reporting. This report also shows a comparison between labor calculated in Worker Cost and what's been loaded to the FiHUB. Link will be provided upon report completion.

3.5 Payroll Cycle for Exempt and Non-Exempt Employees

All exempt employees should be budgeted assuming a semi-monthly pay cycle (two payrolls per month). Non-exempt employees should be budgeted assuming a bi-weekly payroll cycle.

In 2025, there will be two payrolls for all months except **May** and **October**, which will have **three pay periods**.

Accounting will budget payroll accruals quarterly to ensure the financial statements reflect the appropriate amounts of payroll in each quarter. Below are the number of days to be accrued each quarter.

Month	2025 (excluding weekends)	2025 (including weekends)
March	11	15
June	6	8
September	12	16
December	8	10

3.6 Recruiting & Relocation Expenses

Items budgeted by HR:

Recruiting
Job Postings
Testing Fees
Service and Retirement Awards

Items budgeted by hiring organization:

Candidate Travel Expenses
Agency Fees
Staff Augmentation
Relocation Expenses
Military Leave Pay

If you have questions on Relocation & Recruiting Fees, please contact Derrick Robinson at 704-382-1927.

3.7 Education Reimbursement (Tuition Refund) Expenses

All education reimbursement will be budgeted within the employee benefit rates. No tuition refund expenses should be budgeted within the business unit budgets unless the business unit plans to exceed established limits on graduate education reimbursement.

3.8 Contingent Worker Costs

It is a goal of the company to accurately track and report the spend on contingent workers (those 3rd party contract workers performing FTE-equivalent work). Budgets should reflect the guidance below to help enhance our ability to monitor and report spending on 3rd party contingent workers:

1. Resource Type Cost Driver Tree and the level 03 Staff Augmentation will be used to identify contingent worker costs. In this grouping, resource type 69000 has been renamed "Staff Augmentation".

2. Resource type 69700 – Consultant was created under the level 03 grouping Outside_Services for true consulting costs (not for supplemental workers performing FTE-equivalent work)

Resource Type Cost Driver Tree - Revised		
Resource Type Level 02 Name - Description	Resource Type Level 03 Name - Description	Resource Type CB - Description
CONTINGENT_WORKER - Contingent Worker	CONTR_MEALS_TRAVEL - Contractor Meals Travel	60011 - CONTRACTOR MEALS/TRAVEL
	CONTR_SECUR_BASE - Contract Security Baseload	69110 - Security
	CONTR_SVCS_BASE - Contract Services Baseload	60006 - Contract Emp Exp - 50% Deduct
		60008 - Vendor Expenses-Per Diem
		60009 - Vendor EMP EXP - Deductible
		69100 - Baseload Contract Labor
	STAFF_AUGMENTATION - Staff Augmentation	69000 - Staff Augmentation
		69010 - SA Ctrct Emp Exp-50% Deduct
		69020 - SA Vendor Emp Exp-Per Diem
		69030 - SA Vndr Emp Exp - 100% Deduct
		69200 - Peak/Unplanned Contract Labor
CONTRACT_SERVICES - Contract Services	FEES_CS - Fees - Contract Svcs	60005 - Audit Fees
	OUTSIDE_SERVICES - Outside Services	62000 - Conract Retention
		63000 - Contract/Outside Services NLBR
		63015 - Contracts-Engineering Labor
		69300 - Contractor: Compl/Regulatory
		69500 - Other Contracts
		69600 - Construction Restoration
		69700 - Consultant
	TURNKEY_SERVICE - Turnkey Service	69400 - Turnkey Service Contract Labor

4.0 NON-LABOR BUDGETING

4.1 Rate Case and Other Regulatory Filings

Duke Energy uses the budget for rate cases or other regulatory filings in Ohio, Kentucky, Indiana, Florida, the Carolinas, and Piedmont. To help provide details needed to support rate requests, please consider the following:

- Budget to Accounts where actual charges will occur.
- Budget to the appropriate Gas vs. Electric business units where actual charges will occur.

4.2 Non-Labor Loading Rates

The table below contains the non-labor loading rates that will be used to begin the 2025 budgeting process.

Stores, Freight & Handling	Carolinas	Indiana	Ohio	Kentucky	Progress	Florida	Piedmont
Regulated & Renewable Energy							
Power Grid Operations							
Gas							
Nuclear – Catawba							
Nuclear – McGuire							
Nuclear – Oconee							
Nuclear – Brunswick							
Nuclear – Harris							
Nuclear – Robinson							

4.3 Managed Print Services

In 2025, Managed Print Services will charge business units (i.e., Nuclear, Regulated & Renewable Energy, Customer, Commercial Business, etc.) based on actual or allocated usage for copier use based on negotiated price per impression. The budgeted charges include impressions, supplies and maintenance. IT Finance will budget on behalf of the business – using the business' responsibility centers for all non-corporate departments and IT responsibility centers for corporate departments.

Departments should continue to budget for paper in 2025.

Print Centers (prints, binding, collateral, etc.)
Any copy/print job created at an off-site Print Center should be budgeted by the respective Business Unit. All accounting or credit card information should be provided at time of order within the myChoice Print Request tool.

Wide Format Fleet Devices (plotters) (non-Imaging Services)
Managed Print Services will charge the business units for wide format use based on negotiated cost per square foot of paper used. The budgeted charges include impressions only. Equipment, supplies, paper, and maintenance are included in the cost per square foot. IT Finance will budget on behalf of the business – using the business' responsibility centers for all non-corporate departments and IT responsibility centers for corporate departments.

Imaging Service services (prints, scans, etc.)
Any large format prints and scans created at the Imaging Production Centers should be budgeted by the respective Business Unit. This cost includes any printing of wide format drawings and digitization scanning projects in support of upcoming renovations. *If you have questions about the 2025 Print Services budget contact Greg Spivey, IT_Finance@duke-energy.com.*

4.4 Facility Costs

Corporate Offices
Budgeting responsibility for renovations to corporate office space in 2025 will be handled by Real Estate, including office consolidations in Charlotte and regional headquarters locations in Cincinnati, Plainfield, Raleigh, St. Petersburg and Northpoint.

Facility Maintenance / Additions / Changes
Real Estate will budget all building maintenance costs (i.e., janitorial services, cleaning supplies, lease payments, utilities, grounds maintenance) for the corporate offices and electric/gas distribution facilities (excludes operational costs such as tools, equipment used by customer, services requested outside of approved service level agreements, etc.) for all Real Estate managed properties. Real Estate will budget for facility infrastructure replacements (i.e., roof, mechanical systems, paving, carpet). For Real Estate maintenance questions please contact Jared Kohler at (513) 432-6912.

Additions or changes to facilities and grounds will be budgeted by Real Estate in accordance with the Duke Energy Dynamic Workplace standards. A multi-year capital planning effort will address the needs from the business units as well as those of the corporate areas. Real Estate will also assist business partners with their emergent work needs outside of the capital plan, provided the work is funded by the requesting business unit and is in line with workplace standards. So that these needs are addressed during the budget process and included into the Real Estate multi-year capital plan, they should be reviewed with the contacts noted below:

- Gary Hutcheson – Midwest
- D. Jeremy Thigpen – Carolinas East
- Kristen Hayden – Carolinas West/Charlotte
- Lisa Echols – Florida

Note: Facility maintenance charges (O&M) for net new facilities and renovations/additions that increase the total managed square feet of a facility will be funded by the business unit(s) requesting the project. *A new facility or facility expansion is a long-term O&M commitment to the company and should be carefully considered.* The facility maintenance charges (O&M) for mid-year increases will be charged with the business unit's Responsibility Center for the balance of the year, then O&M dollars will be transferred from the business unit to Real Estate for future years. Annual facility maintenance costs should be considered by business units during the project planning process. Please contact the Real Estate Portfolio Manager referenced above with specific questions or for budget guidance.

Personnel Moves
Personnel moves that involve the movement of boxes and computers will be budgeted by the business unit unless associated with a Real Estate project. Typical rates for moves range from $75-150 for moves that occur within the same buildings, $100-175 for moves from bldg. to bldg. less than 25 miles, and $150-250 for moves greater than 25 miles. Customers requesting moves that involve reconfiguration of furniture, cubicles, keyboard trays, etc. should be budgeted within their department's budget, including special requests to meet ergonomic needs, etc.

Conference Room Set-ups
Default set-up configurations have been defined for large configurable conference/meeting room space to maximize space utilization. Business units will be charged a reset fee when a Facility Work Order is submitted for a custom configuration. The reset fee will vary based on the room size and set-up requirements (ranging from $250 min - $750 max). Employees should not rearrange the conference room furniture as the next group is expecting the standard room configuration. If a room has been rearranged, that business unit will be charged a room reset fee.

Substation control house and Telecommunication building facility maintenance (i.e., plumbing, roof, air conditioning) will be budgeted by Real Estate for all Real Estate-managed properties.

Lease Administration

Duke Energy Real Estate is responsible for administering all facility and land leases, payable and receivable. The administration of leases includes managing and adhering to critical dates and ensuring payment. Accounting for leases is provided by the requesting Business Unit and therefore funded through the Business Unit's Responsibility Center and Operating Unit. Leases are paid and billed according to the terms and conditions spelled out in the lease. Contact Patti Sutton (704) 382-4233 or Nancy Holmes (704) 560-4693/ Nancy.Holmes@jll.com for lease or lease administration questions.

4.5 Transportation – (Fleet Services) Costs

A direct charging process is used for costs associated with all assigned vehicles and mobile (off-road) equipment. This enables Fleet Services' customers to (1) see actual costs associated with owning their vehicle and to more appropriately show the costs associated with how a particular vehicle or piece of equipment is used in their daily work, (2) create awareness of the total costs to the company for owning and operating vehicles and equipment, and (3) provide an effective management tool to use in the decision making process regarding vehicle and equipment purchases.

The direct charging process breaks down costs by ownership, repair labor, parts, fuel, commercial repair, and other miscellaneous costs. Customers can view these breakdowns by accessing the Fleet Services Chargeback PowerBI report (link). If you have any issues accessing this report or if you have questions regarding the report, please contact Beckton James (Beckton.James@duke-energy.com).

All vehicle and mobile (off-road) equipment purchases are to be coordinated through Fleet Services (see Corporate Policy – link). Certain mobile equipment purchases may be eligible to be funded using the customer's departmental capital accounting. Please contact Meighan Read (see table below) for details and how this may affect Fleet Services chargebacks to the customer.

For budgeting purposes, all assigned vehicles and mobile equipment should be budgeted to Resource Type 53000 in the appropriate business unit budgets. This can be at a departmental level or as low as each individual responsibility center. The following guidelines may be used in determining what to budget for in the upcoming year:

(1) Take the current YTD costs in RT 50000 on your financial reports and annualize them. Then go to #3 below. OR
(2) Run the Fleet Services Chargeback PowerBI report (link) for the last 12 months. Take into consideration if units were added or reduced from the group or department and compare the result with (1) above. Then go to #3 below.
(3) If units are anticipated to be added in 2025, plan on adding monies for those units. Contact the Fleet Services Customer Representative for your region to assist with determining how much to budget for these additional units (see names and contact information below).
(4) If we are in a year where fuel costs are rising significantly each month, plan on adding a slight inflation factor to your costs in order to account for this increase in fuel costs. If unsure, please contact Fleet Services for guidance on this issue.

It is essential that adequate dollars are budgeted for the vehicles and equipment assigned to your group/department as Fleet Services does not budget these dollars for you. If you need assistance with how to calculate the Fleet Services' costs for your group/department, please contact any of the following Fleet Services representatives:

Contact	Region	Phone	Email
Dean Corbin	All	513-312-1356	Dean.Corbin@duke-energy.com
Patrick Cloninger	Carolinas	864 982-0354	Patrick.Cloninger@duke-energy.com
Jerry Shelley	Florida	407 942-9470	Jerry.Shelley@duke-energy.com
Cory Zimmerman	Midwest	317 838-2226	Cory.Zimmerman@duke-energy.com

If you need further assistance in getting this access or if you have questions regarding the reports, please contact Lauren Combs (704-549-6109).

4.6 Parking Costs for Company Owned Vehicles

Each Business Unit is responsible for budgeting monthly parking costs for their company owned vehicles. The accounting below should be used to process parking costs for company owned vehicles that are parked at company owned parking facilities (DE Plaza, Ohio Regional Headquarters, Florida Regional Headquarters, etc.):

Code block Element	What to charge
Responsibility Center	Business Unit Responsibility Center
Operating Unit	Business Unit Operating Unit
Process	PARK
Resource Type	69500
Account	0417007

Please contact your financial support contact for the appropriate parking accounting for non-company owned parking facilities.

4.7 Postage, Courier Services and Freight Logistics

Supply Chain's Support Services group budgets for postage for routine mailings from the Corporate Mail Centers. Non-routine mailings will be budgeted by the business units. Please use the following guidelines for specific situations:

Type of Mailing Expense	Budgeted by
Customer billing and customer bill-related mailings	User organization
Marketing related mailings	User organization
Bulk or large mailings	User organization
Courier services, supplies, and overtime for special projects (rubber gloves, meters, etc.)	User organization

4.8 Research Sources, Subscriptions and Books

Records Management:

- Business Units should budget for the purchase of banker boxes that are intended for storage of inactive corporate records. New storage boxes can be purchased through Guy Brown/Staples via the Portal.
- Business Units should budget for ingestion of new boxes sent to off-site record storage at Iron Mountain.
- Business Units should budget for deliveries of records from offsite storage at Iron Mountain if they anticipate expedited box requests such as deliveries via UPS 2nd Day Air. The Enterprise Record Center does not bill for routine, day-to-day operational costs associated with deliveries.
- Business Units should budget for any digitization of corporate records stored offsite at Iron Mountain (via Image on Demand) or digitization of records stored within Duke Energy Facilities (vendor scanning).
- Please contact the recordcenterstaff@duke-energy.com for information about Iron Mountain and offsite storage of inactive corporate records.
- For information about digitization of records and working with one of our approved scanning vendors, please contact the Enterprise Records Management Transformation team at ERMT@duke-energy.com.

Corporate Library:

- Corporate Library eBooks and audiobooks (for the Virtual Library) are budgeted by Administrative Services except for unique books needed for a specific business unit. Contact Chris Hamrick (704-382-6413) for information or a cost estimate.
- For Specialized Subscriptions/Memberships (syndicated content) which are unique to a specific organization, the Business Unit will budget for this. Chris Hamrick (704-382-6413) can be contacted for information or a cost estimate.

4.9 Information Technology Budget Guidelines

The Personal Mobile Device (PMD) program is managed out of IT Customer Services. The AirWatch Technology licenses are purchased by IT. The monthly reimbursement for approved PMD program participants is provided via the expense system, meaning these costs come out of individual manager's expense budgets.

5.0 CAPITAL BUDGETING

5.1 Capitalization Guidelines

If you have questions regarding the capitalization policies, please contact the following:

- Primary Contact – Kristi Norris (980) 373-5131
- Secondary Contact – Michael O'Keefe (704) 382-2555

To access the current Duke Energy capitalization guidelines or the Unit of Property Catalog navigate to the following site on the Portal or click the link: https://dukeenergy.sharepoint.com/sites/portal_policies/Shared Documents/Forms/AllItems.aspx?id=%2Fsites%2Fportal_policies%2FShared Documents%2FDuke Energy Capitalization Guidelines - Consolidated%2Epdf&parent=%2Fsites%2Fportal_policies%2FShared Documents

5.2 Capital Class Types / Classifications & Definitions

Capital Class Type/ Classifications' Definitions:

Capital Class Type / Classification:	Capital Class Type/ Classifications' Definitions:
Recoverable	Defined as items that are recovered outside of normal base rates that: (1) have a specific clause/rider/tracker/special tariff with immediate recovery or (2) are deemed probable for future regulatory treatment that would result in a clause/rider/tracker. Examples: North Carolina MYRP DCI-DEO Rider ECRC & ECCR Clause Recovery in Florida Indiana TDSIC Rider Nuclear Fuel
Expansion	**New Generation:** Expenditures on projects for assets expanding generation capabilities. **New Connects:** Capital expenditures to provide lighting and metered services to new customers including dollars to achieve connection and long-term capacity increases (includes new lighting installations). **Transmission Line Expansion/major modification**: to accommodate new generating facilities. **Renewables**: Would include projects adding MW, revenue producing projects, and acquisitions.
Major Projects	Includes large projects greater than $25M that are garnering AFUDC that are not in 'Recoverable' or 'Expansion', also includes strategic projects. Examples: Wholesale large replacement or retrofitting a plant. Strategic Projects (Grid)
Maintenance	Defined as capital expenditures not included in the above capital class types (Non-Recoverable, Non-Expansion, Non-Major Projects/Investments) Maintenance would generally include minimal to no AFUDC and carries regulatory lag implications.

For 2025, **Corporate Reporting** will continue to report on the following capital class types:

Recoverable
Expansion
Major Projects
Maintenance

If you have questions regarding the Capital Class definitions, please contact Tamara Kenney.

5.3 Capital Contingency

Project Management Center of Excellence standards require project teams to evaluate risks and establish, monitor, and report project contingency. Project contingency is typically included in developing estimates for project approval purposes but is generally not included in budgeted spend unless the project is in the early stages of development with little or no examination of risks completed.

For Business Units that include project contingency in their budgets, contingency should be cash-flowed based on the timing of the identified risks and estimates with which it is associated. If the Project is early in the development stages, and the risks have not yet been defined, it is recommended that contingency be budgeted in December or in the final month of the Project if closing prior to year-end. This also applies to large O&M projects subject to PMCoE standards.

6.0 SERVICE COMPANY GUIDELINES

Costs should be directly charged to the legal entity (Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio, etc.) benefiting from the services to the extent it is feasible. Otherwise, the service company allocations should be utilized.

There are three types of service company allocation pools:

Governance – Corporate departments with accountability for the management of the overall function and respective issues within Duke Energy; responsible for the governance, compliance, oversight, control, audit, and strategic program design of corporate-wide activities. These costs are charged to a governance identified operating unit that allocates across all businesses including those in the "Other" segment.

Enterprise – Support departments providing day-to-day services to all lines of business (e.g., IT, Corporate Facilities, Accounts Payable, HR Services); the execution of the governance process which benefits all business units. These costs are driven by and support the business, but for simplification, are allocated by the service company. These costs are charged to segment business units.

Utility – Support departments providing day-to-day services to regulated utilities only. The execution of the governance process which only benefits the regulated utilities. These costs are driven by and support the utility businesses, but for simplification, are allocated by the service company. These costs are charged to regulated utility business units.

7.0 BUDGET FINANCE SUPPORT BUSINESS CONTACTS

For detailed listings of the Finance Support of Business Unit Contacts, please use the Lookup My Finance Business Support Representative found on the Finance Portal at Portal Home > Departments & Services > Finance.

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(d)

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807 KAR 5:001, SECTION 16(7)(d)

Description of Filing Requirement:

The utility's annual and monthly budget for the twelve (12) months preceding the Filing Date, the Base Period, and Forecasted Period.

Response:

See the attached for the Company's official 2024 and 2025 operating budgets which include the 12 months preceding the Filing Date (June 2024 – May 2025) and the Base Period (September 2024 - August 2025). The requested annual budget for the 12 months of the Forecasted Test Period is provided in Schedule C-1. The monthly revenue and monthly O&M amounts are shown in Work Papers WPC-2d and WPC-2.1a, respectively. This data is comprised of Duke Energy Kentucky's 2025 annual budget and extended through December 2026 as described in the testimony of Claire C. Hudson.

Sponsoring Witness:

Claire C. Hudson

DE Kentucky Gas

Dynamic Income Statement for Budget

	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Total 2024
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	YTD
Operating Revenue													
Regulated Natural Gas	23,187,771	21,898,032	15,669,827	9,667,159	5,645,418	3,575,164	3,131,785	4,619,841	8,436,824	9,706,017	20,871,044	26,493,616	152,903,697
Non-Regulated													
Total Operating Revenue	23,187,771	21,898,032	15,669,827	9,667,159	5,645,418	3,575,164	3,131,785	4,619,841	8,436,824	9,706,017	20,871,044	26,493,616	152,903,697
Operating Expenses													
Cost of Natural Gas and Coal Sold	9,358,117	8,969,294	5,630,348	2,674,372	596,999	(714,566)	(1,050,120)	532,595	4,248,157	4,628,318	12,665,713	14,202,938	64,014,166
Operations, Maintenance and Other	1,903,044	1,703,803	1,879,506	1,889,425	1,825,462	1,766,894	1,680,304	1,697,598	1,836,293	1,609,438	1,716,061	1,800,282	21,110,408
Depreciation and Amortization	1,880,087	1,916,056	1,939,258	1,869,748	1,871,515	1,870,603	1,876,194	1,878,511	1,881,924	1,881,098	1,956,160	1,961,854	22,763,470
Property and Other Taxes	685,895	680,718	681,640	681,518	692,120	682,106	682,292	682,196	681,908	682,077	682,254	681,727	8,206,366
Total Operating Expenses	13,807,143	13,269,871	10,130,751	7,125,064	4,986,289	3,605,197	3,188,577	4,791,301	8,648,288	8,800,931	17,020,188	18,646,801	114,092,409
Gain/(Loss) on Sales of Other Assets and Other, net													
Operating Income	9,380,628	8,628,162	5,539,076	2,542,094	659,128	(30,032)	(48,791)	(172,261)	(211,463)	907,085	3,850,857	7,846,815	38,901,287
Other Income and Expenses													
Other Income													
Employee Benefits - Non-service Costs - (Exp) / Inc	38,863	38,863	38,863	38,863	38,863	38,863	38,863	38,863	38,863	38,863	38,863	38,863	466,353
AFUDC and Other Deferred Returns	35,244	60,595	71,106	92,375	100,120	179,904	208,532	239,462	266,402	202,766	136,109	84,482	1,676,986
Deferred Returns													
Interest and Div Bonds	1,794	(0)	(0)	(0)	(0)	0	0	0	0	0	0	0	1,794
IC Interest Income (Moneypool AC 0419429)	94	267	14,954	30,417	48,953	140,103	187,725	156,047	69,761	867	1,018	1,098	590,247
IC Interest Income (CRC AC 0419891)	113,624	106,874	103,135	108,311	85,571	75,436	85,314	86,192	79,907	81,015	78,061	130,726	1,135,329
Other Income and Expenses	189,619	206,584	227,289	269,965	243,207	404,177	520,434	520,568	454,933	323,513	254,050	255,169	3,870,619
Earnings Before Interest Expense and Taxes	9,570,246	8,836,750	5,766,364	2,812,060	902,335	374,144	471,643	348,305	242,569	1,230,598	4,004,907	8,101,984	42,771,907
Interest Expense	707,710	686,202	813,915	564,943	553,641	804,128	878,716	853,698	883,689	962,549	986,264	1,012,333	9,627,788
Earnings From Continuing Operations Before Income Taxes	8,862,536	8,150,548	5,172,450	2,227,117	348,694	(429,984)	(407,073)	(505,393)	(641,119)	268,050	3,108,643	7,089,652	33,244,119
Income Tax Expense (Benefit) From Continuing Operations	2,148,808	1,965,508	757,201	485,046	16,146	(30,009)	196,588	(220,820)	88,370	(29,420)	693,320	1,634,308	7,299,776
Income from Continuing Operations Attributable to Duke Energy Corp	6,713,728	6,185,040	4,415,249	1,742,071	332,548	(399,975)	(208,385)	(274,573)	(729,490)	297,470	2,415,323	5,455,343	25,944,350
Income (Loss) From Continuing Operations	6,713,728	6,185,040	4,415,249	1,742,071	332,548	(399,975)	(208,385)	(274,573)	(729,490)	297,470	2,415,323	5,455,343	25,944,350
Net Inc Bfr Ext and Chg in Acct. Prin.	6,713,728	6,185,040	4,415,249	1,742,071	332,548	(399,975)	(208,385)	(274,573)	(729,490)	297,470	2,415,323	5,455,343	25,944,350
Consolidated Net Income	6,713,728	6,185,040	4,415,249	1,742,071	332,548	(399,975)	(208,385)	(274,573)	(729,490)	297,470	2,415,323	5,455,343	25,944,350
Less: Net (Loss) Income Attributable to Noncontrolling Interests													
Net Income Attributable to Company	6,713,728	6,185,040	4,415,249	1,742,071	332,548	(399,975)	(208,385)	(274,573)	(729,490)	297,470	2,415,323	5,455,343	25,944,350
Less: Preferred Dividends	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income Attributable to Controlling Interest	6,713,728	6,185,040	4,415,249	1,742,071	332,548	(399,975)	(208,385)	(274,573)	(729,490)	297,470	2,415,323	5,455,343	25,944,350

DE Kentucky Gas

Dynamic Income Statement for Budget
Periodic

	Jan 2025 Budget Periodic	Feb 2025 Budget Periodic	Mar 2025 Budget Periodic	Apr 2025 Budget Periodic	May 2025 Budget Periodic	Jun 2025 Budget Periodic	Jul 2025 Budget Periodic	Aug 2025 Budget Periodic	Sep 2025 Budget Periodic	Oct 2025 Budget Periodic	Nov 2025 Budget Periodic	Dec 2025 Budget Periodic	Total 2025 Budget YTD
Operating Revenue													
Regulated Natural Gas	24,419,029	21,426,556	15,110,668	9,762,715	5,730,668	5,436,984	6,510,889	6,977,207	6,687,356	10,931,116	16,420,935	25,099,099	156,513,253
Non-Regulated													
Total Operating Revenue	**24,419,029**	**21,426,556**	**15,110,668**	**9,762,715**	**5,730,668**	**5,436,984**	**6,510,889**	**6,977,207**	**6,687,356**	**10,931,116**	**16,420,935**	**25,099,099**	**156,513,253**
Operating Expenses													
Cost of Natural Gas and Coal Sold	10,109,635	8,536,824	5,040,464	2,881,598	1,664,157	1,658,775	1,863,944	2,311,190	2,074,584	5,166,679	7,882,222	12,360,244	61,549,316
Operations, Maintenance and Other	2,044,896	1,781,312	1,971,115	1,947,549	2,161,882	2,013,433	2,018,086	1,969,015	2,014,931	2,091,586	1,801,440	1,821,999	23,637,063
Depreciation and Amortization	1,947,974	1,948,907	1,960,096	1,952,220	1,954,186	1,956,133	1,959,258	1,972,344	1,978,693	1,982,021	2,081,025	2,077,215	23,750,085
Property and Other Taxes	495,576	492,109	492,842	492,636	503,286	493,042	493,504	493,453	493,132	503,574	492,977	492,807	5,938,993
Total Operating Expenses	**14,598,081**	**12,757,152**	**9,464,537**	**7,274,004**	**6,273,513**	**6,123,383**	**6,334,793**	**6,746,001**	**6,561,340**	**9,742,860**	**12,217,673**	**16,752,321**	**114,845,459**
Gain/(Loss) on Sales of Other Assets and Other, net													
Operating Income	**9,820,947**	**8,669,404**	**5,646,131**	**2,488,712**	**457,155**	**313,601**	**176,096**	**231,205**	**125,026**	**1,188,457**	**4,203,262**	**8,346,778**	**41,667,794**
Other Income and Expenses													
Other Income													
Employee Benefits - Non-cash - (Exp) / Inc	21,841	21,841	21,841	21,841	21,841	21,841	21,841	21,841	21,841	21,841	21,841	21,841	262,095
AFUDC and Other Deferred Returns	119,516	133,280	138,103	164,943	176,002	179,669	198,158	240,614	242,334	257,924	178,408	74,522	2,083,472
Deferred Returns													
Interest and Dividends	2,219	(0)	(0)	(0)	(0)	0	0	0	0	0	0	0	2,219
I/C Interest Income (Moneypool AC 0419429)	38,456	35,839	30,166	41,740	32,057	10,840	1,103	349	14,385	64,485	1,310	1,395	226,871
I/C Interest Income (CRC AC 0419811)													
Other Income and Expenses	**182,033**	**191,060**	**190,110**	**228,530**	**229,850**	**212,350**	**221,102**	**262,804**	**278,559**	**344,251**	**201,559**	**97,758**	**2,576,657**
Earnings Before Interest Expense and Taxes	**10,002,981**	**8,860,465**	**5,842,261**	**2,717,242**	**687,005**	**525,952**	**397,298**	**494,009**	**404,585**	**1,492,707**	**4,404,820**	**8,444,536**	**44,244,451**
Interest Expense	946,418	932,447	925,905	933,975	897,338	872,413	890,738	897,796	1,097,512	1,116,335	1,172,492	1,189,182	11,872,552
Earnings From Continuing Operations Before Income Taxes	**9,056,563**	**7,928,018**	**4,916,356**	**1,783,267**	**(210,333)**	**(346,461)**	**(493,440)**	**(403,787)**	**(692,927)**	**376,372**	**3,232,328**	**7,255,354**	**32,371,899**
Income Tax Expense (Benefit) From Continuing Operations	2,164,807	1,880,830	819,206	345,379	(152,977)	50,783	(228,868)	(215,963)	80,260	(29,975)	702,267	1,831,729	6,848,466
Income from Continuing Operations Attributable to Duke Energy Corp	**6,891,755**	**6,047,187**	**4,297,150**	**1,437,887**	**(57,356)**	**(397,245)**	**(264,582)**	**(216,204)**	**(773,188)**	**406,347**	**2,530,061**	**5,623,625**	**25,525,439**
Income (Loss) From Continuing Operations	**6,891,755**	**6,047,187**	**4,297,150**	**1,437,887**	**(57,356)**	**(397,245)**	**(264,582)**	**(216,204)**	**(773,188)**	**406,347**	**2,530,061**	**5,623,625**	**25,525,439**
Net Inc Bfr Ext and Chg in Acct. Prin.	**6,891,755**	**6,047,187**	**4,297,150**	**1,437,887**	**(57,356)**	**(397,245)**	**(264,582)**	**(216,204)**	**(773,188)**	**406,347**	**2,530,061**	**5,623,625**	**25,525,439**
Consolidated Net Income	**6,891,755**	**6,047,187**	**4,297,150**	**1,437,887**	**(57,356)**	**(397,245)**	**(264,582)**	**(216,204)**	**(773,188)**	**406,347**	**2,530,061**	**5,623,625**	**25,525,439**
Less: Net (Loss) Income Attributable to Noncontrolling Interests	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income Attributable to Company	**6,891,755**	**6,047,187**	**4,297,150**	**1,437,887**	**(57,356)**	**(397,245)**	**(264,582)**	**(216,204)**	**(773,188)**	**406,347**	**2,530,061**	**5,623,625**	**25,525,439**
Less: Preferred Dividends	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income Attributable to Controlling Interest	**6,891,755**	**6,047,187**	**4,297,150**	**1,437,887**	**(57,356)**	**(397,245)**	**(264,582)**	**(216,204)**	**(773,188)**	**406,347**	**2,530,061**	**5,623,625**	**25,525,439**

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(e)

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807 KAR 5:001, SECTION 16(7)(e)

Description of Filing Requirement:

A statement of attestation signed by the utility's chief officer in charge of Kentucky operations which shall provide:

(1) that the forecast is reasonable, reliable, made in good faith and that all basic assumptions used in the forecast have been identified and justified;

(2) that the forecast contains the same assumptions and methodologies as used in the forecast prepared for use by management, or an identification and explanation for any differences that exist; and

(3) that productivity and efficiency gains are included in the forecast.

Response:

See attached.

Sponsoring Witness:

Amy B. Spiller

AFFIDAVIT OF AMY B. SPILLER

STATE OF OHIO)
) **SS:**
COUNTY OF HAMILTON)

Now comes Amy B. Spiller, President of Duke Energy Kentucky, Inc., and as required by 807 KAR 5:001, Section 16(7)(e), hereby attests as follows:

1. The forecast used in this rate application is reasonable, reliable, made in good faith, and that all basic assumptions used in the forecast have been identified and justified;
2. The forecast contains the same assumptions and methodologies as used in the forecast prepared for use by management, or an identification and explanation for any differences that exist, if applicable; and
3. Productivity and efficiency gains are included in the forecast.

Further affiant sayeth naught.

Amy B. Spiller, Affiant

Sworn and subscribed before me by Amy B. Spiller on this 30th day of May 2025.

Notary Public

My Commission Expires: July 8, 2027

EMILIE SUNDERMAN
Notary Public
State of Ohio
My Comm. Expires
July 8, 2027

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(f)(1) through (4)

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807 KAR 5:001, SECTION 16(7)(f)(1) through (4)

Description of Filing Requirement:

For each major construction project which constitutes five (5) percent or more of the annual construction budget within the three (3) year forecast the following information shall be filed:

(1) The date the project was started or estimated starting date;

(2) The estimated completion date;

(3) The total estimated cost of construction by year exclusive and inclusive of allowance for funds used during construction ("AFUDC") or interest during construction credit; and,

(4) The most recent available total costs incurred exclusive and inclusive of AFUDC or interest during construction credit.

Response:

See attached.

Sponsoring Witness:

Claire C. Hudson
Brian R. Weisker

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Major Construction Projects
Constituting 5% or More of Annual Budget

Line No.	Project ID/Description	Actual or Projected Start Date	Projected Completion Date	Estimated Costs Including AFUDC			Estimated Costs Excluding AFUDC			Actual Costs To Date incl AFUDC	Actual Costs To Date excl AFUDC
				2025	2026	2027	2025	2026	2027		
3	Transmission Integrity_Line AM07 - Pipeline Replacement_Mnt - Phase 3	12/1/2022	12/31/2025	38,829,514	809,882	-	37,342,289	778,210	-	6,100,761	5,864,805
4	Transmission Integrity_Line AM07 - Pipeline Replacement_Mnt - Phase 4	12/1/2023	3/30/2027	5,780,937	31,193,085	1,140,994	5,559,520	29,973,227	1,082,900	1,229,260	1,205,329
5	Transmission Integrity_Line AM07 - Pipeline Replacement_Mnt - Phase 5	12/1/2024	3/30/2028	728,858	5,437,495	23,280,684	700,941	5,224,852	22,095,340	-	-
10	DEK_Gas_SYSST-System Infrastructure_Mnt (Harris Pike)	1/1/2022	11/30/2027	1,202,084	11,925,390	-	1,147,175	11,196,360	-	911,542	814,384
				46,541,393	**49,365,851**	**24,421,679**	**44,749,925**	**47,172,649**	**23,178,240**	**8,241,563**	**7,884,518**

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(g)

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807 KAR 5:001, SECTION 16(7)(g)

Description of Filing Requirement:

For all construction projects which constitute less than five (5) percent of the annual construction budget within the three (3) year forecast, the utility shall file an aggregate of the information requested in paragraph (f) 3 and 4 of this subsection.

Response:

See attached.

Sponsoring Witness:

Claire C. Hudson
Brian R. Weisker

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Major Construction Projects
Constituting Less than 5% of Annual Budget

Line No.	Project ID/Description	Actual or Projected Start Date	Projected Completion Date	Estimated Costs Including AFUDC			Estimated Costs Excluding AFUDC			As 0f 12/31/2024 Actual Costs To Date incl AFUDC	Actual Costs To Date excl AFUDC
				2025	2026	2027	2025	2026	2027		
1	Sum of all projects not included on 7(f)	Various	Various	40,110,087	15,744,903	56,461,868	38,959,977	15,241,176	53,694,524	424,799,420	420,462,657

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(h)

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807 KAR 5:001, SECTION 16(7)(h)

Description of Filing Requirement:

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and shall include the following information:

(1) Operating income statement (exclusive of dividends per share or earnings per share);

(2) Balance sheet;

(3) Statement of cash flows;

(4) Revenue requirements necessary to support the forecasted rate of return;

(5) Load forecast including energy and demand (electric);

(6) Access line forecast (telephone);

(7) Mix of generation (electric);

(8) Mix of gas supply (gas);

(9) Employee level;

(10) Labor cost changes;

(11) Capital structure requirements;

(12) Rate base;

(13) Gallons of water projected to be sold (water);

(14) Customer forecast (gas, water);

(15) MCF sales forecasts (gas);

(16) Toll and access forecast of number of calls and number of minutes (telephone); and

(17) A detailed explanation of any other information provided, if applicable.

Response:

Items 6, 13, 16, and 17 are not applicable. For all other items, see attached.

Sponsoring Witnesses:

Claire C. Hudson – Items 1, 2, 3, 4, 7, 9, 10, 11, 12
Brian R. Weisker – Item 8
Jonathon C. Thorpe – Items 5, 14, 15

FR 16(7)(h)(1)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Projected Income Statement 2025-2027

Line No.	Description	2025	2026	2027
1	Operating Revenue			
2	Electric Revenue	$ 467,152,275	$ 484,030,016	$ 482,056,809
3	Gas Revenue	156,513,253	163,104,343	171,924,745
4	Other Revenue	3,036,324	3,036,324	3,036,324
5	Total Operating Revenue	$ 626,701,853	$ 650,170,684	$ 657,017,879
6	Operating Expenses			
7	Fuel & Purchased Power	119,824,687	122,385,318	112,477,971
8	Gas Purchased	61,519,318	63,937,916	69,026,442
9	Operation & Maintenance	165,683,982	155,007,459	151,538,100
10	Depreciation & Amortization	110,453,772	115,143,871	118,284,656
11	Taxes Other Than Income	23,362,759	28,456,981	32,902,976
12	Operating Expenses before Income Tax	$ 480,844,519	$ 484,931,546	$ 484,230,146
13	Pre-Tax Operating Income	$ 145,857,334	$ 165,239,137	$ 172,787,733
14	Other Income	7,331,086	6,696,958	7,651,899
		-	-	-
15	Interest Expense	43,881,172	53,183,343	60,379,622
		-	-	-
16	State Income Taxes	5,081,637	5,503,358	5,480,388
17	Federal Income Taxes	15,907,995	20,741,501	20,961,729
18	Total Income Taxes	$ 20,989,632	$ 26,244,859	$ 26,442,118
19	Income Available for Common Dividends	$ 88,317,616	$ 92,507,893	$ 93,617,893
20	Average Common Equity	$ 1,292,442,417	$ 1,350,355,171	$ 1,428,418,064
21	Earned Return	6.83%	6.85%	6.55%

FR 16(7)(h)(2)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Projected Balance Sheet 2025-2027

Line No.	Description	2025	2026	2027
1	**Assets**			
2	Utility plant in service	$ 3,676,590,061	$ 3,837,902,679	$ 4,106,724,303
3	Construction work in progress	111,204,244	167,208,110	161,222,514
4	Total Utility Plant	$ 3,787,794,304	$ 4,005,110,789	$ 4,267,946,817
5	Non-regulated property, plant, and equipment	90,245	90,245	90,245
6	Accumulated depreciation	1,238,677,136	1,304,254,741	1,365,532,800
7	Net Property, Plant, and Equipment	$ 2,549,207,414	$ 2,700,946,294	$ 2,902,504,263
8	Current Assets	161,086,890	158,529,548	155,508,849
9	Other Assets	300,393,918	293,352,893	286,977,693
10	Total Assets	$ 3,010,688,221	$ 3,152,828,735	$ 3,344,990,804
	Liabilities			
11	Total Current Liabilities	214,749,867	171,952,756	164,864,817
12	Long-term debt	914,271,819	987,778,449	1,098,026,456
13	Accumulated deferred income taxes	325,526,286	343,430,166	367,221,419
14	Excess deferred income taxes	87,451,088	85,791,744	84,446,519
15	Unamortized investment tax credits	5,135,705	5,135,705	5,135,705
16	Other	159,452,234	162,130,798	165,068,878
17	Total Non-Current Liabilities	$ 1,491,837,130	$ 1,584,266,861	$ 1,719,898,976
18	Total Common Stock Equity	1,304,101,225	1,396,609,118	1,460,227,011
19	Total Liabilities	$ 3,010,688,221	$ 3,152,828,735	$ 3,344,990,804

FR 16(7)(h)(3)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Projected Cash Flow Statement 2025-2027

Line No.	Description	2025	2026	2027
1	Net Income	$ 88,317,616	$ 92,507,893	$ 93,617,893
2	Other Operating Activities	79,127,694	89,428,291	102,332,954
3	Cash from Operating Activities	$ 167,445,310	$ 181,936,185	$ 195,950,847
4	Financing Activities			
5	Change in contributed capital	$ (65,000,000)	$ -	$ (30,000,000)
6	Change in short-term debt	54,060,580	(39,765,025)	59,932,028
7	Issuance of long-term debt	150,000,000	150,000,000	150,000,000
8	Change in non-current capital leases	-	-	-
9	Redemption of long-term debt	(95,000,000)	(45,000,000)	(76,720,000)
10	Dividends on common stock	-	-	-
11	Cash from Financing Actitivies	$ 44,060,580	$ 65,234,975	$ 103,212,028
12	Investing Activities			
13	Construction Expenditures (net of AFUDC)	$ (236,820,967)	$ (240,454,658)	$ (291,828,376)
14	Acquisitions and other investments	(7,955,184)	(6,716,502)	(7,334,499)
15	Cash from Investing Actitivies	$ (244,776,152)	$ (247,171,160)	$ (299,162,875)
16	Net Increase/(Decrease) in Cash	$ (33,270,261)	$ (0)	$ -

FR 16(7)(h)(4)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Revenue Requirements 2025-2027

Line No.	Description	2025	2026	2027
1	Rate Base	$ 1,411,853,889	$ 1,502,497,807	$ 1,641,572,559
2	Operating Income	$ 34,438,275	$ 35,067,937	$ 38,960,406
3	Earned Rate of Return (Line 2 / Line 1)	2.400%	2.300%	2.400%
4	Rate of Return	7.984%	8.011%	8.011%
5	Required Operating Income (Line 1 x Line 4)	$ 93,069,408	$ 106,076,345	$ 115,895,023
6	Operating Income Deficiency (Line 5 - Line 2)	$ 58,631,133	$ 71,008,408	$ 76,934,617
7	Gross Revenue Conversion Factor	1.340885	1.340885	1.340885
8	Revenue Deficiency (Line 6 x Line 7)	$ 78,253,391	$ 94,773,005	$ 102,682,556

FR 16(7)(h)(5)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Load Forecast 2025-2027

Line No.	Description	2025	2026	2027
1	KW Demand - Coincident Peak			
2				
3	January	736,653	737,652	739,352
4	February	657,812	658,796	686,566
5	March	600,161	600,148	646,737
6	April	515,504	516,069	547,286
7	May	620,209	620,175	709,397
8	June	739,235	738,946	800,096
9	July	809,571	812,200	821,651
10	August	796,132	796,675	814,807
11	September	660,671	659,577	738,978
12	October	516,020	521,497	619,516
13	November	607,663	609,177	606,557
14	December	691,795	693,271	715,573
15				
16	KWH Sales			
17				
18	January	349,082,207	350,053,271	349,511,198
19	February	329,796,206	331,052,907	330,686,769
20	March	309,445,454	310,083,206	309,551,846
21	April	282,702,204	283,434,261	283,022,126
22	May	295,717,529	296,374,503	295,981,778
23	June	351,067,009	351,558,374	351,222,705
24	July	384,636,899	385,273,917	385,039,942
25	August	383,723,643	384,006,426	383,638,466
26	September	331,959,383	331,910,151	331,364,108
27	October	296,318,317	296,571,294	296,082,954
28	November	300,318,947	300,485,497	299,914,131
29	December	353,836,890	353,941,637	353,268,846

FR 16(7)(h)(7)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Mix of Generation 2025-2027

Line No.	Description	2025	2026	2027
1	Coal	1,591,367	1,374,338	1,534,810
2	Natural Gas	57,886	45,323	48,816
3	Oil	-	-	-
4	Total Generation (MWH)	1,649,253	1,419,661	1,583,627

FR 16(7)(h)(8)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Mix of Gas Supply 2025-2027

Line No.	Description	2025	2026	2027
1	Columbia Gas Trans - No Notice	1,170,960	1,170,960	1,170,960
2	Undetermined	8,872,619	8,901,877	8,948,461
3	Propane - Air			
4	Total Supply - MCF	10,043,579	10,072,836	10,119,420
5	Columbia Gas Trans - No Notice	$3,197,523	$4,339,128	$4,586,036
6	Undetermined	$35,248,620	$39,678,288	$40,918,833
7	Propane - Air			
8	Demand Costs	$20,355,129	$19,917,620	$23,542,626
9	Total Cost	$ 58,801,272	$ 63,935,035	$ 69,047,494

FR 16(7)(h)(9)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Number of Employees 2025-2027

Line No.	Description	2025	2026	2027
1	Number of employees	150	150	150

This count includes only direct employees of Duke Energy Kentucky, Inc.

FR 16(7)(h)(10)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Labor Cost Changes 2025 - 2027

Line No.	Description	2025	2026	2027
1	Total Labor Costs:			
2				
3	Gas O&M Expense	$ 7,917,084	$ 7,929,720	$ 8,207,260
4	Electric O&M Expense	24,769,909	25,636,856	26,534,145
5	Total O&M	$ 32,686,992	$ 33,566,576	$ 34,741,406
6				
7	Gas Capital	$ 7,962,395	$ 8,225,273	$ 8,513,158
8	Electric Capital	18,106,730	18,740,465	19,396,381
9	Non-jurisdictional Capital	-	-	-
10	Total Capital	$ 26,069,125	$ 26,965,739	$ 27,909,539
11				
12	Total	$ 58,756,117	$ 60,532,314	$ 62,650,945

Includes incentives (direct & allocated).

FR 16(7)(h)(11)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Capital Structure Requirements 2025-2027

Line No.	Description	2025		2026		2027	
1	Common Equity	$ 1,304,101,225	56.272%	$ 1,396,609,118	56.419%	$ 1,460,227,011	54.638%
2	Long-term Debt	914,271,819	39.452%	987,778,449	39.903%	1,098,026,456	41.085%
3	Short-term Debt	99,083,388	4.276%	91,057,479	3.678%	114,298,130	4.277%
4	Total Capital	$ 2,317,456,431	100.00%	$ 2,475,445,046	100.00%	$ 2,672,551,597	100.00%

FR 16(7)(h)(12)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Rate Base 2025-2027

Line No.	Description	2025	2026	2027
1	Adjusted Jurisdictional Plant in Service	$ 2,529,415,512	$ 2,634,658,775	$ 2,832,276,329
2	Accumulated Depreciation and Amortization	(994,429,468)	(1,047,826,739)	(1,096,695,665)
3	Net Plant in Service (Line 1 + Line 2)	$ 1,534,986,044	$ 1,586,832,037	$ 1,735,580,663
4	Construction Work in Progress	83,824,772	127,258,169	135,707,187
5	Cash Working Capital Allowance	17,755,865	16,377,447	16,282,413
6	Other Working Capital Allowances	48,033,566	47,314,730	47,314,730
7	Other Items:			
8	Customers' Advances for Construction			
9	Investment Tax Credits	(5,135,705)	(5,135,705)	(5,135,705)
10	Deferred Income Taxes	(216,850,458)	(220,384,044)	(239,100,020)
11	Excess Deferred Income Taxes	(50,760,195)	(49,764,827)	(49,076,710)
12	Other Rate Base Adjustments			
13	Jurisdictional Rate Base (Line 3 through Line 11)	$ 1,411,853,889	$ 1,502,497,807	$ 1,641,572,559

FR 16(7)(h)(14)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
Customer Forecast 2025-2027

Line No.	Description	2025	2026	2027
1	Residential	140,321	141,253	142,037
2	Commercial	12,270	12,143	12,003
3	Industrial	329	329	329
4	Other	1,400	1,408	1,414
5	Total Electric Retail	154,320	155,133	155,783
6	Residential	98,801	99,440	100,092
7	Commercial	6,683	6,744	6,806
8	Industrial	169	171	172
9	Other	290	294	297
10	Total Full Requirements	105,943	106,649	107,366
11				
12	Transportation			
13	Commercial	63	62	62
14	Industrial	51	50	51
15	Other	51	51	51
16	Total Transportation	165	164	164
17				
18	Total Gas Retail (Line 10 + Line 16)	106,109	106,813	107,530

FR 16(7)(h)(15)

Duke Energy Kentucky, Inc.
Case No. 2025-00125
MCF Sales Forecast 2025-2027

Line No.	Description	2025	2026	2027
1	Residential	6,118,576	6,146,143	6,176,431
2	Commercial	2,903,444	2,903,126	2,916,515
3	Industrial	200,770	200,997	201,291
4	Other	261,875	262,047	262,107
5	Interdepartmental	4,058	4,062	4,063
6	Total Retail	9,488,723	9,516,376	9,560,407
7	Transportation			
8	Commercial	1,062,871	1,062,665	1,065,495
9	Industrial	1,753,124	1,753,299	1,757,455
10	Other	1,890,255	1,890,858	1,893,333
11	Total Transportation	4,706,251	4,706,822	4,716,283
12	Total MCF Sales	14,194,974	14,223,199	14,276,690

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(i)

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807 KAR 5:001, SECTION 16(7)(i)

Description of Filing Requirement:

The most recent Federal Energy Regulatory Commission or Federal Communication Commission audit reports.

Response:

See attached.

Witness Responsible:

Linda L. Miller

FEDERAL ENERGY REGULATORY COMMISSION
WASHINGTON, D.C. 20426

In Reply Refer To:
Office of Enforcement
Docket No. PA14-2-000
April 1, 2016

Duke Energy Corporation
Attention: Mr. Brian D. Savoy
Senior Vice President, Chief Accounting
Officer and Controller
550 South Tryon St.
Charlotte, NC 28202

Dear Mr. Savoy:

1. The Division of Audits and Accounting (DAA) within the Office of Enforcement (OE) of the Federal Energy Regulatory Commission (Commission) has completed an audit of Duke Energy Corporation (Duke Energy) and its public utility subsidiaries. The audit covered the period from January 1, 2011 through January 31, 2016.

2. The audit evaluated Duke Energy's compliance with conditions and requirements established in Commission orders authorizing the merger of Duke Energy and Progress Energy, Inc. The audit also evaluated each Duke Energy public utility subsidiary's compliance with: (1) tariff requirements governing its transmission formula rate; (2) accounting regulations in 18 C.F.R. Part 101, Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act; and (3) financial reporting regulations in 18 C.F.R. Part 141, Statements and Reports. The enclosed audit report contains eight findings and 37 recommendations that require Duke Energy to take corrective action.

3. On March 30, 2016, you notified DAA that Duke Energy does not contest the audit report or any of its recommendations. A copy of your verbatim response is included as an appendix to this report. I hereby approve the audit report.

4. Duke Energy should submit its implementation plan to comply with the recommendations within 30 days of this letter order. Duke Energy should make quarterly submissions to DAA describing the progress made to comply with the recommendations, including the completion date for each corrective action. As directed by the audit report, these submissions should be made no later than 30 days after the end of each calendar quarter, beginning with the first quarter after this audit report is issued, and continuing until all the corrective actions are completed.

5. The Commission delegated authority to act on this matter to the Director of OE under 18 C.F.R. § 375.311 (2015). This letter order constitutes final agency action. Duke Energy may file a request for rehearing with the Commission within 30 days of the date of this order under 18 C.F.R. § 385.713 (2015).

6. This letter order is without prejudice to the Commission's right to require hereafter any adjustments it may consider proper from additional information that may come to its attention. In addition, any instance of noncompliance not addressed herein or that may occur in the future may also be subject to investigation and appropriate remedies.

7. I appreciate the courtesies extended to the auditors. If you have any questions, please contact Mr. Bryan K. Craig, Director and Chief Accountant, Division of Audits and Accounting at (202) 502-8741.

Sincerely,

Larry R. Parkinson
Director
Office of Enforcement

Enclosure

Federal Energy Regulatory Commission
Office of Enforcement
Division of Audits and Accounting

AUDIT REPORT

Audit of Duke Energy Corporation and its Public Utility Subsidiaries' Compliance with:

- Conditions in Commission Merger Authorization Orders;
- Transmission Formula Rate Tariff Requirements; and
- Accounting and Financial Reporting Regulations.

Docket No. PA14-2-000
March 29, 2016

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I. Executive Summary

A. Overview

The Division of Audits and Accounting (DAA) in the Office of Enforcement has completed an audit of Duke Energy Corporation (Duke Energy) and its public utility subsidiaries'[1] (collectively, Duke Companies) compliance with conditions and requirements established in Commission orders authorizing the merger of Duke Energy and Progress Energy, Inc. (Progress Energy).[2] The audit also evaluated each Duke Energy public utility subsidiary's compliance with: (1) tariff requirements governing its transmission formula rate; (2) accounting regulations in 18 C.F.R. Part 101, Uniform System of Accounts (USofA) Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act; and (3) financial reporting regulations in 18 C.F.R. Part 141, Statements and Reports. The audit covered the period January 1, 2011 through January 31, 2016.

B. Duke Energy Corporation

Duke Energy is a public utility holding company headquartered in Charlotte, NC. It is engaged in energy production, trade, transmission, and distribution through its six public utility subsidiaries that operate in the Southeast and Midwest regions of the United States. In 2014, Duke Energy was the largest electric utility in the nation. The company had 7.3 million retail electric and 500,000 natural gas customers, 32,400 miles of transmission lines, 57,500 MW of generating capacity, and total operating revenue of $23.9 billion. Its service area covered about 95,000 square miles and had an estimated population of 23 million. Regulated operations accounted for over 90 percent of the company's total revenue, and commercial power generation and international operations provided most of the remainder.

[1] The Duke Energy public utility subsidiaries are: Duke Energy Carolinas, LLC (DEC), Duke Energy Progress, LLC (DEP), Duke Energy Florida, LLC (DEF), Duke Energy Indiana, LLC (DEI), Duke Energy Ohio, Inc. (DEO), and Duke Energy Kentucky, Inc. (DEK).

[2] *Duke Energy Corp. and Progress Energy, Inc.*, 136 FERC ¶ 61,245 (2011) (Merger Order), *order on compliance*, 137 FERC ¶ 61,210 (2011), *order on compliance*, 139 FERC ¶ 61,194 (2012) (June 8 Compliance Order), *order on compliance*, 149 FERC ¶ 61,078 (2014) (October 29 Compliance Order).

C. Summary of Compliance Findings

Audit staff identified eight findings of noncompliance. Below is a summary of audit staff's compliance findings. Details are in section IV of this report.

- *Accounting for Merger Transaction Costs* – Duke Companies did not file merger transaction accounting entries with the Commission as required by the Merger Order, and the companies recorded merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. By not filing the accounting entries, Duke Companies prevented Commission review of the merger accounting and correction of any entries that were not in accordance with Commission accounting requirements.

- *Merger Transaction Internal Labor Costs* – Duke Companies improperly included approximately $31.4 million of merger transaction internal labor costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 filing demonstrating that the costs were offset by quantified savings produced by the merger. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated $17.5 million.

- *Merger Transaction Outside Services and Related Costs* – Duke Companies incorrectly included $1.5 million of merger transaction outside services and related costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 filing demonstrating the costs were offset by quantified savings produced by the merger. In addition, the companies recorded the merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated $745,000.

- *Use of the Consolidation Method of Accounting* – DEC and DEP accounted for investments in subsidiaries on a consolidated basis in their FERC Form No. 1, Annual Reports (Form No. 1), contrary to the Commission's long-standing accounting policy.

- *Accounting for Sales of Accounts Receivable* – DEC, DEP, and DEF misclassified an estimated $94.7 million of nonoperating expenses and receivables arising from transactions with their subsidiaries during the audit period. As a result, the wholesale power and transmission customers'

revenue requirements were inappropriately overstated by an estimated $61 million.

- *Accounting for Lobbying Expenses:* Duke Companies recorded approximately $2.4 million of lobbying expenses in above-the-line operating accounts from 2011 through 2013. As a consequence, Duke Companies improperly included these costs in wholesale power and transmission formula rate service cost determinations.

- *Allocation of Lobbyist Labor Costs:* Duke Companies accounted for the labor costs of internal lobbyists and their support staff in operating accounts that lacked support for inclusion in the accounts. Improper accounting for the costs can lead to inappropriate recovery of the costs through rates charged and billed to customers.

- *Nonutility Expenses in Operating Accounts:* Duke Companies recorded approximately $490,000 of nonutility expenses in operating accounts in 2014. As a result, inappropriate costs were included in wholesale power and transmission formula rate service cost determinations and charged to customers.

D. Summary of Recommendations

Audit staff's recommendations to remedy the findings are summarized below with details in section IV of this report. Audit staff recommends that Duke Companies:

Accounting for Merger Transaction Costs

1. Revise accounting policies and procedures to appropriately account for merger transactions consistent with Commission accounting requirements.

2. Develop written policies and procedures to timely identify proposed accounting transactions that would trigger a notification to the Commission.

3. Develop written policies and procedures to submit accounting questions of doubtful interpretation to the Commission.

4. Provide training to employees on compliance with the merger cost accounting conditions and the revised policies, procedures, and controls for complying with the conditions. Also, develop a training program that supports the provision of periodic training in this area.

Merger Transaction Internal Labor Costs

5. Revise all policies and procedures for tracking, accounting, and excluding merger transaction costs from wholesale power and transmission formula rates, including amounts previously charged to utility plant, accumulated deferred income taxes, construction work in progress with the associated capitalized cost of funds used during construction (AFUDC), and maintenance and operating expense accounts, and future charges to such accounts for any transaction to which a FERC hold harmless obligation applies. The revised procedures should hold customers harmless from all merger transaction costs consistent with requirements of the Merger Order. Among other things, the revised policies and procedures should include an annual review of each subsidiary's merger transaction cost adjustments as well as periodic evaluations within the year, as needed and appropriate.

6. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction internal labor and related costs in wholesale power and transmission formula rates during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.

7. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

8. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Merger Transaction Outside Services and Related Costs

9. Revise accounting policies and procedures to appropriately account for merger transaction costs consistent with Commission accounting requirements.

10. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction outside services and related costs in wholesale power and transmission formula rate charges during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.

11. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

12. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Use of the Consolidation Method of Accounting

13. Review and, as needed, revise accounting policies, practices, and procedures to ensure that investments in subsidiaries are accounted for consistent with the Commission's equity method accounting requirements.

14. Evaluate the accounting applied to Duke Companies' existing subsidiaries and notify DAA of any areas of noncompliance with Commission accounting requirements.

15. Revise documented policies, procedures and processes to ensure timely notice is provided to relevant regulators regarding instances of noncompliance with regulations, rules, and orders.

16. Provide training to staff on procedures, practices, and available tools to transparently or anonymously report instances of noncompliance to senior management, the Board of Directors, and relevant regulators.

Accounting for Sales of Accounts Receivable

17. Revise procedures to ensure that all costs and account balances associated with the sale of accounts receivable are accounted for in accordance with Commission accounting regulations. Among other things, the corrected accounting should ensure that all losses associated with receivable sales are recorded in Account 426.5.

18. Provide the revised procedures to DAA for review within 60 days of receiving the final audit report.

19. Recalculate charges to wholesale power and transmission customers of DEC, DEP, and DEF and submit the recalculations in a refund analysis to DAA for review within 60 days of receiving the final audit report. The refund analysis should explain and detail the: (1) return of collection service billings charged in 2014; (2) return of losses on the sales included in rates; (3) determinative components of the refund; (4) refund method; (5) period(s) refunds will be

made; and (6) interest calculated in accordance with section 35.19 of Commission regulations.

20. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

21. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Accounting for Lobbying Expenses

22. Establish and implement written procedures governing the methods used to account for, track, report, and review lobbying costs incurred.

23. Provide training on Commission accounting requirements and the impact of accounting on cost-of-service rate determinations to employees involved in lobbying and lobbying-related work, and those with oversight responsibility for lobbying cost allocations. Also, develop a training program that supports the provision of periodic training in this area.

24. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of lobbying cost in operating accounts during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.

25. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

26. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Allocation of Lobbyist Labor Costs

27. Revise written policies and procedures to create a process to document and verify appropriate allocation of lobbying and lobbying-related costs, and maintain auditable support for the cost included in rate determinations.

28. Retain an independent third-party entity to conduct a representative labor time study to determine an appropriate allocation of internal lobbyist labor, support

staff, and associated costs that should be accounted for in operating and nonoperating accounts based on time spent by employees engaged in the activities. Provide the study results to audit staff within 180 days of the date of the final audit report.

29. Include the results of the labor time study in the determination of lobbying-related labor cost allocations as of January 1, 2016.

30. Implement policies and procedures to perform a labor time study biennially using an independent third-party or internal company resources that are able to attest to the results of the study. Revise the lobbying-related labor cost allocations based on the results of the study.

Nonutility Expenses in Operating Accounts

31. Develop and implement written policies, procedures, and controls to ensure proper accounting and reporting of nonutility expenses.

32. Provide training for employees involved in the invoicing process on Commission accounting requirements and the impact of the accounting on cost-of-service rate determinations.

33. Within 60 days of receiving the final audit report, provide documentation supporting the analysis performed of invoiced expenses recorded to administrative and general (A&G) accounts in 2014 that identified misclassified nonutility expenses included in A&G accounts. Develop an estimate of misclassified nonutility expenses accounted for in operating accounts in 2011 through 2013 and 2015.

34. Implement policies and procedures to provide periodic audits or reviews of A&G transactions by external or internal auditors.

35. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of identified and estimated nonutility expenses in charges to wholesale power and transmission customers during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made. Include the results of the invoice analysis in the refund analysis.

36. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

37. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

E. Implementation of Recommendations

Audit staff further recommends that Duke Companies submit the following for audit staff's review:

- A plan for implementing the audit recommendations within 30 days after the final audit report is issued;

- Quarterly reports describing progress in completing each corrective action recommended in the final audit report. Quarterly nonpublic submissions should be made no later than 30 days after the end of each calendar quarter, beginning with the first quarter after the final audit report is issued, and continuing until all recommended corrective actions are completed; and

- Copies of any written policies and procedures developed in response to recommendations in the audit report. These documents should be submitted in the first quarterly filing after Duke Companies complete such policies and procedures.

II. Background

A. Merger of Duke Energy and Progress Energy

On January 10, 2011, Duke Energy and Progress Energy announced their intention to merge in a stock-for-stock transaction under which Progress Energy would become a wholly owned subsidiary of Duke Energy, and the shareholders of Progress Energy would become shareholders of Duke Energy. At the time, the transaction was valued at over $31 billion. The merger was poised to create the largest U.S. electric utility in history with over seven million electric customers and operations in six states.

Following the announcement, on April 4, 2011, Duke Energy, Progress Energy, and their public utility subsidiaries (collectively, Duke Companies) filed an application with the Commission seeking authorization for the merger transaction under section 203 of the Federal Power Act (FPA)[3] and Part 33 of Commission regulations.[4] To receive authorization for the transaction, the companies committed to hold transmission and wholesale requirements customers harmless from the costs of the transaction for five years. The companies also contended that the transaction would not adversely affect competition, and thus there were no market power concerns associated with the transaction.

On September 30, 2011, the Commission found that the transaction, as proposed in the application, would result in significant screen failures in the horizontal market power analysis and have an adverse effect on competition.[5] As such, the Commission authorized the transaction subject to conditions. Among other things, the transaction was conditioned on Duke Companies holding transmission and wholesale requirements customers harmless from the costs of the transaction, and submitting proposed market power mitigation measures that the Commission approves. The Commission advised Duke Companies that sufficient mitigation measures could include membership in a regional transmission organization, implementing an independent coordinator of transmission arrangement, actual or virtual divestiture of generation, and/or transmission upgrades to provide greater market access to third-party energy suppliers.

Further, the Commission stated that the hold harmless commitment included all merger transaction costs, not only costs related to consummating the transaction.[6] To recover merger transaction costs through wholesale requirement or transmission rates, the

[3] 16 U.S.C. § 824b (2012).

[4] 18 C.F.R. Part 33.

[5] Merger Order, 136 FERC ¶ 61,245 at PP 145-146.

[6] *Id.* P 169.

companies were required to submit a filing to the Commission that identified merger costs to be recovered and demonstrated that the costs were exceeded by savings produced by the transaction.[7] Duke Companies did not submit a filing to recover merger transaction costs during the audit period. However, as discussed in detail below, the companies recovered merger transaction costs through rates charged.

Consistent with the Commission's merger authorization condition that required Duke Companies to submit proposed market power mitigation measures for approval, the companies submitted an initial compliance filing on October 17, 2011, which proposed to mitigate market power through virtual divestiture of generation. The filing proposed a must-offer obligation under which Duke Companies would sell specified quantities of energy at cost-based rates to entities directly or indirectly serving load in the DEC and DEP Balancing Authority Areas (BAAs). The Commission rejected the filing on the grounds that the market power mitigation proposals did not remedy the market power concerns identified in the Merger Order.[8]

A revised compliance filing was submitted by Duke Companies on March 26, 2012 that proposed permanent and interim market power mitigation measures. To permanently mitigate market power, Duke Companies proposed to build seven transmission expansion projects (TEPs), expedite completion of an eighth project that was already planned, and set aside 25 MW of transfer capacity on their transmission systems for use by third parties (Stub Mitigation). During construction of the TEPs, as an interim measure to protect against potential market power concerns, Duke Companies proposed to enter into power sale agreements with three unaffiliated firms – Cargill Power Marketing, EDF Trading, and Morgan Stanley Capital Markets – to which the companies would sell power during all periods requiring mitigation. The companies also proposed to hire an independent monitor, Potomac Economics Ltd. (Potomac Economics), to verify compliance with the provisions of the power sale agreements.

The Commission accepted the revised compliance filing on June 8, 2012, subject to certain revisions and conditions, which included, among other things, requirements to hold customers harmless from the cost of the mitigation actions and to expand Potomac Economics' duties to verify that the TEPs were completed within the prescribed scope and timeline.[9] The merger was consummated on July 2, 2012.

On December 6, 2013, after the merger was consummated, Duke Companies submitted a motion to supplement its March 26, 2012 compliance filing, due to newly identified information that affected calculation of the impact of the market power

[7] *Id.* P 170.

[8] *Duke Energy Corp.*, 137 FERC ¶ 61,210 (2011).

[9] *See* June 8 Compliance Order, 139 FERC ¶ 61,194 at P 113.

mitigation measures. In the filing, Duke Companies offered to increase the Stub Mitigation by 104 MW (thereby raising the total amount of the transmission set-aside to 129 MW), repair out of service phase-shifting transformers at DEC's Rockingham substation and return them to service, and operate the transformers so as to create additional import capability on the transmission system. The Commission granted the motion and accepted the supplementary compliance filing subject to conditions on October 29, 2014.[10] Moreover, the Commission reiterated its requirement that transmission and wholesale requirements customers be held harmless from costs associated with repairing the transformers and returning them to service.

B. Duke Energy's Public Utility Subsidiaries

During the audit period, the Duke Companies provided electricity service in portions of North Carolina, South Carolina, Florida, Indiana, Ohio, and Kentucky. DEO and DEK also provided natural gas service in portions of Ohio and Kentucky. The following describes the services provided by each company, its open access transmission tariff (OATT), membership in an independent system operator (ISO) or regional transmission organization (RTO), transmission formula rate, and market-based rate authority.

Duke Energy Carolinas, LLC

DEC is a vertically integrated public utility that generates, transmits, distributes, and sells electricity to 2.5 million customers in a 24,000 square mile service area in North and South Carolina. DEC owns 8,302 miles of transmission lines and 19,600 MW of generating capacity.

DEC provided open access transmission service under a Commission-approved OATT at cost-based stated rates from 1995 through 2011.[11] In 2011, DEC began recovery of its transmission service cost pursuant to a formula rate that became effective June 1, 2011.[12] However, on March 26, 2012, in connection with the merger transaction, DEC, DEP, and DEF filed for approval of a Joint OATT under section 205 of the FPA and Part 35 of the Commission's regulations. The filing was conditionally accepted by the Commission on June 8, 2012.[13]

[10] October 29 Compliance Order, 149 FERC ¶ 61,078 (2014).

[11] *Duke Power Co.*, 73 FERC ¶ 61,309 (1995) (Duke Power Order).

[12] *Duke Energy Carolinas, LLC*, 137 FERC ¶ 61,058 (2011).

[13] *Duke Energy Corp.*, 139 FERC ¶ 61,193 (2012).

The Joint OATT provided for transmission service at non pancaked rates for transactions involving the combined transmission systems of the companies. DEC's transmission formula rate is incorporated as Schedule 10-B of the Joint OATT. DEC's formula rate implementation protocols are incorporated as Exhibit A of the Joint OATT, and the formula rate template and formula rate principles are contained in Exhibit B. DEC does not belong to an ISO or RTO.

DEC has wholesale power sale agreements with cost-based rates determined under a formula, and it has Commission authorization to make wholesale sales at market-based rates outside its and DEP's BAAs and Peninsular Florida.

Duke Energy Progress, LLC

DEP is a vertically integrated public utility that generates, transmits, distributes, and sells electricity to 1.5 million customers in a 32,000 square mile service area in North and South Carolina. DEP owns 6,981 miles of transmission lines and 12,200 MW of generating capacity.

DEP provided open access transmission service under a Commission-approved OATT at cost-based stated rates from 1996 through 2008. In 2008, DEP began recovery of its transmission service cost pursuant to a formula rate that became effective July 1, 2008.[14] Since the merger, DEP has provided transmission service under the Joint OATT with DEC and DEF. DEP's transmission formula rate is incorporated in Attachment H of the Joint OATT. The formula rate template is incorporated as Attachment H-1 of the Joint OATT, and the implementation protocols as Attachment H-2. DEP does not belong to an ISO or RTO.

DEP has wholesale power sale agreements with cost-based rates determined under a formula, and it has Commission authorization to sell energy and capacity at market-based rates outside its and DEC's BAAs and Peninsular Florida.

Duke Energy Florida, LLC

DEF is a vertically integrated public utility that generates, transmits, and delivers electricity to 1.7 million customers in a 13,000 square mile area in central and southern Florida. DEF owns 4,424 miles of transmission lines and 1,200 MW of generating capacity.

[14] *Carolina Power and Light Co.*, Docket No. ER08-889-000 (June 27, 2008) (delegated letter order).

DEF provided open access transmission service under a Commission-approved OATT at cost-based stated rates from 1996 through 2008. In 2008, DEF began recovery of its transmission service cost pursuant to a formula rate that became effective January 1, 2008.[15] Since the merger, DEF has provided transmission service under the Joint OATT with DEC and DEP. DEF's transmission formula rate is incorporated as Schedule 10-A of the Joint OATT. The implementation protocols are designated as Schedule 10-A.1 of the Joint OATT, and the formula rate template as Schedule 10-A.2. DEF does not belong to an ISO or RTO. Additionally, DEF has Commission authorization to sell energy and capacity outside the DEC and DEP BAAs and Peninsular Florida.

Duke Energy Indiana, LLC

DEI is a vertically integrated utility that generates, transmits, distributes, and sells electricity to 810,000 customers within a 23,000 square mile service territory in central, north central, and southern Indiana. DEI owns 7,500 MW of generating capacity and 4,815 miles of transmission lines.

DEI became a member of the Midcontinent Independent System Operator, Inc., (MISO) in 1997 and recovered its cost of transmission service pursuant to cost-based stated rates. In 1998, DEI began to recover its transmission service cost pursuant to a transmission formula rate. DEI's transmission formula rate template is included at Attachment O of the MISO Open Access Transmission, Energy, and Operating Reserve Markets Tariff. Additionally, DEI has Commission authorization to sell power at market-based rates outside the DEC and DEP BAAs and Peninsular Florida.

Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc.

DEO is the direct parent of DEK. The companies are combination electric and gas utilities that transmit, distribute, and sell electricity at retail and wholesale, and distribute and sell natural gas at retail in southwestern Ohio and northern Kentucky, respectively. DEO owns 1,879 miles of transmission lines. The company divested its generating assets pursuant to Ohio's electric restructuring program and received Commission authorization for the divestiture.[16] DEK owns 102 miles of transmission lines and about 1,200 MW of generating capacity.

[15] *Florida Power Corp.,* Docket No. ER08-105-000 (Dec. 17, 2007) (delegated letter order).

[16] *See Dynegy Resource I, LLC,* 150 FERC ¶ 61,232 (2015).

DEO and DEK were members of MISO until January 1, 2012, when they withdrew their membership and joined PJM Interconnection, L.L.C. (PJM).[17] The companies recover transmission service costs pursuant to a transmission formula rate under the PJM OATT. DEO and DEK's transmission formula rate is incorporated as Attachment H-22 of the PJM OATT. The formula rate template is incorporated as Attachment H-22A of the OATT, and the implementation protocols as Attachment H-22B. Additionally, DEO and DEK have Commission authorization to sell power at market-based rates outside the DEC and DEP BAAs and Peninsular Florida.

[17] The Commission conditionally authorized the move in an order issued October 21, 2010. *See Duke Energy Ohio, Inc.*, 133 FERC ¶ 61,058 (2010).

III. Introduction

A. Objectives

The audit evaluated Duke Companies' compliance with conditions established in the Merger Order and associated orders on compliance, requirements of each company's transmission formula rate tariff, and accounting and financial reporting regulations. The audit covered the period January 1, 2011 through January 31, 2016.

B. Scope and Methodology

Audit staff performed specific actions to facilitate the audit and evaluate compliance with the audit objectives. Audit staff also reviewed the effectiveness of Duke Companies' compliance program in relation to the audit objectives and other key factors. To address overall audit objectives, audit staff:

- Conducted an extensive review of publicly available materials to understand the companies' corporate structure and organization, operations, financial accounting and reporting activities, and other key regulatory and business activities, both before and after the merger. Examples of materials and documentation reviewed include Commission rules, regulations, and orders, Form No. 1 reports, FERC Form No. 65, Notification of Holding Company Status, formula rate filings, the Commission's enforcement hotline calls and company self-reports, company-related web sites, and relevant media sources. This also included a review of filings with other government agencies, such as the Securities and Exchange Commission Forms 10-K and 10-Q, Annual and Quarterly Reports;

- Evaluated the companies' internal policies and procedures relevant to the audit objectives;

- Conferred with other Commission staff on various compliance issues to ensure audit findings were consistent with Commission precedent and policy. For example, audit staff communicated with staff from other divisions within the Office of Enforcement and staff from the Office of Energy Market Regulation and Office of General Counsel;

- Conducted two site visits to Duke Energy's headquarters in Charlotte, NC. The visits enabled audit staff to further understand the company's corporate structure, functions, operations, accounting systems and practices, transmission planning and cost-estimating procedures, formula rate, internal audit function, and regulatory and corporate compliance programs. While on site, audit staff

interviewed employees and managers responsible for performing tasks within the audit scope, sampled and tested documents to verify compliance with Commission orders related to merger conditions, accounting regulations, financial reporting, transmission formula rates, and related matters. Additionally, audit staff also interviewed compliance program staff, senior officials, internal auditors, and employees who fulfill day-to-day compliance activities for the purposes of carrying out regulatory oversight responsibilities;

- Conducted teleconferences to discuss audit objectives and scope, data requests and responses, technical and administrative matters, compliance concerns, and held a closing conference to discuss the completion of audit fieldwork and results; and

- Issued data requests to gather information not available through public means. This information related to internal policies and procedures, business practices, reporting activities, corporate compliance, internal and external audit reports, merger order conditions and compliance, transaction and operational data, and other pertinent information. Audit staff used this information as underlying support for testing and evaluating compliance with Commission requirements relevant to the audit scope and objectives.

Further, audit staff performed these specific actions to facilitate the testing and evaluation of compliance with relevant requirements for the audit scope areas. A summary of these actions follows.

Compliance with Merger Conditions

To evaluate compliance with the hold harmless and market power mitigation conditions established in the Merger Order and associated compliance orders, audit staff performed audit fieldwork applicable to the merger. Audit staff performed the following steps:

- Reviewed the merger application, supporting testimony and exhibits to understand the context, terms, and conditions of the merger proposal and commitment to hold transmission and wholesale requirements customers harmless from costs of the transaction. Reviewed intervenor comments and protests, and responses to the comments and protests, and also reviewed Duke Companies' compliance filings, intervenor responses, and answers to the responses;

- Evaluated Duke Companies' responses to Commission staff's delegated data requests that sought information regarding the merger application and compliance filings;

- Examined the companies' policies and procedures associated with tracking and accounting for merger transaction costs incurred prior to and following consummation of the merger;

- Performed a comparative analysis of Duke Energy and Progress Energy's accounting for costs of the merger prior to and after its consummation and the companies' policies associated with the accounting;

- Reviewed actions taken by the companies to maintain compliance with merger conditions;

- Analyzed the companies' procedures to ensure compliance with hold harmless conditions and to account for merger transaction costs;

- Conducted sample-based tests of internal costs and external contracted costs incurred by the companies to assess the accounting for the costs and the impact on wholesale rate determinations;

- Obtained information on staff involved in merger activities, including employee names, positions, salaries, work performed on merger activities, and time spent on merger-related activities;

- Reviewed documentation and supporting evidence of merger transaction costs and performed substantive tests of sample data;

- Inspected reports submitted by Potomac Economics regarding the Rockingham phase shifters and other relevant Commission filings;

- Evaluated expenses incurred to repair the Rockingham phase shifters to assess the accounting for the costs and impacts on wholesale rate determinations; and

- Examined costs incurred to operate the TEPs – including the Rockingham phase shifters – from 2012 through Q1 2015 to evaluate the accounting used to record cost of activity and the resulting impact on wholesale rate determinations.

Furthermore, audit staff conducted the following additional steps to evaluate Duke Companies' compliance with the market power mitigation conditions:

- Reviewed the companies' contract with Potomac Economics to ascertain whether the independent monitor had sufficient oversight authority and timely

access to data needed to monitor compliance with interim and permanent market power mitigation measures;

- Examined the quarterly independent monitoring reports prepared by Potomac Economics detailing Duke Companies' compliance with interim and permanent market power mitigation conditions;

- Interviewed personnel responsible for reporting the status of TEP construction to Potomac Economics, and reviewed a sample of email communications between the parties;

- Interviewed personnel involved with TEP planning, engineering and design, purchasing and contracting, construction, and project management to verify that the projects were completed as required and to ascertain the amount of labor time employees spent on the projects;

- Identified scope changes made to the TEP plans and assessed the impact of changes on project cost and expected performance of the transmission system;

- Examined a sample of information that Potomac Economics relied on to conclude that the TEPs were placed into service. This information included data from the supervisory control and data acquisition (SCADA) system on the operation of the constructed projects and associated work orders;

- Analyzed photographs of TEP equipment nameplates for asset identification and facility ratings for a sample of major equipment installed, and compared nameplate information to construction work orders and internal company correspondence related to the TEPs;

- Reviewed Duke Companies' written procedures that governed implementation of the power sales agreements required by the Commission's interim market power mitigation measures. Also, interviewed personnel responsible for developing and implementing the agreements, and reviewed Potomac Economics' seasonal and event-based reports to the Commission on the company's performance under the agreements;

- Analyzed a sample of transaction data on power sales DEC and DEP made under the power sale agreements and reviewed transmission schedules on the Open Access Same-time Information System (OASIS) to verify the energy was scheduled and delivered;

- Interviewed power marketing personnel to gain information on operating procedures and processes used to comply with the requirement to set aside firm transmission capacity on the DEC-DEP interface (i.e., Stub Mitigation requirement);

- Reviewed Potomac Economics' reports on the Stub Mitigation requirement and analyzed a sample of data from OASIS regarding transmission offerings and requests for firm transmission service on the DEC-DEP interface;

- Evaluated the DEC-DEP Joint Dispatch Agreement (JDA) and associated operating procedures to understand the methods used to forecast load and determine the mix of generating resources needed to meet load demand on daily and weekly bases;

- Interviewed power marketing employees responsible for scheduling power between the DEC and DEP BAAs, and examined a sample of transactions that involved dispatch of generating resources, reserving and scheduling transmission service consistent with the JDA, and operating the respective BAAs separately. Also, tested a sample of OASIS transmission reservations and schedules to evaluate DEC and DEP's reservations of point-to-point and network transmission service to transmit energy and capacity between the two BAAs; and

- Identified instances in which DEC and DEP used network transmission to deliver power to their respective BAAs, and evaluated these transactions to assess compliance with conditions that restricted certain transactions in the BAAs.

Transmission Formula Rates

To evaluate compliance with the requirements of each company's transmission formula rate tariff, audit staff:

- Reviewed the initial applications filed seeking approval of each company's transmission formula rate tariff, intervenor responses to the filings, any associated settlement agreements with wholesale customers and interested parties, and the Commission orders that approved the transmission formula rate tariffs;

- Examined the transmission formula rate templates and all appendices and attachments used to compute key inputs to the annual transmission revenue requirement and associated formula rate protocols;

- Interviewed employees responsible for populating each public utility's transmission formula rate template, verifying data and calculations, and reviewing and obtaining management approval of the calculated transmission service rates;

- Assessed the adequacy of management oversight and verification controls that support performance of key activities;

- Evaluated data responses and conducted conference calls to understand the accounting for major items affecting the formula rate, including miscellaneous deferred debits, income taxes, and others. Also, reviewed these items to determine compliance with relevant accounting regulations, instructions, and definitions;

- Reviewed annual informational and true-up filings submitted after the initial rate years and during the audit period. Reconciled the Form No. 1 data with formula rate calculations and evaluated discrepancies. Conducted a detailed analysis of supporting worksheets and attachments to evaluate the calculation of transmission formula rate inputs;

- Analyzed footnotes included in each company's Form No. 1 to determine whether information disclosed provided for a reconciliation of publicly available data to balances used to calculate the transmission service rates;

- Performed procedures to verify that transmission formula rate inputs were supported by data reported in each company's Form No. 1;

- Evaluated the companies' accounting for merger transaction costs by assessing documented policies, operating processes, and procedures, and tested a sample of invoices and work orders that included merger activities and associated costs. Analyzed the accounting for the costs and the impact on transmission rate determinations;

- Checked plant balances used to calculate transmission revenue requirements, sampled work order charges included in construction work in progress and plant balances, and performed tests on amortized pre-commercial costs;

- Tested a sample of depreciation accruals on utility plant to assess the depreciation rates applied to the plant; and

- Performed substantive tests on a sample of invoices and work orders that included nonutility expenses, and evaluated the impact of identified misclassified items on transmission rate determinations.

Accounting and Reporting

To evaluate compliance with the Commission's accounting and reporting regulations in the USofA under 18 C.F.R. Parts 101 and 141, audit staff performed the following with respect to the merger:

- Conducted interviews and teleconferences and met with company staff to discuss accounting policies, procedures, and practices. These interviews included discussions with employees involved in the operation of each public utility subsidiary's financial accounting systems to assess the adequacy of accounting and reporting oversight controls related to the merger, and employees in leadership positions responsible for day-to-day oversight of merger activities to understand how merger-related labor was reported on timesheets;

- Examined procedures for preparing, reviewing, and obtaining management approval of the Form No. 1 reports. Reviewed disclosures in the reports to understand major accounting policies;

- Reviewed and evaluated the processes, procedures, and controls the companies used before and after merger consummation to track and account for merger transaction costs;

- Evaluated the Form No. 1 and Securities and Exchange Commission 10-K notes and disclosures related to tracking, accounting, and reporting merger transaction costs;

- Analyzed the companies' accounting entries that recorded merger-related labor, goodwill, TEP project costs and impairments, and the income tax effects of the transaction;

- Reviewed third-party lobbying expenditure disclosures, press articles, meeting schedules, and agendas of internal lobbyists. Interviewed internal lobbyists and support staff to understand the nature and extent of the companies' lobbying activities;

- Tested a sample of work orders, invoices, and associated accounting detail records that support internal lobbyists' labor costs incurred;

- Assessed the impact on wholesale rates of merger and other costs incurred by the companies that were reported in the Form No. 1;

- Tested a sample of FERC accounts for compliance with the Merger Order as well as the companies' internal policies and procedures; and

- Evaluated certain income statement and balance sheet accounts and balances reported in the companies' Form No. 1 reports for 2012 through 2014.

IV. Findings and Recommendations

1. Accounting for Merger Transaction Costs

Duke Companies did not file merger transaction accounting entries with the Commission as required by the Merger Order, and the companies recorded merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. By not filing the accounting entries, Duke Companies prevented Commission review of the merger accounting and correction of any entries that were not in accordance with Commission accounting requirements.

Pertinent Guidance

The Commission's September 30, 2011 order conditionally authorizing the Proposed Transaction established the following requirement concerning the submission of accounting entries related to the merger:

> To the extent any applicant that is subject to the Commission's Uniform System of Accounts records any aspect of the Proposed Transaction in its accounts, it is directed to file its accounting entries with the Commission within six months of the consummation of the Proposed Transaction. Further, if the accounting entities are recorded six months after the consummation of the Proposed Transaction, the applicant must file those accounting entries with the Commission within 60 days from the date they were recorded. The accounting submission must provide all accounting entries related to the Proposed Transaction, including narrative explanations describing the basis, and the rate impact, of such entries.[18]

The Commission's long-standing precedent stipulates that transaction costs incurred by public utilities associated with a merger are nonoperating in nature and should be charged to Account 426.5, Other Deductions, to the extent the costs are not retained by the parent holding company. For example, in *Allegheny Energy, Inc.,* the Commission stated in part:

> The Commission has previously determined that merger transaction costs are considered non-operating in nature and should be recorded in

[18] Merger Order, 136 FERC ¶ 61,245 at P 190.

Account 426.5, Other Deductions.[19]

18 C.F.R. Part 101, Account 426.5, Other Deductions, states:

> This account shall include other miscellaneous expenses which are nonoperating in nature, but which are properly deductible before determining total income before interest charges.

18 C.F.R. Part 101, General Instruction No. 5, Submittal of Questions, states:

> To maintain uniformity of accounting, utilities shall submit questions of doubtful interpretation to the Commission for consideration and decision.

Background

In the Merger Order, the Commission authorized Duke Companies to merge, subject to conditions. With respect to accounting, the Merger Order stated that if any Duke Energy subsidiary subject to the USofA recorded any aspect of the merger on its books, the subsidiary must file the accounting entries with the Commission within 60 days of consummation of the transaction. The Commission noted that such accounting entries include entries related to transaction costs, merger premiums, acquisition adjustments, goodwill, or any cost related to the merger.[20]

Moreover, pursuant to long-standing Commission precedent, merger transaction costs are considered nonoperating in nature and are required to be recorded to Account 426.5, Other Deductions. The text of Account 426.5 states that the account shall include expenses that are nonoperating in nature. Audit staff evaluated Duke Companies' accounting for the merger and found that the companies recorded merger transaction costs on their books. Further, contrary to the requirements of the Merger Order and Commission accounting rules, Duke Companies neither filed accounting entries with the Commission that reflected the recording of the transaction costs on the companies' books nor accounted for nonoperating merger transaction costs in Account 426.5.

[19] *See Allegheny Energy, Inc.*, 133 FERC ¶ 61,222, at P 73 (2010). *See also Midwest Power Systems, Inc. and Iowa-Illinois Gas and Elec. Co.*, 71 FERC ¶ 61,386, at 62,509 (1995); *MidAmerican Energy Co. and MidAmerican Energy Holdings Co.*, 85 FERC ¶ 61,354, at 62,370 (1998); and *Wis. Elec. Power Co.,* 74 FERC ¶ 61,069, at 61,192 (1996).

[20] Merger Order, 136 FERC ¶ 61,245 at n. 414.

Duke Companies collectively incurred over $1 billion in merger costs and recorded the costs on their Form No. 1 reports from 2011 through October 30, 2015. The costs were accounted for in numerous operating plant and expense accounts, including: A&G expense; payroll tax; customer account expense; transmission, distribution, and production operating and maintenance expense; and other accounts.

Duke Energy explained that it interpreted the Merger Order to require submittal of accounting entries only if a subsidiary used the purchase method of accounting and increased the book value of assets for goodwill acquired in the transaction. However, the Merger Order did not require the companies to file accounting entries only if they used the purchase method of accounting or increased the book value of assets for goodwill. To the contrary, the Merger Order stated that if *any entity* subject to the USofA recorded *any aspect* of the merger on its books, it must file its accounting entries with the Commission. The Merger Order further clarified that such accounting entries included entries related to transaction costs, merger premiums, acquisition adjustments, goodwill, or any cost related to the merger.

All of Duke Energy's public utility subsidiaries were subject to the Commission's USofA, therefore the companies should have filed accounting entries. By not filing the accounting entries, Duke Companies prevented Commission review of the merger accounting and correction of any entries not in accordance with Commission accounting requirements.

Furthermore, Duke Companies should have recorded merger transaction costs incurred to effectuate the merger in Account 426.5 rather than in operating accounts consistent with the text of Account 426.5 and Commission precedent.[21] Audit staff found that prior to March 2012, both Duke Energy and Progress Energy recorded merger transaction costs in operating accounts. However, in March 2012, Progress Energy transferred its merger transaction costs to Account 426.5, due to its interpretation of a Commission merger order that required such accounting. Duke Energy did not implement a similar reclassification of its merger transaction costs. Duke Energy explained that it believed costs associated with the merger were appropriately recorded in operating accounts.

[21] Post-merger integration cost (i.e., cost incurred following consummation of a merger, in which the assets, personnel, and business activities of the entities participating in the merger are combined) are recordable to operating accounts; however, the cost would be subject to the Commission's hold harmless commitments and prohibited from recovery in jurisdictional rates.

In April 2012, Duke Energy's external auditors questioned its accounting of the merger transaction costs. The external auditors informed Duke Energy of the Commission's merger accounting policy, which the auditors interpreted as requiring merger transaction costs to be recorded below-the-line in Account 426.5. Duke Energy disagreed with the auditors' interpretation. Rather than adjusting its accounting, Duke Energy and its external auditors agreed that Duke Energy's management representation letter would be revised. The letter is a signed attestation by Duke Energy management of the accuracy of its financial statements. The letter was revised to include a statement that Duke Energy was aware of Commission orders that indicated merger transaction costs should be recorded in Account 426.5, but Duke Energy nonetheless believed that its classification of merger transaction costs in operating accounts was appropriate.

The Duke Companies were required to file the accounting entries with the Commission as directed in the Merger Order. The companies' improper accounting for merger transaction costs contributed to the inappropriate recovery of merger-related internal labor and outside service costs through charges to Commission-jurisdictional customers. To the extent Duke Companies was uncertain about the appropriate accounting for the transaction, the companies should have submitted accounting questions of doubtful interpretation to the Commission for consideration and decision. The Commission expects Duke Companies, and all entities that have a reporting requirement for transactions under FPA section 203, to fully comply with the orders approving such transactions. Duke Companies' lack of compliance with the Merger Order reporting requirement is a very serious matter.

Recommendations

We recommend Duke Companies:

1. Revise accounting policies and procedures to appropriately account for merger transactions consistent with Commission accounting requirements.

2. Develop written policies and procedures to timely identify proposed accounting transactions that would trigger a notification to the Commission.

3. Develop written policies and procedures to submit accounting questions of doubtful interpretation to the Commission.

4. Provide training to employees on compliance with the merger cost accounting conditions and the revised policies, procedures, and controls for complying with the conditions. Also, develop a training program that supports the provision of periodic training in this area.

2. Merger Transaction Internal Labor Costs

Duke Companies improperly included approximately $31.4 million of merger transaction internal labor costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 filing demonstrating that the costs were offset by quantified savings produced by the merger. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated $17.5 million.

Pertinent Guidance

The Commission's Merger Order states in part:

> We accept Applicants' commitment to hold transmission and wholesale requirements customers harmless for five years from costs related to the Proposed Transaction. We interpret Applicants' hold harmless commitment to include all transaction-related costs, not only costs related to consummating the transaction.
>
> If Applicants seek to recover transaction-related costs through their wholesale power or transmission rates within the next five years, they must submit a compliance filing that details how they are satisfying the hold harmless requirement. If Applicants seek to recover transaction-related costs in an existing formula rate that allows for such recovery within the next five years, then that compliance filing must be filed in the section 205 docket in which the formula rate was approved by the Commission, as well as in the instant section 203 docket. In such filings, Applicants must: (1) specifically identify the transaction-related costs they are seeking to recover; and (2) demonstrate that those costs are exceeded by quantified savings resulting from the transaction, in addition to any requirements associated with filings made under section 205.[22]

The Commission's June 8, 2012 order accepting Duke Companies' revised compliance filing states in part:

> [T]he Commission will require Applicants to hold transmission and wholesale requirements customers harmless from the costs of the Transmission Expansion Projects in accordance with the hold harmless commitment, as set forth in the Merger Order.[23]

[22] Merger Order, 136 FERC ¶ 61,245 at PP 169-170.

[23] June 8 Compliance Order, 139 FERC ¶ 61,194 at P 91.

The Commission's October 29, 2014 order denying rehearing and granting a motion to supplement compliance filing states in part:

> [T]he Commission requires Applicants to hold transmission and wholesale requirements customers harmless for five years from costs related to the Phase Shifters.[24]

Background

On April 4, 2011, Duke Energy, Progress Energy, and their public utility subsidiaries (collectively, Duke Companies) filed an application seeking Commission authorization of a proposal to merge under section 203 of the FPA and Part 33 of Commission regulations. In the application, Duke Companies committed to exclude costs related to the merger from transmission and wholesale requirements customers' rates, except to the extent the companies demonstrated in a section 205 rate filing that merger-related savings were equal to or in excess of merger costs included in the rate filing. On September 30, 2011, the Commission issued an order authorizing Duke Companies to merge subject to conditions. Among other things, the Commission conditioned authorization on Duke Companies maintaining its commitment to hold transmission and wholesale requirements customers harmless from costs related to the merger. Pursuant to this condition, "[a]ll transaction related costs, not only costs related to consummating the transaction," were required to be excluded from rates charged.[25] To determine if Duke Companies complied with the hold harmless requirement, audit staff examined the companies' procedures for tracking and accounting for merger costs, and excluding the costs from rates.

To track costs incurred due to the merger, the companies established special accounting processes and procedures. Audit staff found that Duke Energy and Progress Energy did not account for merger costs using the same accounting treatment prior to consummation of the merger. Prior to consummation of the merger, Duke Energy accounted for merger transaction costs in above-the-line operating accounts, whereas Progress Energy accounted for the costs below-the-line in Account 426.5, Other Deductions.[26] However, after consummation of the merger, Progress Energy adopted Duke Energy's internal accounting policy for merger transaction costs and thereafter began accounting for incurred merger transaction costs in operating accounts.

[24] October 29 Compliance Order, 149 FERC ¶ 61,078 at P 81.

[25] Merger Order, 136 FERC ¶ 61,245 at P 169.

[26] Account 426.5, Other Deductions, 18 C.F.R. Part 101 (2015), provides for the recording of expenses that are nonoperating in nature, but which are properly deductible before determining total income before interest charges.

Duke Energy devised and distributed instructions to its public utility subsidiaries regarding accounting for merger costs, which it characterized as Costs to Achieve (CTA) the merger. Duke Energy defined CTA as "costs that are incremental and nonrecurring that would otherwise not have been incurred but for the merger or integration planning efforts."[27] The CTA instructions identified the accounting codes to be used to account for and track merger costs. The codes included the business and operating unit that incurred the cost, process, task, project ID, and other details associated with activities that involved the incurrence of merger costs. The CTA instructions were communicated to managers and staff assigned to work on the merger, and employees were trained on use of the accounting codes. Duke Energy's shared services accounting group retrieved merger cost data from the general ledgers of the public utility subsidiaries, reviewed charges for reasonableness, and compared actual and budgeted costs as part of its monthly reporting process.

Duke Energy's shared services accounting group developed additional procedures to exclude certain merger costs from wholesale power and transmission formula rate determinations of the public utility subsidiaries. The procedures included preparation of monthly spreadsheets identifying merger costs included in each subsidiary's operating accounts as reported in the Form No. 1. The rate staff of each public utility subsidiary was instructed to subtract the merger costs from operating accounts in the Form No. 1 that were used to compute the company's transmission formula rate. The procedures were designed to prevent merger costs reported in operating accounts from being incorporated in wholesale power and transmission formula rate determinations.

As a result of these procedures under which merger-related internal labor costs were not treated as CTA, audit staff found that Duke Companies' wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated $17.5 million due to the inclusion of merger transaction internal labor costs in wholesale power and transmission rate determinations without first making a section 205 filing with the Commission as the Merger Order required. The improper charges included an estimated $17.2 million through inclusion of internal labor costs incurred in merger transaction and integration activities, and over $300,000 through inclusion of

[27] This included costs incurred in developing, executing, and obtaining approvals for the merger as well as incremental integration costs, but did not include merger-related internal labor costs Duke Companies considered non-incremental. For example, the costs included severance payments, employee relocation and retention costs, bonuses paid to employees for their work on the merger, investment banking and advisory fees, state and Federal regulatory expenses, costs for integrating accounting and information technology systems, transmission systems, fuel and dispatch systems, as well as transition costs, mitigation/concession costs, depreciation expenses for merger projects, and fees paid to providers of transmission service between the regulated utilities.

internal labor costs incurred to construct and operate the transmission expansion projects (TEPs), and repair and operate the Rockingham phase shifters.

Merger Transaction Internal Labor

During fieldwork, audit staff determined that Duke Energy excluded merger transaction internal labor from its definition of CTA and its CTA coding procedures. Duke Energy acknowledged that employees spent substantial time on merger activities. However, the company contended that employees performed merger activities in addition to their regular responsibilities and, therefore, no incremental internal labor costs were incurred due to the merger. Based on a belief that the hold harmless obligation applied only to incremental merger costs, Duke Energy instructed employees not to use the special CTA codes to report time devoted to merger activities on their timesheets. Consequently, public utility subsidiaries did not track all merger transaction internal labor costs or exclude all such costs from wholesale power and transmission formula rate cost computations. As a result, the subsidiaries improperly included some merger transaction internal labor costs in wholesale power and transmission formula rate determinations and inappropriately charged the costs to customers.

Contrary to Duke Energy's interpretation, the Merger Order required Duke Companies to hold customers harmless from "*all* merger transaction costs," and did not limit this requirement only to costs Duke Energy considered incremental. Duke Energy's assertion that its hold harmless obligation extended only to incremental costs must be made within a section 205 proceeding where it and other interested parties will have an opportunity to assess all evidence that supports or contradicts such a position. By excluding internal labor from its CTA tracking and reporting procedures, Duke Energy did not have the ability to determine the proportion of employee labor costs devoted to merger-related tasks, as opposed to utility-related tasks, the cost of which are appropriately recovered in rates. Moreover, even in the absence of detailed time reporting and accounting data, the companies were nonetheless prohibited from including these merger transaction costs in rate determinations without first receiving Commission authorization to do so in a section 205 proceeding in accordance with Merger Order requirements.

Since Duke Companies did not track all merger transaction internal labor costs, audit staff issued data requests and interviewed company employees during site visits and conference calls to develop its own estimate of the amount of merger transaction internal labor costs Duke Companies incurred and included in transmission formula rate charges. The information audit staff obtained confirmed that company employees spent substantial amounts of time working on the merger, as Duke Energy acknowledged. For example, Duke Energy reported in data responses that over 2,400 employees were engaged in merger activities from mid-2010 through present. The total included more than 2,300 employees who participated in over 300 merger integration projects performed to

upgrade and integrate the companies' information technology, human resources, finance, and accounting systems and functions. About 140 employees were engaged in merger planning and evaluation, preparing and supporting merger applications and post-merger litigation, and developing and implementing measures to mitigate market power due to the merger. Audit staff found through assessment of data response information and interviews of company staff, that certain of these employees worked full time on the merger for the duration of their projects, while others devoted 50 percent or more of their time to assigned merger activities. Moreover, detailed analysis of integration projects with the largest budgets indicated that the assigned employees were heavily engaged in the projects for prolonged periods of time.

Audit staff used this information, interviews with employees engaged in merger activities, employees' salary information procured from data responses, and salary estimates found on publicly available sources to approximate the amount of internal labor costs incurred due to the merger. Audit staff estimated that the Duke Companies incurred between $55 million and $75 million of internal labor costs related to the merger, including salaries and benefits.

Audit staff then asked Duke Energy to provide its own estimate of the internal labor costs associated with each merger activity and a breakdown by FERC account. As the table below shows, Duke Energy estimated that $78.8 million in merger transaction internal labor costs were incurred to perform four primary merger tasks. Duke Energy's estimate exceeded audit staff's high-range estimate of internal labor costs.

		A	B
Row	Merger Tasks	Duke Companies' Estimated Internal Labor Cost (Million $)	Estimated Internal Labor Included in the Revenue Requirements of Wholesale Power and Transmission Rates (Million $)
1	Merger Planning, Evaluation, Due Diligence	2.3	0.1
2	Preparation and Support for Regulatory Applications and Post-Merger Litigation	3.9	0.2
3	Development and Implementation of Measures to Mitigate Market Power	0.6	0.03
4	Planning, Management, and Execution of Merger Integration Projects	72.0	16.9
	Total	**78.8**	**17.2**

Of the $78.8 million in merger transaction internal labor costs estimated by Duke Energy, about $1.6 million of the costs were recorded in distribution operating and maintenance expense accounts that were not included in Commission-jurisdictional rate

determinations, and $31.4 million was recorded in production and transmission operating and maintenance expense accounts incorporated in wholesale power and transmission formula rates. Duke Energy estimated that wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated $17.2 million.[28] The remaining $45.8 million in merger transaction internal labor costs were charged to capital work orders for integration projects that are under construction and not yet completed. Duke Energy represented that these costs have been classified as CTA, and will be excluded from wholesale power and transmission formula rates when the projects are completed.

By including these merger-related tasks in its definition of CTA, Duke Energy acknowledged that the merger activities employees performed would not have been required in the absence of the merger. Since the work was not related to utility service, employee time engaged on the merger should have been excluded from transmission formula rate determinations. In accordance with the hold harmless commitment, to recover merger costs in their wholesale power or transmission rates, the companies were required to submit a section 205 filing with the Commission detailing costs to be recovered and demonstrating that the costs were offset by quantified savings produced by the merger. Duke Companies did not submit a section 205 filing; therefore, the companies should not have recovered the costs in rates charged.

TEP Operating Expenses

Duke Energy's public utility subsidiaries included an estimated $300,000 of merger transaction internal labor costs in the transmission customers' formula rate revenue requirement for costs related to the TEP projects from 2012 through 2015. This amount was incurred to repair and operate the Rockingham phase shifters. The $300,000 was recorded as transmission maintenance expenses in Account 570, Maintenance of Station Equipment. In accordance with Duke Companies' internal accounting policy, the companies neither characterize the costs as merger-related CTA nor exclude the costs from transmission formula rate determinations. As a result, the $300,000 was included in transmission formula rates, and thus a portion of these costs was inappropriately charged to transmission customers.

In its June 8 and October 29 Compliance Orders, the Commission explicitly directed Duke Companies to hold customers harmless from all costs related to the TEPs

[28] During the audit, DEC and DEP had about 20 wholesale power customers under service contracts with cost-based rates determined under a formula to which merger transaction internal labor costs were incorporated. As a result, a portion of the merger transaction labor costs included in the formula was charged to wholesale power customers.

and the Rockingham phase shifters, consistent with the hold harmless commitment established in the Merger Order. Duke Companies should not have included these internal labor charges in transmission formula rate determinations without first submitting a section 205 filing to the Commission that demonstrated that the costs were offset by quantified savings produced by the merger.

Recommendations

We recommend Duke Companies:

5. Revise all policies and procedures for tracking, accounting, and excluding merger transaction costs from wholesale power and transmission formula rates, including amounts previously charged to utility plant, accumulated deferred income taxes, construction work in progress with the associated capitalized cost of funds used during construction (AFUDC), and maintenance and operating expense accounts, and future charges to such accounts for any transaction to which a FERC hold harmless obligation applies. The revised procedures should hold customers harmless from all merger transaction costs consistent with requirements of the Merger Order. Among other things, the revised policies and procedures should include an annual review of each subsidiary's merger transaction cost adjustments as well as periodic evaluations within the year, as needed and appropriate.

6. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction internal labor and related costs in wholesale power and transmission formula rates during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.

7. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

8. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

3. Merger Transaction Outside Services and Related Costs

Duke Companies incorrectly included $1.5 million of merger transaction outside services and related costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 application demonstrating the costs were offset by quantified savings produced by the merger. In addition, the companies recorded the merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated $745,000.

Pertinent Guidance

The Commission's Merger Order states in part:

> We accept Applicants' commitment to hold transmission and wholesale requirements customers harmless for five years from costs related to the Proposed Transaction. We interpret Applicants' hold harmless commitment to include all transaction-related costs, not only costs related to consummating the transaction.
>
> If Applicants seek to recover transaction-related costs through their wholesale power or transmission rates within the next five years, they must submit a compliance filing that details how they are satisfying the hold harmless requirement. If Applicants seek to recover transaction-related costs in an existing formula rate that allows for such recovery within the next five years, then that compliance filing must be filed in the section 205 docket in which the formula rate was approved by the Commission, as well as in the instant section 203 docket. In such filings, Applicants must: (1) specifically identify the transaction-related costs they are seeking to recover; and (2) demonstrate that those costs are exceeded by quantified savings resulting from the transaction, in addition to any requirements associated with filings made under section 205.[29]

The Commission's long-standing precedent stipulates that transaction costs incurred by public utilities associated with a merger are nonoperating in nature and should be charged to Account 426.5, Other Deductions, to the extent the costs are not passed on to the parent holding company. For example, in *Allegheny Energy, Inc.,* the Commission stated in part:

[29] Merger Order, 136 FERC ¶ 61,245 at PP 169-170.

The Commission has previously determined that merger transaction costs are considered non-operating in nature and should be recorded in Account 426.5, Other Deductions.[30]

18 C.F.R. Part 101, Account 426.5, Other Deductions, states:

This account shall include other miscellaneous expenses which are nonoperating in nature, but which are properly deductible before determining total income before interest charges.

Background

In the process of evaluating Duke Companies' compliance with the hold harmless commitment, audit staff issued data requests and interviewed company employees regarding the accounting and formula rate impact of activities engaged prior to and after public announcement of the merger, such as outside service costs incurred to facilitate the merger and associated internal corporate costs. In reviewing materials received, audit staff found that Duke Energy's corporate development group incurred over $1.5 million in merger transaction costs in the second half of 2010 (i.e., prior to the merger announcement in January 2011) and allocated those costs to its then public utility subsidiaries – DEC, DEI, DEO, and DEK – prior to consummation of the merger.

The costs included $1.35 million paid to outside consultants, lawyers, and accountants for financial forecasting, analysis of market power issues and related services, and $150,000 of internal labor and other costs related to this work. The subsidiary companies improperly recorded the merger transaction outside service costs in Account 923, Outside Services Employed, and most of the associated internal labor and other costs in Account 920, Administrative and General Salaries. Account balances reported in each company's Form No. 1 were included in the determination of the company's wholesale power and transmission formula rate service charges.

DEC, DEI, DEO, and DEK reported these costs in their respective 2010 Form No. 1 reports. The companies neither characterized the costs as merger-related CTA following the merger announcement and issuance of the Merger Order, nor excluded the costs from wholesale power and transmission formula rate determinations in 2011 or subsequent years.

[30] *See Allegheny Energy, Inc.*, 133 FERC ¶ 61,222 at P 73 (2010). See also *Midwest Power Systems, Inc. and Iowa-Illinois Gas and Elec. Co.*, 71 FERC ¶ 61,386, at 62,509 (1995); *MidAmerican Energy Co. and MidAmerican Energy Holdings Co.*, 85 FERC ¶ 61,354, at 62,370 (1998); and *Wis. Elec. Power Co.*, 74 FERC ¶ 61,069, at 61,192 (1996).

Pursuant to the hold harmless commitment, the companies should not have included the $1.5 million in merger transaction costs in wholesale rate determinations without first submitting a section 205 filing to the Commission that demonstrated the costs were offset by quantified savings produced by the merger. Moreover, pursuant to long-standing Commission precedent, the merger transaction costs the companies recorded in Accounts 920 and 923 are considered nonoperating in nature and, as such, were required to be recorded to Account 426.5. The text of Account 426.5 states that the account shall include expenses that are nonoperating in nature. Duke Energy estimated that wholesale power and transmission customers' revenue requirements were inappropriately overstated $745,000.

Recommendations

We recommend Duke Companies:

9. Revise accounting policies and procedures to appropriately account for merger transaction costs consistent with Commission accounting requirements.

10. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction outside services and related costs in wholesale power and transmission formula rate charges during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.

11. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

12. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

4. Use of the Consolidated Method of Accounting

DEC and DEP accounted for investments in subsidiaries on a consolidated basis in their Form No. 1 reports, contrary to the Commission's long-standing accounting policy.

Pertinent Guidance

Order No. 469 revised and amended sections of 18 C.F.R. Parts 101 and 201 to adopt the equity method of accounting for long-term investments in subsidiaries and add new balance sheet and income statement accounts, and definitions. Order No. 469 states in part:

> Under the equity method of accounting, the utility's investment account is increased or decreased to reflect the utility's proportionate share of a subsidiary's current earnings applicable to common stock regardless of whether the earnings are actually paid out as dividends to the utility. When dividends are received, the investment account is reduced by an equivalent amount.[31]

18 C.F.R. Part 101, Account No. 123.1, Investment in Subsidiary Companies, states:

> A. This account shall include the cost of investments in securities issued or assumed by subsidiary companies and investment advances to such companies, including interest accrued thereon when such interest is not subject to current settlement plus the equity in undistributed earnings or losses of such subsidiary companies since acquisition. This account shall be credited with any dividends declared by such subsidiaries.
>
> B. This account shall be maintained in such a manner as to show separately for each subsidiary: the cost of such investments in the securities of the subsidiary at the time of acquisition; the amount of equity in the subsidiary's undistributed net earnings or net losses since acquisition; advances or loans to such subsidiary; and full particulars regarding any such investments that are pledged.

[31] *Revisions in the Uniform System of Accounts, and Annual Report Forms No.1 and No. 2 to Adopt the Equity Method of Accounting for Long-Term Investments in Subsidiaries*, Order No. 469, 49 FPC 326, *reh'g denied*, 49 FPC 1028 (1973).

18 C.F.R. Part 101, Account 216.1, Unappropriated Undistributed Subsidiary Earnings, states:

> This account shall include the balances, either debit or credit, of undistributed retained earnings of subsidiary companies since their acquisition. When dividends are received from subsidiary companies relating to amounts included in this account, this account shall be debited and account 216, Unappropriated Retained Earnings, credited.

18 C.F.R. Part 101, Account No. 418.1, Equity in Earnings of Subsidiary Companies, states:

> This account shall include the utility's equity in the earnings or losses of subsidiary companies for the year.

Background

DEC and DEP formed wholly owned special purpose subsidiaries, Duke Energy Receivables Finance Company, LLC (DERF) and Duke Energy Progress Receivables, LLC (DEPR), respectively, in 2003 and 2013. The companies accounted for their investments in the subsidiaries using the consolidated method of accounting. Specifically, DEC consolidated DERF in its Form No. 1 reports from 2003 through 2013; and DEP consolidated DEPR in its Form No. 1 in 2013. The accounting resulted in the recognition of property, expenses, revenue, debt, and equity of the subsidiaries in DEC and DEP's respective Form No. 1 reports. During the course of the audit, in 2014, the companies ceased accounting for their investments in the subsidiaries using the consolidation method of accounting and began using the equity method of accounting.

Prior to 2014, DEC and DEP's accounting for their investments in the subsidiaries was not consistent with the Commission's accounting requirements, which required the companies to account for the investments using the equity method of accounting. In accordance with the provisions of Order No. 469, the companies were required to account for the subsidiaries as investments in Account 123.1, Investments in Associated Companies, and record equity in earnings of the subsidiaries in Account 418.1, Equity in Earnings of Subsidiary Companies, and undistributed retained earnings of the subsidiaries in Account 216.1, Unappropriated Undistributed Subsidiary Earnings.[32]

[32] *Id.*

On August 19, 2015, during the course of the audit, Duke Energy submitted a request to the Commission on behalf of the companies for retroactive and prospective waivers of the equity method accounting requirement.[33] In the filing, among other things, DEC and DEP acknowledged that they had inappropriately accounted for investments in their subsidiaries using the consolidation method of accounting, and improperly included the results of the subsidiaries' operations in cost of service formula rate determinations. On December 18, 2015, the companies submitted a filing to the Commission under section 205 of the FPA seeking approval of proposed amendments to the formula rates in their Joint OATT and wholesale power agreements to provide for consolidation of the subsidiaries for cost of service rate determination purposes.[34]

Duke Energy did not notify audit staff of the inappropriate consolidation accounting, or of its request for waiver of the equity accounting requirements. The company should have disclosed the erroneous accounting to audit staff when it discovered the matter, which according to its representation occurred in late 2014. However, neither audit staff nor the Commission was notified of the improper accounting and the associated rate impacts until August 2015. Duke Energy's lack of timely disclosure of DEC and DEP's noncompliance with Commission regulations is problematic. The company should take necessary steps to ensure that its corporate compliance culture and program are strengthened to prevent situations like this on a going forward basis.

[33] Duke Energy Carolinas, LLC, et al., Request for Waiver, Docket No. AC15-174-000, (filed Aug. 19, 2015). The filing requested waivers of the equity accounting requirement on behalf of DEC, DEP, and DEF, which formed a wholly owned subsidiary Duke Energy Florida Receivables, LLC (DEFR) in 2014. The Chief Accountant issued a delegated letter order on February 12, 2016 that granted the requested waivers to the companies and directed specific accounting regarding sales of accounts receivable. Duke Companies filed a request for rehearing of the letter order on March 14, 2016.

[34] *Duke Energy Carolinas, LLC, et al.*, Docket Nos. ER16-577-000, ER16-578-000, and ER16-579-000. The Commission issued delegated letter orders on February 11, 2016, accepting for filing the amendments to the Joint OATT and rate schedules to provide for DEC, DEP, and DEF's use of the consolidated method of accounting for ratemaking purposes.

Recommendations

We recommend Duke Companies:

13. Review and, as needed, revise accounting policies, practices, and procedures to ensure that investments in subsidiaries are accounted for consistent with the Commission's equity method accounting requirements.

14. Evaluate the accounting applied to Duke Companies' existing subsidiaries and notify DAA of any areas of noncompliance with Commission accounting requirements.

15. Revise documented policies, procedures and processes to ensure timely notice is provided to relevant regulators regarding instances of noncompliance with regulations, rules, and orders.

16. Provide training to staff on procedures, practices, and available tools to transparently or anonymously report instances of noncompliance to senior management, the Board of Directors, and relevant regulators.

5. Accounting for Sales of Accounts Receivable

DEC, DEP, and DEF misclassified an estimated $94.7 million of nonoperating expenses and receivables arising from transactions with their subsidiaries during the audit period. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated $61 million.

Pertinent Guidance

18 C.F.R. Part 101, Account 930.2, Miscellaneous General Expenses, states in part:

> This account shall include the cost of labor and expenses incurred in connection with the general management of the utility not provided for elsewhere.

18 C.F.R. Part 101, Account 426.5, Other Deductions, states in part:

> This account shall include other miscellaneous expenses which are nonoperating in nature, but which are properly deductible before determining total income before interest charges.

The Commission addressed the appropriate accounting for the sale of accounts receivable in Opinion No. 375, which stated in part:

> From an accounting standpoint, we find that the record supports the staff and intervenors' position – which the initial decision adopted – that the loss on the sale of accounts receivable was erroneously recorded by SERI [System Energy Resources, Inc.] in Account 930.2. . ..[35]

Background

During audit fieldwork, audit staff analyzed data regarding transactions between DEC, DEP, and DEF and the companies' respective nonutility subsidiaries, DERF, DEPR, and DEFR, and interviewed employees responsible for accounting for the transactions. The transactions involved the companies' sales of accounts receivable to their subsidiaries. The receivables arose from billings on sales of electricity and related services by the companies. The companies sold the receivables to their subsidiaries at a loss (or discount), and accounted for the loss as an expense by debiting Account 930.2, Miscellaneous General Expenses, an account included in wholesale power and transmission service cost formula rate determinations, for the amount of the loss. DEC,

[35] *System Energy Resources, Inc.*, 60 FERC ¶ 61,131 (1992).

DEP, and DEF recognized total losses of $149.6 million, $35.1 million, and $23.5 million, respectively, from 2011 through 2014.

Audit staff also discovered that there were similar transactions involving sales of accounts receivable by DEI, DEO, and DEK to Cinergy Receivables, a Duke Energy subsidiary. However, through discussions with audit staff, Duke Energy represented that instead of recording losses on sold receivables in Account 930.2, DEI, DEO, and DEK accounted for the losses in Account 904, Uncollectible Accounts, an account not included in wholesale power or transmission service cost formula rate determinations.

DEC, DEP, and DEF performed collection services on behalf of their subsidiaries associated with the sold receivables whereby the companies collected bill payments from customers and remitted funds received to the subsidiaries. The companies charged the subsidiaries a fee for performing the collection service, which effectively resulted in a reimbursement of the collection service cost incurred by the companies. Expenses incurred by the companies associated with performing the collection service were accounted for by debiting the costs to Account 903, Customer Records and Collection Expenses. These expenses were also accounted for as a debit in Account 930.2 that Duke Energy represented was the fee billed to the subsidiaries for performing the collection service. As a result of this accounting, DEC, DEP, and DEF double-counted expenses in their respective Form No. 1 reports associated with collection services performed. Furthermore, the companies accounted for the reimbursements of their incurred collection service expenses that resulted from their billed subsidiaries by crediting Account 421, Miscellaneous Non-Operating Income.

Duke Companies' accounting for the loss on the sale of the receivables was not consistent with the Commission's accounting requirements and precedent. Under the Uniform System of Accounts (USofA), sales of accounts receivable constitute the disposition of utility assets. The USofA contemplates that in transactions of this nature, a company should recognize a gain or loss, measured by the difference between the net book value of the asset at the date of the sale and the proceeds from the sale, less related fees and expenses of the sale. Further, the USofA requires a company to record any gains or losses from the disposition of assets in nonoperating expense accounts, except with respect to the sale of future use property.[36] The instructions to Account 426.5, Other Deductions, provide for the recording of nonoperating expenses of this nature. Additionally, the Commission has previously addressed the matter of the appropriate

[36] With respect to future use property recorded in Account 105, Electric Plant Held for Future Use, the USofA requires a company to include a gain on a sale in Account 411.6, Gains from Disposition of Utility Plant, and a loss in Account 411.7, Losses from Disposition of Utility Plant.

accounting for sales of receivables in its Opinion No. 375, wherein it was determined that the loss on the sale of receivables should be accounted for in Account 426.5.[37]

In addition, DEC, DEP, and DEF's accounting for reimbursements of incurred collection service expenses was not consistent with the Commission's accounting requirements. The USofA contemplates that such reimbursements of collection service expenses incurred by DEC, DEP, and DEF on behalf of their respective subsidiaries be recorded as a reduction of the expenses. Accordingly, the companies should have accounted for the reimbursements through a credit entry to the collection service expenses recorded in Account 903.

Duke Energy represented that prior to 2014, DEC and DEP's accounting for the losses on the sales of receivables and collection service fees billed to the subsidiaries that were recorded in Account 930.2 had no impact on service rates charged to wholesale power and transmission formula rate customers due to accounting entries the companies made associated with consolidation method accounting that offset the items and neutralized the rate impact. Duke Energy indicated that the companies made the offsetting entries from the respective dates their subsidiaries were established and transactions initiated through 2013.[38] However, in 2014, DEC and DEP ceased their practice of using the consolidation method of accounting.[39] Cessation of consolidation method accounting led the companies to end their practice of recording the offsetting entries. Moreover, DEF established its subsidiary, DEFR, in 2014, and did not record any accounting entries to offset its losses on the sales and collection service fees billed to its subsidiary. As a result, rates charged by DEC, DEP, and DEF based on amounts reported in the companies' respective 2014 Form No.1 reports included the nonoperating losses and collection service fees that were misclassified in Account 930.2 and not offset by other entries. This led to DEC, DEP, and DEF inappropriately including the losses and fees of $38.1 million, $33.1 million, and $23.5 million, respectively, in rate determinations.

The companies' accounting mistakes led to an estimated $94.7 million of costs being inappropriately included in wholesale power and transmission formula rate service cost determinations during the audit period. Duke Energy estimated that this resulted in wholesale power and transmission customers' revenue requirements being inappropriately overstated by an estimated $61 million.

[37] *System Energy Resources, Inc.*, 60 FERC ¶ 61,131 (1992).

[38] DEC's subsidiary, DERF, was established in 2003, and DEP's subsidiary, DEPR, was established in 2013.

[39] *See* Finding No. 4, Consolidation Method of Accounting.

On March 14, 2016, Duke Companies filed a request for rehearing of the Chief Accountant letter order in Docket No. AC15-174-000 challenging the order's decision regarding the appropriate accounting for losses on the sale of receivables, which is also addressed by this Audit Finding. In light of the current challenge to the Chief Accountant's order and uncertain outcome, as well as, the potential of a contested audit over the identical issue, in this instance the portions of this Audit Finding that relate to the losses issues, including Recommendations 17 and 18, shall be held in abeyance and shall be subject to the outcome of the rehearing request and any subsequent petitions for court review. Although the recommendations regarding the portion of this Audit Finding relating to the losses issues are held in abeyance and subject to the outcome of the rehearing request and any subsequent petitions for court review, the requirement to make refunds in accordance with Recommendation 21 below is not impacted by the rehearing request.

Recommendations

We recommend Duke Companies:

17. Revise procedures to ensure that all costs and account balances associated with the sale of accounts receivable are accounted for in accordance with Commission accounting regulations. Among other things, the corrected accounting should ensure that all losses associated with receivable sales are recorded in Account 426.5.

18. Provide the revised procedures to DAA for review within 60 days of receiving the final audit report.

19. Recalculate charges to wholesale power and transmission customers of DEC, DEP, and DEF and submit the recalculations in a refund analysis to DAA for review within 60 days of receiving the final audit report. The refund analysis should explain and detail the: (1) return of collection service billings charged in 2014; (2) return of losses on the sales included in rates; (3) determinative components of the refund; (4) refund method; (5) period(s) refunds will be made; and (6) interest calculated in accordance with section 35.19 of Commission regulations.

20. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

21. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

6. Accounting for Lobbying Expenses

Duke Companies recorded approximately $2.4 million of lobbying expenses in above-the-line operating accounts from 2011 to 2013. As a consequence, Duke Companies improperly included these costs in wholesale power and transmission formula rate service cost determinations.

Pertinent Guidance

18 C.F.R. Part 101, Account 426.4, Expenditures for Certain Civic, Political, and Related Activities, states in part:

> This account shall include expenditures for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation, or ordinances . . . or approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials. . . .

Background

Audit staff evaluated costs incurred by Duke Companies associated with civic, political, and related activities during the audit period. Audit staff reviewed third-party lobbying expenditure disclosures, press articles, internal lobbyist meeting schedules and agendas, and interviewed internal lobbyists and support staff to understand the nature and extent of the companies' lobbying activities. In addition, audit staff tested a sample of work orders, invoices, and associated accounting detail records that support internal lobbyists' labor costs incurred. Audit staff discovered that Duke Companies improperly recorded nearly $2.4 million in lobbying costs to above-the-line operating accounts rather than to Account 426.4, Expenditures for Certain Civic, Political, and Related Activities, as required.

Account 426.4 provides for reporting expenditures for the purpose of influencing public opinion, such as lobbying expenses. Audit staff found that Duke Companies recorded a portion of these costs associated with wages and salaries of internal lobbyist and support staff in Account 426.4 as required, but failed to properly charge other related costs to the account associated with the labor, such as payroll taxes, retirement, health, and other benefits. Audit staff also found that the companies incorrectly accounted for amounts paid to outside firms that lobby on behalf of the companies. Duke Companies improperly included these expenses in wholesale power and transmission formula rate determinations and recovered a portion of the costs through charges to customers.

Further, audit staff found that Duke Companies lacked formal procedures and oversight controls to help ensure that lobbying costs were accounted for appropriately.

The companies should implement procedures to reduce the risk that lobbying costs are inappropriately accounted for and included in jurisdictional rate determinations.

Recommendations

We recommend Duke Companies:

22. Establish and implement written procedures governing the methods used to account for, track, report, and review lobbying costs incurred.

23. Provide training on Commission accounting requirements and the impact of accounting on cost-of-service rate determinations to employees involved in lobbying and lobbying-related work, and those with oversight responsibility for lobbying cost allocations. Also, develop a training program that supports the provision of periodic training in this area.

24. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of lobbying costs in operating accounts during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.

25. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

26. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

7. Allocation of Lobbyist Labor Costs

Duke Companies accounted for the labor costs of internal lobbyists and their support staff in operating accounts that lacked support for inclusion in the accounts. Improper accounting for the costs can lead to inappropriate recovery of the costs through rates charged and billed to customers.

Pertinent Guidance

18 C.F.R. Part 101, General Instruction No. 9, Distribution of Pay and Expenses of Employees, states:

> The charges to electric plant, operating expense and other accounts for services and expenses of employees engaged in activities chargeable to various accounts, such as construction, maintenance, and operations, shall be based upon the actual time engaged in the respective classes of work, or in case that method is impracticable, upon the basis of a study of the time actually engaged during a representative period.

18 C.F.R. Part 101, General Instruction No. 10, Payroll Distribution, states:

> Underlying accounting data shall be maintained so that the distribution of the cost of labor charged direct to the various accounts will be readily available. Such underlying data shall permit a reasonably accurate distribution to be made of the cost of labor charged initially to clearing accounts so that the total labor cost may be classified among construction, cost of removal, electric operating functions (steam generation, nuclear generation, hydraulic generation, transmission, distribution, etc.) and nonutility operations.

18 C.F.R. Part 101, Account 426.4, Expenditures for Certain Civic, Political, and Related Activities, states in part:

> This account shall include expenditures for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation, or ordinances . . . or approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials . . . .

Background

In connection with the evaluation of Duke Companies' expenditures for lobbying activities, audit staff discovered that the companies' allocation of the labor costs of internal lobbyists and their support staff was based in part on the amount of time that

state legislatures and Congress were in session. Duke Energy explained that these entities were in session on average 180 days a year, and that lobbying activities of its staff to influence legislation would typically be performed while the legislatures and Congress were in session. This resulted in the companies using a default allocator that charged 50 percent of lobbying costs above-the-line to operating accounts and 50 percent below-the-line to Account 426.4, Expenditures for Certain Civic, Political, and Related Activities.

Audit staff interviewed internal lobbyists and their support staff to understand their roles and job assignments, and reviewed lobbyists' schedules as documented in email, itineraries from industry conferences, and other materials. Duke Energy represented that the companies' internal lobbyist performed internal corporate functions such as (1) budgeting, (2) performance appraisals, (3) training, and (4) other activities. However, audit staff could not determine based on documentation provided, that the 50/50 labor allocation split between above- and below-the-line accounting for lobbying and related costs was accurate or reasonable. Moreover, audit staff discovered that the companies neither had a formal oversight review process to assess the accuracy of the labor allocations nor maintained documentation to support the allocations.

General Instructions No. 9, Distribution of Pay and Expenses of Employees, and No. 10, Payroll Distribution, require public utilities to charge lobbying-related labor to operations based on actual time engaged in utility operations or on a representative time study, and to maintain data supporting distribution of the labor to operating costs. Audit staff found that Duke Companies' charges of lobbying and support staff labor to operations were neither based on actual time engaged in utility operations nor derived from representative time studies, as required. The companies also did not maintain data supporting distribution of the costs to utility operations. Duke Companies' accounting for lobbying labor time charges was not consistent with Commission accounting requirements and could have resulted in the inclusion of inappropriate costs in operating accounts, and consequently, in charges to transmission service formula rate and wholesale requirements customers. This could have led to the overcharging of wholesale ratepayers.

Recommendations

We recommend Duke Companies:

27. Revise written policies and procedures to create a process to document and verify appropriate allocation of lobbying and lobbying-related costs, and maintain auditable support for the cost included in rate determinations.

28. Retain an independent third-party entity to conduct a representative labor time study to determine an appropriate allocation of internal lobbyist labor, support

staff, and associated costs that should be accounted for in operating and nonoperating accounts based on time spent by employees engaged in the activities. Provide the study results to audit staff within 180 days of receiving the final audit report.

29. Include the results of the labor time study in the determination of lobbying-related labor cost allocations as of January 1, 2016.

30. Implement policies and procedures to perform a labor time study at least biennially using an independent third-party or internal company resources that are able to attest to the results of the study. Revise the lobbying-related labor cost allocations based on the results of the study.

8. Nonutility Expenses in Operating Accounts

Duke Companies recorded approximately $490,000 of nonutility expenses in operating accounts in 2014. As a result, inappropriate costs were included in wholesale power and transmission formula rate service cost determinations and charged to customers.

Pertinent Guidance

Accounting Release 12, Discriminatory Employment Practices, states in part:

> Expenditures resulting from employment practices found to be discriminatory by a judicial or administrative decree or that were the result of a compromise settlement or consent decree are not just and reasonable cost of utility operations and as such must be charged to nonoperating expense accounts.

18 C.F.R Part 101, Account 426.1, Donations, states:

> This account shall include payments or donations for charitable, social, or community welfare purposes.

18 C.F.R. Part 101, Account 426.5, Other Deductions, states:

> This account shall include other miscellaneous expenses for which are non-operating in nature, but which are properly deductible before determining total income before interest charges.

Background

Audit staff reviewed a sample of expenses charged to administrative and general (A&G) accounts to determine whether the charges were accounted for in accordance with Commission accounting requirements. The sample included charges to Accounts 920, Administrative and General Salaries, 923, Outside Services Employed, and 926, Employee Pensions and Benefits, in 2012. Audit staff reviewed accounting records and documentation supporting amounts reported in the accounts, such as invoices, work orders, and billings. Audit staff also interviewed Duke Companies' employees with responsibility for documenting and accounting for costs reported in the accounts.

Audit staff's review found that Duke Companies accounted for $100,000 of expenditures resulting from employment practices found to be discriminatory as operating expenses. However, in accordance with the requirements of Accounting Release 12, Discriminatory Employment Practices, expenses of this nature should be

accounted for as nonoperating expenses. Of the $100,000, audit staff found that $40,000 was improperly recorded to Account 923 and inappropriately included in transmission formula rate determinations. The remaining $60,000 was incorrectly accounted for in production and distribution operating accounts, including Accounts 519, Coolants and Water, 524, Miscellaneous Nuclear Power Expenses, and 583, Overhead Line Expenses. The costs should have been charged to Account 426.5, Other Deductions, consistent with the instructions of the account. Account 426.5 provides for recording expenses that are nonoperating in nature, and are properly deductible before determining total income before interest charges.

Further, audit staff also found that Duke Companies improperly charged about $39,000 in costs related to donations and charitable contributions to above-the-line operating accounts rather than Account 426.1, Donations, as required. Account 426.1 provides for reporting payments or donations for charitable, social, or community welfare purposes. The sampled invoices that audit staff reviewed included expenditures for charity-related activities that were improperly charged to operating accounts.

Because audit staff's review involved a select, small sample of transactions out of a larger population of transactions that involved expenses charged to Accounts 920, 923, and 926, audit staff believes that review of a larger number of transactions charged to these accounts may have revealed additional accounting errors that could have resulted in inappropriate charges to wholesale power and transmission formula rate customers. Duke Companies represented that they performed an analysis of all charges to the 900 series expense accounts for April 2014 through December 2014, and estimated that they incorrectly accounted for approximately $490,000 of costs in the accounts in 2014. These errors are the result of Duke Companies' lack of documented policies and insufficient training of employees on Commission requirements pertaining to accounting for nonoperating expenses. Employees with responsibility for recording expenses of this nature should have knowledge of the importance of appropriate accounting and the impact of improper accounting on rates charged through transmission formula rates.

Recommendations

We recommend Duke Companies:

31. Develop and implement written policies, procedures, and controls to ensure proper accounting and reporting of nonutility expenses.

32. Provide training for employees involved in the invoicing process on Commission accounting requirements and the impact of the accounting on cost-of-service rate determinations.

33. Within 60 days of receiving the final audit report, provide documentation supporting the analysis performed of invoiced expenses recorded to A&G accounts in 2014 that identified misclassified nonutility expenses included in A&G accounts. Develop an estimate of misclassified nonutility expenses accounted for in operating accounts in 2011 through 2013 and 2015.

34. Implement policies and procedures to provide periodic audits or reviews of A&G transactions by external or internal auditors.

35. Submit a refund analysis, within 60 days of receiving the final audit report, for review to DAA that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of identified and estimated nonutility expenses in charges to wholesale power and transmission customers during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made. Include the results of the invoice analysis in the refund analysis.

36. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

37. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Appendix: Duke Energy's Comments on Audit Report

Senior Vice President, Chief Accounting Officer and Controller

Duke Energy Corporation
550 South Tryon Street / DEC44A
Charlotte, NC 28202

704 382 6242

brian.savoy2@duke-energy.com

March 30, 2016

Mr. Bryan K. Craig
Director and Chief Accountant
Division of Audits and Accounting
Office of Enforcement
Federal Energy Regulatory Commission
888 First Street NE, Room 5K-13
Washington, DC 20426

RE: Office of Enforcement
Docket No. PA14-2-000
Duke Energy Corporation

Dear Mr. Craig:

On February 19, 2016, the Division of Audits and Accounting ("DAA") within the Office of Enforcement of the Federal Energy Regulatory Commission (the "Commission") issued a draft audit report setting forth the DAA's findings and recommendations resulting from the audit of Duke Energy Corporation ("Duke Energy") and its public utility subsidiaries' compliance with (1) conditions in Commission merger authorization orders, (2) transmission formula rate tariff requirements, and (3) accounting and financial reporting regulations. After several constructive discussions between DAA staff and Duke Energy, the draft audit report was revised several times. DAA staff sent the latest revision to Duke Energy dated March 29, 2016. Duke Energy is responding to the March 29 revision.

SUMMARY

In the draft audit report as revised, the DAA made eight findings and 37 associated recommendations. In sum, Duke Energy accepts five of the eight findings and all associated recommendations. Duke Energy respectfully disagrees with, but will not contest, two of the eight findings (findings 2 and 3) and agrees to comply with all associated recommendations. Duke Energy disagrees with a portion of, but will not contest under 18 CFR Part 41, one of the eight findings (finding 5) and all recommendations as they apply to the portion with which it disagrees, and accepts in part finding 5 and all recommendations as they apply to the accepted portion.

RESPONSE TO FINDINGS

In accordance with the procedures set forth in 18 C.F.R. 41.1, Duke Energy responds to each of the findings as follows:

- **Finding 1.** *Accounting for Merger Transaction Costs* – Duke Companies did not file merger transaction accounting entries with the Commission as required by the Merger Order, and the companies recorded merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. By not filing the accounting entries, Duke Companies prevented Commission review of the merger accounting and correction of any entries that were not in accordance with Commission accounting requirements.

Response: Duke Energy accepts this finding.

- **Finding 2.** *Merger Transaction Internal Labor Costs* – Duke Companies improperly included approximately $31.4 million of merger transaction internal labor costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 filing demonstrating that the costs were offset by quantified savings produced by the merger. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated an estimated $17.5 million.

Response: Duke Energy respectfully disagrees with this finding, but will not contest it. For the purpose of establishing a complete record, Duke Energy explains its position as follows.

Duke Energy acknowledges its obligation to hold transmission and wholesale power customers harmless for five years from costs related to the merger of Duke Energy and Progress Energy, Inc. (the "Merger").

Between the time of the Commission's Merger Order issued on September 30, 2011 and the closing of the Merger on July 2, 2012, Duke Energy determined that its hold harmless commitment is intended to apply to costs caused by the Merger ("Incremental Costs") and not to costs that would have been incurred even in the absence of the Merger ("Non-Incremental Costs"). No Commission orders squarely addressed this issue, and it seemed to be inherent in the nature of a *hold harmless* commitment that it would protect customers only from costs that they would not have incurred otherwise.

On the basis of this logic, Duke Energy did not treat as transaction-related costs any portion of the regular compensation that employees would have received in the absence of the Merger even if the employees spent some of their time working on transaction-related activities. The company would have paid those same salaries to the employees with or without the Merger. Thus the

regular compensation of employees was viewed as Non-Incremental Costs. On the other hand, Duke Energy did treat as transaction-related costs any compensation paid to employees that would *not* have been incurred but for the Merger. For example, this included any bonuses paid to employees in recognition of the extended hours many employees worked to fulfill their regular duties and to work on merger activities. It also included temporary employees and contractors hired to backfill for work that could not be absorbed in this manner. These costs were viewed as Incremental Costs and accordingly were excluded from FERC-jurisdictional rates.

Treatment of internal labor costs in the context of a hold harmless obligation was certainly not a settled issue in early 2012 or even today. This uncertainty was reflected in the Commission's notice of proposed *Policy Statement on Hold Harmless Commitments* issued January 22, 2015 in Docket No. PL15-3. In this notice of proposed policy statement issued two and a half years after the closing of the Merger, the Commission states as follows:

> "...we propose to clarify those costs to which hold harmless commitments will apply. Although the Commission has provided broad guidance regarding the costs that should be covered under hold harmless commitments, it has never defined those costs with much specificity, leading to inconsistency with respect to this issue."[1]

The Commission proposed to clarify that internal labor costs should be treated as transaction-related costs and stated as follows:

> "If the duties of employees are not solely dedicated to activities related to a transaction, internal labor costs deemed merger-related should be determined in a manner that is proportionally equal to the amount of time spent on the merger compared to other activities of the utility and tracked accordingly."[2]

While this *proposal* is clear on this issue, it is worth repeating that it was issued two and a half years after the Merger closed. It is also important to note that it is just a proposal at this time because the final policy statement has not been issued. In addition, some commenters specifically disagreed with this point.[3] Finally, the Commission stated in the notice of proposed policy statement that it would have prospective effect only.[4]

Notwithstanding Duke Energy's belief that its failure to exclude from rates Non-Incremental internal labor costs was not a violation of any settled policy and in fact was based on the most reasonable interpretation of its hold harmless commitment, Duke Energy will not expend the resources necessary to contest this issue and will comply with all associated recommendations in the audit report. Duke Energy reserves all rights in the event that the Commission issues an order

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[1] Paragraph 16 of the notice of proposed policy statement.
[2] Footnote 41 of the notice of proposed policy statement.
[3] See the comments of Edison Electric Institute filed on March 30, 2015 at p. 15-16.
[4] Paragraph 20 of the notice of proposed policy statement.

in the proposed policy statement proceeding or any other proceeding that is not consistent with Finding 2.
Duke Energy estimates that the total refunds that will be due to transmission and wholesale power customers arising from this finding will be approximately $1.2 million plus interest.

- **Finding 3.** *Merger Transaction Outside Services and Related Costs* – Duke Companies incorrectly included $1.5 million of merger transaction outside services and related costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 filing demonstrating the costs were offset by quantified savings produced by the merger. In addition, the companies recorded the merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated an estimated $745,000.

Response: Duke Energy respectfully disagrees with this finding, but will not contest it. For the purpose of establishing a complete record, Duke Energy explains its position as follows.

The costs which are the subject of this finding are costs incurred in 2010 to investigate, agree to, and perform preliminary due diligence regarding, the Merger prior to the announcement of the Merger. Duke Energy made the determination that its hold harmless commitment was not intended to include such costs incurred during the formative stage of a potential transaction before it was clear that the company would even pursue the transaction. Like most utility holding companies, Duke Energy has a corporate development group that regularly investigates and reviews potential transactions as part of its routine operations. Only a very small percentage of potential transactions reviewed are ever consummated. In order to comply with a hold harmless commitment as interpreted in this Finding 3 for a transaction that is eventually consummated, the company would have to track all its costs for each and every potential transaction it reviews even though the vast majority will never be consummated. This would be unwieldy and wasteful. Because these potential transactions often will benefit customers, discouraging investigation of them is not in the best interests of customers.

Treatment of such investigation costs incurred prior to the announcement of a transaction in the context of a hold harmless obligation was certainly not a settled issue in early 2012 or even today. This uncertainty was reflected in the Commission's notice of proposed *Policy Statement on Hold Harmless Commitments* discussed in Duke Energy's response to Finding 2 above.

In the notice of proposed policy statement, the Commission proposed to clarify that such investigation costs would be subject to the hold harmless commitment.[5]

[5] Paragraph 22 of the notice of proposed policy statement.

As in Duke Energy's response to Finding 2 above, we will point out again that the notice of proposed policy statement was issued two and a half years after the Merger closed, and is just a proposal at this time because the final policy statement has not been issued. In addition, some commenters specifically disagreed with this point.[6]

Notwithstanding Duke Energy's belief that its failure to exclude pre-announcement costs that are the subject of Finding 3 was not a violation of any settled policy, Duke Energy will not expend the resources necessary to contest this issue and will comply with all associated recommendations in the audit report.

Duke Energy estimates that the total refunds that will be due to transmission and wholesale power customers arising from this finding will be approximately $60,000 plus interest.

- **Finding 4.** *Use of the Consolidation Method of Accounting* – DEC and DEP accounted for investments in subsidiaries on a consolidated basis in their FERC Form No. 1, Annual Reports (Form No. 1), contrary to the Commission's long-standing accounting policy.

Response: Duke Energy accepts this finding.

- **Finding 5.** *Accounting for Sales of Accounts Receivable* – DEC, DEP, and DEF misclassified an estimated $94.7 million of nonoperating expenses and receivables arising from transactions with their subsidiaries during the audit period. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated $61 million.

Response: Duke Energy disagrees with the portion of this finding that concerns accounting for losses on the sale of receivables. However, Duke Energy will not contest this finding under 18 CFR Part 41 because the portion of this finding that relates to accounting for losses on the sale of receivables, including recommendations 17 and 18, will be held in abeyance and will be subject to the outcome of Duke Energy's request for rehearing in Docket No. AC15-174-001 pursuant to the draft audit report.

- **Finding 6.** *Accounting for Lobbying Expenses:* Duke Companies recorded approximately $2.4 million of lobbying expenses in above-the-line operating accounts from 2011 through 2013. As a consequence, Duke Companies improperly included these costs in wholesale power and transmission formula rate service cost determinations.

Response: Duke Energy accepts this finding.

[6] See the comments of Edison Electric Institute filed March 30, 2015 at p. 14-15.

- **Finding 7.** *Allocation of Lobbyist Labor Costs:* Duke Companies accounted for the labor costs of internal lobbyists and their support staff in operating accounts that lacked support for inclusion in the accounts. Improper accounting for the costs can lead to inappropriate recovery of the costs through rates charged and billed to customers.

Response: Duke Energy accepts this finding.

- **Finding 8.** *Nonutility Expenses in Operating Accounts:* Duke Companies recorded approximately $490,000 of nonutility expenses in operating accounts in 2014. As a result, inappropriate costs were included in wholesale power and transmission formula rate service cost determinations and charged to customers.

Response: Duke Energy accepts this finding.

RESPONSE TO RECOMMENDATIONS

Duke Energy will comply with all recommendations except as otherwise stated below. As requested, Duke Energy proposes target completion dates below for each recommendation wherever the recommendation does not specify the completion date.

Accounting for Merger Transaction Costs

1. Revise accounting policies and procedures to appropriately account for merger transactions consistent with Commission accounting requirements.

Target Completion Date: September 30, 2016

2. Develop written policies and procedures to timely identify proposed accounting transactions that would trigger a notification to the Commission.

Target Completion Date: September 30, 2016

3. Develop written policies and procedures to submit accounting questions of doubtful interpretation to the Commission.

Target Completion Date: September 30, 2016

4. Provide training to employees on compliance with the merger cost accounting conditions and the revised policies, procedures, and controls for complying with the conditions. Also, develop a training program that supports the provision of periodic training in this area.

Target Completion Date: December 31, 2016

Merger Transaction Internal Labor Costs

If the Commission issues a policy statement on hold harmless commitments and such policy statement is inconsistent with Finding 2 or Finding 3, then Duke Energy reserves the right to seek relief from compliance with any of recommendations 5 – 12 as appropriate.

5. Revise all policies and procedures for tracking, accounting, and excluding merger transaction costs from wholesale power and transmission formula rates, including amounts previously charged to utility plant, accumulated deferred income taxes, construction work in progress with the associated capitalized cost of funds used during construction (AFUDC), and maintenance and operating expense accounts, and future charges to such accounts for any transaction to which a FERC hold harmless obligation applies. The revised procedures should hold customers harmless from all merger transaction costs consistent with requirements of the Merger Order. Among other things, the revised policies and procedures should include an annual review of each subsidiary's merger transaction cost adjustments as well as periodic evaluations within the year, as needed and appropriate.

Target Completion Date: September 30, 2016

6. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction internal labor and related costs in wholesale power and transmission formula rates during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.

7. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

8. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

Merger Transaction Outside Services and Related Costs

9. Revise accounting policies and procedures to appropriately account for merger transaction costs consistent with Commission accounting requirements.

Target Completion Date: September 30, 2016

10. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction outside services and related costs in wholesale power and transmission formula rate charges during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.

11. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

12. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

Use of the Consolidation Method of Accounting

13. Review and, as needed, revise accounting policies, practices, and procedures to ensure that investments in subsidiaries are accounted for consistent with the Commission's equity method accounting requirements.

Response and Target Completion Date: Duke Energy will comply with this recommendation, but notes that the Commission has granted to DEC, DEP, and DEF a waiver from the requirement to use the equity method as discussed above. Target Completion date is 60 days after receiving the final audit report.

14. Evaluate the accounting applied to Duke Companies' existing subsidiaries and notify DAA of any areas of noncompliance with Commission accounting requirements.

Target Completion Date: 60 days after receiving the final audit report.

15. Revise documented policies, procedures and processes to ensure timely notice is provided to relevant regulators regarding instances of noncompliance with regulations, rules, and orders.

Target Completion Date: September 30, 2016

16. Provide training to staff on procedures, practices, and available tools to transparently or anonymously report instances of noncompliance to senior management, the Board of Directors, and relevant regulators.

Target Completion Date: December 31, 2016

Accounting for Sales of Accounts Receivable

17. Revise procedures to ensure that all costs, revenues, and account balances associated with the sale of accounts receivable are accounted for in accordance with Commission accounting regulations. Among other things, the corrected accounting should ensure that all discounts, fees, and revenues associated with receivable sales are recorded in Account 426.5, and that the cost of performing collection services on behalf of the subsidiaries, including employee labor, expenses, and an appropriate allocation of overhead and utility plant, are recorded in Account 426.5.

Response and Target Completion Date: In accordance with the draft audit report, the portions of this recommendation that relate to accounting for losses on the sale of receivables are held in abeyance and subject to the outcome of the rehearing request and any subsequent petitions for review proceedings. The target completion date for portions that do *not* relate to accounting for losses on the sale of receivables is 60 days after receiving the final audit report.

18. Provide the revised procedures to DAA for review within 60 days of receiving the final audit report.

Response and Target Completion Date: In accordance with the audit report, the portions of this recommendation that relate to accounting for losses on the sale of receivables are held in abeyance and subject to the outcome of the rehearing request and any subsequent petitions for review proceedings.

19. Recalculate charges to wholesale power and transmission customers of DEC, DEP, and DEF and submit the recalculations in a refund analysis to DAA for review within 60 days of receiving the final audit report. The refund analysis should explain and detail the: (1) return of collection service billings charged in 2014; (2) return of losses on the sales included in rates; (3) determinative components of the refund; (4) refund method; (5) period(s) refunds will be made; and (6) interest calculated in accordance with section 35.19 of Commission regulations.

20. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

21. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

Accounting for Lobbying Expenses

22. Establish and implement written procedures governing the methods used to account for, track, report, and review lobbying costs incurred.

Response: Duke Energy has completed this action. Duke Energy will update its procedures upon completion of the labor time study referenced in recommendation 28.

23. Provide training on Commission accounting requirements and the impact of accounting on cost-of-service rate determinations to employees involved in lobbying and lobbying-related work, and those with oversight responsibility for lobbying cost allocations. Also, develop a training program that supports the provision of periodic training in this area.

Response: Duke Energy has completed this action. Duke Energy will update its procedures upon completion of the labor time study referenced in recommendation 28.

24. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of lobbying cost in operating accounts during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.

25. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

26. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

Allocation of Lobbyist Labor Costs

27. Revise written policies and procedures to create a process to document and verify appropriate allocation of lobbying and lobbying-related costs, and maintain auditable support for the cost included in rate determinations.

Response: Duke Energy has completed this action. Duke Energy will update its procedures upon completion of the labor time study referenced in recommendation 28.

28. Retain an independent third-party entity to conduct a representative labor time study to determine an appropriate allocation of internal lobbyist labor, support staff, and associated costs that should be accounted for in operating and nonoperating accounts based on time spent by employees engaged in the activities. Provide the study results to audit staff within 180 days of the date of the final audit report.

29. Include the results of the labor time study in the determination of lobbying-related labor cost allocations as of January 1, 2016.

Target Completion Date: 180 days after the date of the final audit report

30. Implement policies and procedures to perform a labor time study biennially using an independent third-party or internal company resources that are able to attest to the results of the study. Revise the lobbying-related labor cost allocations based on the results of the study.

Target Completion Date: 180 days after the date of the final audit report

Nonutility Expenses in Operating Accounts

31. Develop and implement written policies, procedures, and controls to ensure proper accounting and reporting of nonutility expenses.

Response: Duke Energy has completed this action.

32. Provide training for employees involved in the invoicing process on Commission accounting requirements and the impact of the accounting on cost-of-service rate determinations.

Response: Duke Energy has completed this action.

33. Within 60 days of receiving the final audit report, provide documentation supporting the analysis performed of invoiced expenses recorded to administrative and general (A&G) accounts in 2014 that identified misclassified nonutility expenses included in A&G accounts. Develop an estimate of misclassified nonutility expenses accounted for in operating accounts in 2011 through 2013 and 2015.

34. Implement policies and procedures to provide periodic audits or reviews of A&G transactions by external or internal auditors.

Target Completion Date: 60 days after the date of the final audit report

35. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of identified and estimated nonutility expenses in charges to wholesale power and transmission customers during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made. Include the results of the invoice analysis in the refund analysis.

36. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

37. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

Duke Energy acknowledges and appreciates the professionalism and the courtesy with which DAA staff conducted this audit.

Sincerely,

Brian D Savoy by Paul Kinny

Brian D. Savoy
Senior Vice President, Chief Accounting Officer and Controller

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(j)

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807 KAR 5:001, SECTION 16(7)(j)

Description of Filing Requirement:

Prospectuses of the most recent stock or bond offerings.

Response:

See attached.

Witness Responsible:

Thomas J. Heath, Jr.

Execution Version

DUKE ENERGY KENTUCKY, INC.

(FORMERLY NAMED "THE UNION LIGHT, HEAT AND POWER COMPANY")

AND

DEUTSCHE BANK TRUST COMPANY AMERICAS,

AS TRUSTEE

NINTH SUPPLEMENTAL INDENTURE

DATED AS OF JUNE 15, 2024

TO

INDENTURE

DATED AS OF DECEMBER 1, 2004

Authorizing

5.90% Debentures due 2031
6.00% Debentures due 2034
6.17% Debentures due 2039

and
Otherwise Amending and Supplementing the Indenture

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THIS NINTH SUPPLEMENTAL INDENTURE, dated as of June 15, 2024 (the "Ninth Supplemental Indenture") is between Duke Energy Kentucky, Inc. (formerly named The Union Light, Heat and Power Company), a corporation duly organized and existing under the laws of the Commonwealth of Kentucky (the "Company"), having its principal office at 139 East Fourth Street, Cincinnati, Ohio 45202, and Deutsche Bank Trust Company Americas, as Trustee (the "Trustee") under the Indenture, dated as of December 1, 2004, between the Company and the Trustee, as heretofore supplemented and as supplemented by this Ninth Supplemental Indenture (the "Indenture").

RECITALS OF THE COMPANY

The Company has executed and delivered the Indenture to the Trustee to provide for the issuance from time to time of its unsecured debentures, notes or other evidences of indebtedness (the "Securities"), to be issued in one or more series as provided in the Indenture.

Pursuant to the terms of the Indenture, the Company desires to provide for the establishment of three new series of its Securities to be known as its (a) 5.90% Debentures due 2031 (the "2031 Debentures"), (b) 6.00% Debentures due 2034 (the "2034 Debentures") and (c) 6.17% Debentures due 2039 (the "2039 Debentures", collectively, the "Debentures"), in this Supplemental Indenture.

All things necessary to make this Supplemental Indenture a valid agreement of the Company have been done.

NOW, THEREFORE, THIS NINTH SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Debentures by the Purchasers and the Holders thereof, it is mutually agreed, for the equal and proportionate benefit of all Holders of the Debentures, as follows:

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY.]

ARTICLE ONE.

DEFINITIONS

SECTION 101. DEFINITIONS.

(a) In addition to the words and terms defined elsewhere in this Ninth Supplemental Indenture, the following defined term used herein shall, unless the context otherwise requires, have the meaning specified below.

"2031 Debentures" is defined in Section 201.

"2034 Debentures" is defined in Section 201.

"2039 Debentures" is defined in Section 201.

"Affiliate" means, at any time, and with respect to any Person, any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person. As used in this definition, "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. Unless the context otherwise clearly requires, any reference to an "Affiliate" is a reference to an Affiliate of the Company.

"Basket Lien" is defined in Section 610(c).

"Below Investment Grade Adjusted Interest Rate" is defined in Section 204(e)(4).

"Below Investment Grade Event" is defined in Section 204(e)(4).

"Blocked Person" means (a) a Person whose name appears on the list of Specially Designated Nationals and Blocked Persons published by OFAC, (b) a Person, entity, organization, country or regime that is blocked or a target of sanctions that have been imposed under U.S. Economic Sanctions Laws or (c) a Person that is an agent, department or instrumentality of, or is otherwise beneficially owned by, controlled by or acting on behalf of, directly or indirectly, any Person, entity, organization, country or regime described in clause (a) or (b).

"Business Day" means any day other than a Saturday or Sunday or a day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

"Capital Lease" means, at any time, a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder from time to time.

"Consolidated Capitalization" means the sum, without duplication, of (i) Consolidated Indebtedness, (ii) consolidated common equityholders' equity as would appear on a consolidated balance sheet of the Company and its Consolidated Subsidiaries prepared in accordance with generally accepted accounting principles, (iii) the aggregate liquidation preference of preferred or priority equity interests (other than preferred or priority equity interests subject to mandatory redemption or repurchase) of the Company and its Consolidated Subsidiaries upon involuntary liquidation, (iv) the aggregate outstanding amount of all Equity Preferred Securities of the Company and (v) minority interests as would appear on a consolidated balance sheet of the Company and its Consolidated Subsidiaries prepared in accordance with generally accepted accounting principles.

"Consolidated Indebtedness" means, at any date, all Indebtedness of the Company and its Consolidated Subsidiaries determined on a consolidated basis in accordance with generally accepted accounting principles; *provided* that Consolidated Indebtedness shall exclude, to the extent otherwise reflected therein, Equity Preferred Securities of the Company and its Consolidated Subsidiaries up to a maximum excluded amount equal to 15% of Consolidated Capitalization.

"Consolidated Subsidiary" means, for any Person, at any date any Subsidiary or other entity the accounts of which would be consolidated with those of such Person in its consolidated financial statements prepared in accordance with generally accepted accounting principles if such statements were prepared as of such date.

"Debt Rating" means the debt rating of the Debentures as determined from time to time by any NRSRO.

"Default" means an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Default Rate" means a rate per annum from time to time equal to the lesser of (i) the maximum rate permitted by applicable law, and (ii) 2.00% per annum above the rate of interest stated on the face of the applicable Debentures.

"EDGAR" means the SEC's Electronic Data Gathering, Analysis and Retrieval System or any successor SEC electronic filing system for such purposes.

"Environmental Laws" means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including but not limited to those related to Hazardous Materials.

"Equity Preferred Securities" means, with respect to the Company, any trust preferred securities or deferrable interest subordinated debt securities issued by the Company or any Subsidiary or other financing vehicle of the Company that (i) have an original maturity of at least twenty years and (ii) require no repayments or prepayments and no mandatory redemptions or repurchases, in each case, prior to the first anniversary of July 15, 2039.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that is treated as a single employer together with the Company under section 414 of the Code.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States of America.

"Governmental Authority" means

(a) the government of

(i) the United States of America or any state or other political subdivision thereof, or

(ii) any other jurisdiction in which the Company or any Subsidiary conducts all or any part of its business, or which asserts jurisdiction over any properties of the Company or any Subsidiary, or

(b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

"Guaranty" means, with respect to any Person, any obligation (except the endorsement in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing or in effect guaranteeing any indebtedness, dividend or other obligation of any other Person in any manner, whether directly or indirectly, including (without limitation) obligations incurred through an agreement, contingent or otherwise, by such Person:

(a) to purchase such indebtedness or obligation or any property constituting security therefor;

(b) to advance or supply funds (i) for the purchase or payment of such indebtedness or obligation, or (ii) to maintain any working capital or other balance sheet condition or any income statement condition of any other Person or otherwise to advance or make available funds for the purchase or payment of such indebtedness or obligation;

(c) to lease properties or to purchase properties or services primarily for the purpose of assuring the owner of such indebtedness or obligation of the ability of any other Person to make payment of the indebtedness or obligation; or

(d) otherwise to assure the owner of such indebtedness or obligation against loss in respect thereof.

In any computation of the indebtedness or other liabilities of the obligor under any Guaranty, the indebtedness or other obligations that are the subject of such Guaranty shall be assumed to be direct obligations of such obligor.

"Hazardous Materials" means any and all pollutants, toxic or hazardous wastes or other substances that might pose a hazard to health and safety, the removal of which may be required or the generation, manufacture, refining, production, processing, treatment, storage, handling, transportation, transfer, use, disposal, release, discharge, spillage, seepage or filtration of which is or shall be restricted, prohibited or penalized by any applicable law including, but not limited to, asbestos, urea formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum products, lead based paint, radon gas or similar restricted, prohibited or penalized substances.

"Indebtedness" of any Person means at any date, without duplication,

(i) all obligations of such Person for borrowed money,

(ii) all indebtedness of such Person for the deferred purchase price of property or services purchased (excluding current accounts payable incurred in the ordinary course of business),

(iii) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired,

(iv) all indebtedness under leases which shall have been or should be, in accordance with generally accepted accounting principles, recorded as capital leases in respect of which such Person is liable as lessee,

(v) the face amount of all outstanding letters of credit issued for the account of such Person (other than letters of credit relating to indebtedness included in Indebtedness of such Person pursuant to another clause of this definition) and, without duplication, the unreimbursed amount of all drafts drawn thereunder,

(vi) indebtedness secured by any Lien on property or assets of such Person, whether or not assumed (but in any event not exceeding the fair market value of the property or asset),

(vii) all direct guarantees of Indebtedness referred to above of another Person,

(viii) all amounts payable in connection with mandatory redemptions or repurchases of preferred stock or member interests or other preferred or priority equity interests and

(ix) any obligations of such Person (in the nature of principal or interest) in respect of acceptances or similar obligations issued or created for the account of such Person.

"Institutional Investor" means (a) any Purchaser of a Debenture, (b) any Holder of a Debenture holding (together with one or more of its affiliates) more than 5% of the aggregate principal amount of the Debentures then outstanding, (c) any bank, trust company, savings and loan association or other financial institution, any pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form, and (d) any Related Fund of any Holder of any Debenture.

"Interest Payment Date" is defined for each series of Debentures in section 204(a), (b) and (c), respectively.

"Investment Grade" is defined in Section 204(e)(4).

"Investment Grade Adjusted Interest Rate" is defined in Section 204(e)(4).

"Investment Grade Event" is defined in Section 204(e)(4).

"lien" means, with respect to any Person, any mortgage, lien, pledge, charge, security interest or other encumbrance, or any interest or title of any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or Capital Lease, upon or with respect to any property or asset of such Person (including in the case of stock, stockholder agreements, voting trust agreements and all similar arrangements).

"Make-Whole Amount" shall have the meaning set forth in Section 208(b) hereof.

"Material" means material in relation to the business, operations, affairs, financial condition, assets or properties of the Company and its Subsidiaries taken as a whole.

"Material Adverse Effect" means a material adverse effect on (a) the business, operations, affairs, financial condition, assets or properties of the Company and its Subsidiaries taken as a whole, (b) the ability of the Company to perform its obligations under this Agreement, the Indenture and the Debentures, (c) the ability of any Subsidiary Guarantor to perform its obligations under its Subsidiary Guaranty, or (d) the validity or enforceability of this Agreement, the Indenture or the Debentures.

"Material Credit Facility" means, as to the Company and its Subsidiaries:

(a) the Amended and Restated Credit Agreement dated as of March 18, 2022 (as amended by Amendment No. 1 and Consent dated as of March 17, 2023) (among Duke Energy Corporation, the Company, *et al.* and Wells Fargo Bank, National Association, as Administrative Agent, including any renewals, extensions, amendments, supplements, restatements, replacements or refinancing thereof (the "Existing Credit Facility"); and

(b) any other agreement(s) creating or evidencing indebtedness for borrowed money entered into on or after the date hereof by the Company or any Subsidiary, or in respect of which the Company or any Subsidiary is an obligor or otherwise provides a guarantee or other credit support ("Credit Facility"), in a principal amount outstanding or available for borrowing equal to or greater than $125,000,000 (or the equivalent of such amount in the relevant currency of payment, determined as of the date of the closing of such facility based on the exchange rate of such other currency);

provided, *however*, if neither the Existing Credit Facility nor a Credit Facility that equals or exceeds the amount set forth in clause (b) of this definition is in effect, then the largest Credit Facility shall be deemed to be a Material Credit Facility.

"MFL Change of Control" means any provision, including those which are expressed as "events of default", "review events" or mandatory offer or prepayment provisions, that triggers events, rights or obligations based upon the direct or indirect acquisition of, or change in, ownership of the outstanding shares of common stock of the Company, a change in the majority of the members of the board of directors of the Company or equivalent governing body, or similar provisions relating to the control and management of the Company.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Multiemployer Plan" means any Plan that is a "multiemployer plan" (as such term is defined in section 4001(a)(3) of ERISA).

"NRSRO" means Moody's and S&P, so long as, in each case, any such credit rating agency continues to be a nationally recognized statistical rating organization recognized by the SEC and is approved as a "Credit Rating Provider" (or other similar designation) by the NAIC.

"OFAC" means the Office of Foreign Assets Control, United States Department of the Treasury.

"OFAC Listed Person" means a Person whose name appears on the list of Specially Designated Nationals and Blocked Persons published by OFAC.

"OFAC Sanctions Program" means any economic or trade sanction that OFAC is responsible for administering and enforcing. A list of OFAC Sanctions Programs may be found at http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx.

"Officer's Certificate" means a certificate of a Senior Financial Officer or of any other officer of the Company whose responsibilities extend to the subject matter of such certificate.

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA or any successor thereto.

"Person" means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, business entity or Governmental Authority.

"Plan" means an "employee benefit plan" (as defined in section 3(3) of ERISA) subject to Title I of ERISA that is or, within the preceding five years, has been established or maintained, or to which contributions are or, within the preceding five years, have been made or required to be made, by the Company or any ERISA Affiliate or with respect to which the Company or any ERISA Affiliate may have any liability.

"Preferred Stock" means any class of capital stock of a Person that is preferred over any other class of capital stock (or similar equity interests) of such Person as to the payment of dividends or the payment of any amount upon liquidation or dissolution of such Person.

"Private Placement" means a debt securities issuance by the Company to institutional investors pursuant to Section 4(a)(2) under the Securities Act and exempt from the registration requirements under the Securities Act. For the avoidance of doubt, the term "Private Placement"

shall not include offerings of debt securities in reliance upon Rule 144A or Regulation S of the Securities Act.

"Private Rating Letter" means a letter issued by an NRSRO in connection with any private debt rating for the Debentures, which (a) sets forth the Debt Rating for the Debentures, (b) refers to the Private Placement Number issued by PPN CUSIP Unit of CUSIP Global Services (in cooperation with the SVO)in respect of the Debentures, (c) addresses the likelihood of payment of both principal and interest on the Debentures (which requirement shall be deemed satisfied if either (x) such letter includes confirmation that the rating reflects the NRSRO's assessment of the Company's ability to make timely payment of principal and interest on the Debentures or a similar statement or (y) such letter is silent as to the NRSRO's assessment of the likelihood of payment of both principal and interest and does not include any indication to the contrary), (d) includes such other information describing the relevant terms of the Debentures as may be required from time to time by the SVO or any other regulatory authority having jurisdiction over any holder of any Debentures, and (e) shall not be subject to confidentiality provisions which would prevent it from being shared with the SVO or any other regulatory authority having jurisdiction over any holder of any Debentures.

"Private Rating Rationale Report" means, with respect to any Private Rating Letter, a report issued by the NRSRO in connection with such Private Rating Letter setting forth an analytical review of the Debentures explaining the transaction structure, methodology relied upon, and, as appropriate, analysis of the credit, legal, and operational risks and mitigants supporting the assigned Private Rating for the Debentures, in each case, on the letterhead of the NRSRO or its controlled website and generally consistent with the work product that an NRSRO would produce for a similar publicly rated security and otherwise in form and substance generally required by the SVO or any other regulatory authority having jurisdiction over any holder of any Debentures from time to time.

"property" or "properties" means, unless otherwise specifically limited, real or personal property of any kind, tangible or intangible, choate or inchoate.

"Purchase Agreement" means that certain Debenture Purchase Agreement dated June 28, 2024 among the Company and the Purchasers named therein, whereby the Debentures were or will be issued and sold, including all schedules attached thereto, as it may be amended, restated, supplemented or otherwise modified from time to time.

"Purchaser" or "Purchasers" means each of the purchasers that has executed and delivered the Purchase Agreement to the Company and such Purchaser's successors and assigns (so long as any such assignment complies with the terms hereof), *provided*, *however*, that any Purchaser of a Debenture that ceases to be the Holder thereof or a beneficial owner (through a nominee) of such Debenture as the result of a transfer thereof shall cease to be included within the meaning of "Purchaser" of such Debenture for the purposes hereof upon such transfer.

"Related Fund" means, with respect to any Holder of any Debenture, any fund or entity that (i) invests in Securities or bank loans, and (ii) is advised or managed by such Holder, the same investment advisor as such Holder or by an affiliate of such Holder or such investment advisor.

"Required Holders" means the Holders of more than 50% in principal amount of the Debentures at the time outstanding (exclusive of Debentures then owned by the Company or any of its Affiliates).

"Responsible Officer" means any Senior Financial Officer and any other officer of the Company with responsibility for the administration of the relevant portion of this Agreement.

"S&P" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, or any successor by merger or consolidation to the business thereof.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

"Securities" or "Security" shall have the meaning specified in section 2(1) of the Securities Act.

"Securities Act" means the Securities Act of 1933, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"Senior Financial Officer" means the chief financial officer, the principal accounting officer, the treasurer, any assistant treasurer, the controller or any assistant controller of the Company.

"Significant Subsidiary" means at any time any Subsidiary that would at such time constitute a "significant subsidiary" (as such term is defined in Regulation S-X of the SEC as in effect on the date hereof) of the Company.

"Subsidiary" means, as to any Person, any other Person in which such first Person or one or more of its Subsidiaries or such first Person and one or more of its Subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such second Person, and any partnership or joint venture if more than a 50% interest in the profits or capital thereof is owned by such first Person or one or more of its Subsidiaries or such first Person and one or more of its Subsidiaries (unless such partnership or joint venture can and does ordinarily take major business actions without the prior approval of such Person or one or more of its Subsidiaries). Unless the context otherwise clearly requires, any reference to a "Subsidiary" is a reference to a Subsidiary of the Company.

"Subsidiary Guarantor" means each Subsidiary that has executed and delivered a Subsidiary Guaranty.

"Subsidiary Guaranty" shall have the meaning set forth in Section 607(a) hereof.

"Swap Contract" means (a) any and all interest rate swap transactions, basis swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward foreign exchange transactions, cap transactions, floor transactions, currency options, spot contracts or any other similar transactions

or any of the foregoing (including, but without limitation, any options to enter into any of the foregoing), and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc. or any International Foreign Exchange Master Agreement.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amounts(s) determined as the mark-to-market values(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts.

"Synthetic Lease" means, at any time, any lease (including leases that may be terminated by the lessee at any time) of any property (a) that is accounted for as an operating lease under GAAP and (b) in respect of which the lessee retains or obtains ownership of the property so leased for U.S. federal income tax purposes, other than any such lease under which such Person is the lessor.

"U.S. Economic Sanctions Laws" means those laws, executive orders, enabling legislation or regulations administered and enforced by the United States pursuant to which economic sanctions have been imposed on any Person, entity, organization, country or regime, including the Trading with the Enemy Act, the International Emergency Economic Powers Act, the Iran Sanctions Act, the Sudan Accountability and Divestment Act and any other OFAC Sanctions Program.

"USA PATRIOT Act" means United States Public Law 107-56, Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"Wholly-Owned Subsidiary" means, at any time, any Subsidiary one hundred percent of all of the equity interests (except directors' qualifying shares) and voting interests of which are owned by any one or more of the Company and the Company's other Wholly-Owned Subsidiaries at such time.

(b) Each capitalized term that is used herein and is defined in the Indenture shall have the meaning specified in the Indenture unless such term is otherwise defined herein. The terms defined herein include the plural as well as the singular.

ARTICLE TWO.

TERMS OF THE DEBENTURES

SECTION 201. CREATION AND DESIGNATION OF THE DEBENTURES; AGGREGATE PRINCIPAL AMOUNT; MATURITY DATES.

(a) There is hereby authorized a series of Securities designated the "5.90% Debentures due 2031" (such series being, respectively, the "2031 Debentures"). The 2031 Debentures shall mature and the principal shall be due and payable together with all accrued and unpaid interest thereon on July 15, 2031.

The 2031 Debentures shall be limited in an aggregate principal amount of $80,000,000, respectively, except as provided in Section 301(2) of the Indenture.

(b) There is hereby authorized a series of Securities designated the "6.00% Debentures due 2034" (such series being, respectively, the "2034 Debentures"). The 2034 Debentures shall mature and the principal shall be due and payable together with all accrued and unpaid interest thereon on July 15, 2034.

The 2034 Debentures shall be limited in an aggregate principal amount of $95,000,000, respectively, except as provided in Section 301(2) of the Indenture.

(c) There is hereby authorized a series of Securities designated the "6.17% Debentures due 2039" (such series being, respectively, the "2039 Debentures"). The 2039 Debentures shall mature and the principal shall be due and payable together with all accrued and unpaid interest thereon on July 15, 2039.

The 2039 Debentures shall be limited in an aggregate principal amount of $50,000,000, respectively, except as provided in Section 301(2) of the Indenture.

SECTION 202. DEBENTURES IN REGISTERED FORM; REGISTRATION GENERALLY.

(a) The Debentures of each series shall be issued only in the form of a separate, single, authenticated, fully registered debenture which (i) need not be in the form of a lithographed or engraved certificate, but may be typewritten or printed on ordinary paper or such paper as the Trustee may reasonably request, (ii) shall be executed by the Company and authenticated by the Trustee in accordance with the provisions of the Indenture and this Ninth Supplemental Indenture, and (iii) shall be registered in the name of the Purchasers thereof as directed by the Company.

(b) The name and address of each Holder of one or more Debentures, each transfer thereof and the name and address of each transferee of one or more Debentures shall be registered in the Security Register. If any Holder of one or more Debentures is a nominee, then (i) the name and address of the beneficial owner of such Debenture or Debentures shall also be registered in the Security Register as an owner and Holder thereof and (ii) at any such beneficial owner's option, either such beneficial owner or its nominee may execute any amendment, waiver or consent pursuant hereto. Prior to due presentment for registration of transfer, the Person(s) in whose name

any Debenture(s) shall be registered shall be deemed and treated as the owner and Holder thereof for all purposes hereof, and the Company shall not be affected by any notice or knowledge to the contrary. The Company shall give to any Holder of a Debenture that is an Institutional Investor promptly upon request therefor, a complete and correct copy of the names and addresses of all registered Holders of Debentures.

SECTION 203. TRANSFER AND EXCHANGE OF DEBENTURES.

(a) Upon surrender of any Debenture to the Trustee for registration of transfer or exchange, within ten Business Days thereafter, the Company shall execute and deliver, at the Company's expense (except as provided in the Indenture), one or more new Debentures of the same series (as requested by the Holder thereof) in exchange therefor, in an aggregate principal amount equal to the unpaid principal amount of the surrendered Debenture. Each such new Debenture shall be payable to such Person as such Holder may request. Debentures shall not be transferred in denominations of less than $100,000, *provided* that if necessary to enable the registration of transfer by a Holder of its entire holding of Debentures, one Debenture may be in a denomination of less than $100,000. Any transferee, by its acceptance of a Debenture registered in its name (or the name of its nominee), shall be deemed to have made the representations set forth in Sections 6.1(b) and 6.2 of the Purchase Agreement.

(b) Notwithstanding the foregoing, the Company shall not effect any requested transfer of a Debenture unless such transfer is made (i) pursuant to an exemption from registration under the Securities Act or (ii) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable state securities laws and the securities laws of other jurisdictions. The Company shall not effect any requested transfer of a Debenture unless it has received: (x) a written instrument of transfer duly executed by the registered Holder of such Debenture or such Holder's attorney duly authorized in writing and accompanied by the relevant name, address and other information for notices of each transferee of such Debenture or part thereof and (y) unless such requested transfer is to be made pursuant to an effective registration statement, an opinion of counsel satisfactory to the Company that such transfer does not require registration under the Securities Act and other applicable laws.

SECTION 204. INTEREST RATES, INTEREST PAYMENT DATES AND REGULAR RECORD DATES; DEFAULT INTEREST.

(a) Interest on each of the 2031 Debentures shall be payable (i) on the principal amount thereof, semi-annually on January 15 and July 15 of each year (each an Interest Payment Date for the 2031 Debentures), commencing on January 15, 2025, at the rate of 5.90% per annum, from the date specified on the face of such 2031 Debenture, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal thereof is due and payable, and (ii) to the extent permitted by law, (A) on any overdue payment of interest, (B) on any overdue payment of the Redemption Price, and (C) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of Holders, on demand).

(b) Interest on each of the 2034 Debentures shall be payable (i) on the principal amount thereof, semi-annually on January 15 and July 15 of each year (each an "Interest Payment Date" for the 2034 Debentures), commencing on January 15, 2025, at the rate of 6.00% per annum, from the date specified on the face of such 2034 Debenture, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal thereof is due and payable, and (ii) to the extent permitted by law, (A) on any overdue payment of interest, (B) on any overdue payment of the Redemption Price, and (C) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of Holders, on demand).

(c) Interest on each of the 2039 Debentures shall be payable (i) on the principal amount thereof, semi-annually on January 15 and July 15 of each year (each an "Interest Payment Date" for the 2039 Debentures), commencing on January 15, 2025, at the rate of 6.17% per annum, from the date specified on the face of such 2039 Debenture, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal thereof is due and payable, and (ii) to the extent permitted by law, (A) on any overdue payment of interest, (B) on any overdue payment of the Redemption Price, and (C) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of Holders, on demand).

(d) The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the Person in whose name such Debenture is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth day immediately preceding such Interest Payment Date. The amount of interest payable for any period will be computed on the basis of a 360-day year of twelve 30-day months.

(e) Changes in Interest Rate:

(1) If at any time an Investment Grade Event occurs, then:

(i) as of the date of the occurrence of an Investment Grade Event to and until the date on which such Investment Grade Event is no longer continuing (as evidenced by the receipt and delivery to the holders of the Debentures of any Debt Rating necessary to cure such Investment Grade Event), the Debentures shall bear interest at the Investment Grade Adjusted Interest Rate; and

(ii) the Company shall promptly, and in any event within five (5) Business Days after an Investment Grade Event has occurred, notify the holders of the Debentures in writing, sent in the manner provided in Section 18 of the Purchase Agreement, that (A) an Investment Grade Event has occurred and confirming the effective date of such Investment Grade Event and (B) the Investment Grade Adjusted Interest Rate will accrue from the date on which such Investment Grade Event occurred and will be payable on each subsequent interest payment date until such Investment Grade Event is no longer continuing.

(2) If at any time a Below Investment Grade Event occurs, then:

(i) as of the date of the occurrence of a Below Investment Grade Event to and until the date on which such Below Investment Grade Event is no longer continuing (as evidenced by the receipt and delivery to the holders of the Debentures of any Debt Rating necessary to cure such Below Investment Grade Event), the Debentures shall bear interest at the Below Investment Grade Event Adjusted Interest Rate; and

(ii) the Company shall promptly, and in any event within five (5) Business Days after a Below Investment Grade Event has occurred, notify the holders of the Debentures in writing, sent in the manner provided in Section 18 of the Purchase Agreement, that (A) a Below Investment Grade Event has occurred and confirming the effective date of such Below Investment Grade Event and (B) the Below Investment Grade Event will accrue from the date on which such Below Investment Grade Event occurred and will be payable on each subsequent interest payment date until such Below Investment Grade Event is no longer continuing.

(3) For the avoidance of doubt, if a Below Investment Grade Event is continuing, the Debentures shall bear interest at the Below Investment Grade Adjusted Interest Rate; *provided* that after such date if the Investment Grade Event shall continue, then the Debentures shall bear interest at the Investment Grade Adjusted Interest Rate.

(4) As used herein:

(A) **"Below Investment Grade Adjusted Interest Rate"** means the interest rate per annum which is 0.50% above the stated rate of the Debentures (or 0.50% above the Default Rate based on the stated interest rate for the Debenture, as the case may be). For the avoidance of doubt, the Below Investment Grade Adjusted Interest Rate shall not apply unless and until a Below Investment Grade Event has occurred.

(B) **"Below Investment Grade Event"** shall occur if, at any time after the Company has incurred, created or assumed a Basket Lien:

(i) the Debt Rating from any one of the two NRSROs that are in full force and effect (not having been withdrawn) are less than Investment Grade; or

(ii) the Company shall have failed to receive and deliver to the holders of the Debentures a Debt Rating from the two NRSROs as required by Section 612.

(C) **"Investment Grade"** means a rating of "BBB-" or "Baa3" (or its equivalent) by an NRSRO.

(D) **"Investment Grade Adjusted Interest Rate"** means the interest rate per annum which is 0.25% above the stated rate of the Debentures (or 0.25% above the Default Rate based on the stated interest rate for the Debenture, as the case may be). For the

avoidance of doubt, the Investment Grade Adjusted Interest Rate shall not apply unless and until an Investment Grade Event has occurred.

(E) **"Investment Grade Event"** shall occur if, at any time after the Company has incurred, created or assumed a Basket Lien, (a) the Debt Rating from two NRSROs that are in full force and effect (not having been withdrawn) are Investment Grade or (b) the Debt Rating from one of the two NRSROs that are in full force and effect (not having been withdrawn) is Investment Grade and the Debt Rating from the other NRSRO that is in full force and effect (not having been withdrawn) is greater than Investment Grade.

SECTION 205. PLACE AND MANNER OF PAYMENT OF THE DEBENTURES.

(a) Subject to Section 205(b) hereof, payments of interest will be made by check mailed to the Holder of each Debenture at the address shown in the Security Register, and payments of the principal amount of each Debenture will be made at maturity by check against presentation of the Debenture at the office or agency of the Trustee. The Company may at any time, by notice to each Holder of a Debenture, change the place of payment of the Debentures so long as such place of payment shall be either the principal office of the Company in such jurisdiction or the principal office of a bank or trust company in such jurisdiction.

(b) So long as any Purchaser or its nominee shall be the Holder of any Debentures, and notwithstanding anything contained in the Indenture or in such Debentures to the contrary, the Company will pay, or will cause the Trustee to pay, all sums becoming due on such Debentures for principal, Redemption Price, if any, and interest by such other method or at such other address as such Purchaser shall have from time to time specified to the Trustee and the Company in writing for such purpose, without the presentation or surrender of such Debentures or the making of any notation thereon, except that upon written request of the Trustee, in its capacity as the Security Registrar made concurrently with or reasonably promptly after payment or redemption in full of any Debentures, such Purchaser shall surrender such Debentures for cancellation, reasonably promptly after any such request, to the Security Registrar at its principal executive office or at the place of payment designated for the Debentures in Section 205(a) hereof. Prior to any sale or other disposition of any Debentures held by a Purchaser or its nominee, such Purchaser will, at its election, either endorse thereon the amount of principal paid thereon and the last date to which interest has been paid thereon or surrender such Debentures to the Security Registrar in exchange for new Debentures pursuant to Section 305 of the Indenture. The Security Registrar will afford the benefits of this Section to any Institutional Investor that is the direct or indirect transferee of any Debentures purchased by a Purchaser and that has made the same agreement relating to such Debentures as the Purchasers have made in this Section.

SECTION 206. DENOMINATIONS OF DEBENTURES.

The Debentures shall be issued in denominations of at least $100,000, except as may be necessary to enable the registration of transfer by a Holder of its entire holding of Debentures.

SECTION 207. DEFEASANCE AND COVENANT DEFEASANCE SHALL NOT APPLY.

The Debentures shall not be subject to defeasance and covenant defeasance, at the Company's option, as provided for in Sections 1302 and 1303 of the Indenture.

SECTION 208. REDEMPTION PROVISIONS OF THE DEBENTURES.

(a) The Company has the right to redeem at any time all, or from time to time any part of, the Debentures at a Redemption Price equal to (1) 100% of the principal amount of the Debentures to be redeemed, plus (2) the Make-Whole Amount determined for the redemption date with respect to such principal amount of the Debentures to be redeemed.

(b) All calculations relating to the Redemption Price will be performed by the Company. For purposes of determining the Redemption Price, the following terms have the following meanings:

"Make-Whole Amount" means, with respect to any Debenture, an amount equal to the excess, if any, of the Discounted Value of the Remaining Scheduled Payments with respect to the Called Principal of such Debenture over the amount of such Called Principal, *provided* that the Make-Whole Amount may in no event be less than zero.

"Called Principal" means, with respect to any Debenture, the principal of such Debenture that is to be redeemed pursuant to this Section 208 or has become or is declared to be immediately due and payable pursuant to Section 502 of the Indenture, as the context requires.

"Discounted Value" means, with respect to the Called Principal of any Debenture, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Called Principal from their respective scheduled due dates to the Settlement Date with respect to such Called Principal, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on the Debentures is payable) equal to the Reinvestment Yield with respect to such Called Principal.

"Reinvestment Yield" means, with respect to the Called Principal of any Debenture, 0.50% over the yield to maturity implied by the yield(s) reported as of 10:00 a.m. (New York City time) on the second Business Day preceding the Settlement Date with respect to such Called Principal, on the display designated as "Page PX1" (or such other display as may replace Page PX1) on Bloomberg Financial Markets for the most recently issued actively traded on-the-run U.S. Treasury securities ("Reported") having a maturity equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there are no such U.S. Treasury securities Reported having a maturity equal to such Remaining Average Life, then such implied yield to maturity will be determined by (a) converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (b) interpolating linearly between the yields Reported for the applicable most recently issued actively traded on-the-run U.S. Treasury securities with the maturities (1) closest to and greater than such Remaining Average Life and (2) closest

to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Debenture.

If such yields are not Reported or the yields Reported as of such time are not ascertainable (including by way of interpolation), then "Reinvestment Yield" means, with respect to the Called Principal of any Debenture, 0.50% over the yield to maturity implied by the U.S. Treasury constant maturity yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Settlement Date with respect to such Called Principal, in Federal Reserve Statistical Release 1115 (or any comparable successor publication) for the U.S. Treasury constant maturity having a term equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there is no such U.S. Treasury constant maturity having a term equal to such Remaining Average Life, such implied yield to maturity will be determined by interpolating linearly between (1) the U.S. Treasury constant maturity so reported with the term closest to and greater than such Remaining Average Life and (2) the U.S. Treasury constant maturity so reported with the term closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Debenture.

"Remaining Average Life" means, with respect to any Called Principal, the number of years obtained by dividing (i) such Called Principal into (ii) the sum of the products obtained by multiplying (a) the principal component of each Remaining Scheduled Payment with respect to such Called Principal by (b) the number of years, computed on the basis of a 360-day year composed of twelve 30-day months and calculated to two decimal places, that will elapse between the Settlement Date with respect to such Called Principal and the scheduled due date of such Remaining Scheduled Payment.

"Remaining Scheduled Payments" means, with respect to the Called Principal of any Debenture, all payments of such Called Principal and interest thereon that would be due after the Settlement Date with respect to such Called Principal if no payment of such Called Principal were made prior to its scheduled due date, *provided* that if such Settlement Date is not a date on which interest payments are due to be made under the Debentures, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such Settlement Date.

"Settlement Date" means, with respect to the Called Principal of any Debenture, the date on which such Called Principal is to be redeemed pursuant to this Section 208 or has become or is declared to be immediately due and payable pursuant to Section 502 of the Indenture, as the context requires.

(c) Partial Redemptions. Any partial redemption of the Debentures pursuant to Sections 208(a) or (b) hereof shall be for a principal amount of not less than 10% of the aggregate amount then outstanding of such Debentures to be redeemed. In the case of each such partial redemption of the Debentures and, notwithstanding Section 1103 of the Indenture, the principal amount of the Debentures to be redeemed shall be allocated among all of the Debentures at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for redemption.

(d) Notice of Redemption. Notice of redemption shall be given, by mail, not less than 30 nor more than 60 days prior to the Redemption Date, to each Holder of Debentures to be redeemed, at his or her address appearing in the Security Register, unless, notwithstanding Section 1104 of the Indenture, the Company, the Trustee and the Required Holders agree to another time period or another method of delivery. In addition to the requirements of said Section 1104, each such notice shall be accompanied by a certificate of a Senior Financial Officer as to the estimated Make-Whole Amount due in connection with such redemption (calculated as if the date of such notice were the date of the redemption), setting forth the details of such computation. Two Business Days prior to such redemption, the Company shall deliver to each Holder of Debentures to be redeemed a certificate of a Senior Financial Officer specifying the calculation of such Make-Whole Amount as of the specified redemption date.

(e) In the case of each optional redemption, the Debentures to be redeemed shall, on the Redemption Date, become due and payable at the applicable Redemption Price, together with interest on the principal amount thereof. Unless the Company defaults in payment of the Redemption Price therefor and accrued interest, on and after any Redemption Date therefor, interest will cease to accrue on the Debentures or portions thereof called for redemption.

(f) The Company will not, and will not permit any Affiliate to, purchase, redeem, prepay or otherwise acquire, directly or indirectly, any of the outstanding Debentures except (a) upon the payment or redemption of the Debentures in accordance with this Section 208, or (b) pursuant to an offer to purchase made by the Company or an Affiliate pro-rata to the Holders of all Debentures at the time outstanding upon the same terms and conditions. Any such offer shall provide each Holder with sufficient information to enable it to make an informed decision with respect to such offer, and shall remain open for at least 15 Business Days. If the Holders of more than 25% of the principal amount of the Debentures then outstanding accept such offer, the Company shall promptly notify the remaining Holders of such fact and the expiration date for the acceptance by Holders of Debentures of such offer shall be extended by the number of, days necessary to give each such remaining holder at least five Business Days from its receipt of such notice to accept such offer. The Company will promptly cancel all Debentures acquired by it or any Affiliate pursuant to any payment, redemption or purchase of Debentures pursuant to this Section 208 and no Debentures may be issued in substitution or exchange for any such Debentures.

(g) The Company shall indemnify and hold harmless the Trustee from any and all losses, costs, damages, expenses, fees (including reasonable attorneys' fees), court costs, judgments, penalties, obligations, suits, disbursements and liabilities of any kind or character whatsoever which may at any time be imposed upon, incurred by or asserted against the Trustee by reason of or arising out of or caused, directly or indirectly, by any act or omission of the Trustee with respect to this Section 208, except for such that would arise out of the gross negligence, willful misconduct or bad faith of the Trustee.

SECTION 209. FORM OF DEBENTURES OF EACH SERIES.

The Debentures of each series and the respective Trustee's certificate to be endorsed thereon shall be substantially in the following forms:

(FORM OF FACE OF 2031 DEBENTURE)

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR `THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL (WHICH MAY BE IN-HOUSE COUNSEL) SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT AND SUCH OTHER APPLICABLE LAWS.

No. R- $_____
PPN 26442L E@9 _____, 20__

DUKE ENERGY KENTUCKY, INC.
5.90% DEBENTURE DUE 2031

DUKE ENERGY KENTUCKY, INC., a corporation duly organized and existing under the laws of the Commonwealth of Kentucky (herein called the "Company", which term includes any successor Person under the Indenture hereafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the principal sum of _____ Dollars ($_____) on July 15, 2031, and to pay interest (a) thereon from June 28, 2024, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually, on January 15 and July 15 in each year, commencing January 15, 2025, at the rate of 5.90% per annum, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture, until the principal hereof is due and payable, and (b) to the extent permitted by law, (i) on any overdue payment of interest, (ii) on any overdue payment of the Redemption Price, and (iii) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand). The "Default Rate" shall mean a rate per annum from time to time equal to the lesser of (x) the maximum rate permitted by applicable law, and (y) 7.90%, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture.

The amount of interest payable on any Interest Payment Date shall be computed on the basis of a 360-day year of twelve 30-day months. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth day preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either

be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.

Subject to certain exceptions provided in the Indenture, payment of the principal of (and premium, if any) and interest on this Security will be made at the corporate trust office of the Trustee maintained for that purpose in the City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Any payment on this Security due on any day which is not a Business Day in the City of New York need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on the due date and no interest shall accrue for the period from and after such date, unless such payment is a payment at maturity or upon redemption, in which case, notwithstanding Section 113 of the Indenture, interest shall accrue thereon at the stated rate for such additional days.

As used herein, "Business Day" means any day other than a Saturday or Sunday or a day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

In Witness Whereof, the Company has caused this instrument to be duly executed.

DUKE ENERGY KENTUCKY, INC.

By:_____

CERTIFICATE OF AUTHENTICATION

Dated: _____, 20__

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

DEUTSCHE BANK TRUST COMPANY
AMERICAS, Trustee

By:_____
Authorized Signatory

(FORM OF REVERSE OF 2031 DEBENTURE)

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of December 1, 2004, as supplemented by the Ninth Supplemental Indenture dated as of June 28, 2024 (the "Indenture"), between the Company and Deutsche Bank Trust Company Americas, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof, which series is issuable without limitation as to the aggregate principal amount thereof.

The Company has the right to redeem at any time all, or from time to time any part of, the Securities of this series at a Redemption Price equal to (1) 100% of the principal amount of the Securities of this series to be redeemed, plus (2) the Make-Whole Amount determined for the redemption date with respect to such principal amount of the Securities of this series to be redeemed.

Any partial redemption of the Securities of this series shall be for a principal amount of not less than 10% of the aggregate amount then outstanding of the Securities of this series to be redeemed. In the case of each such partial redemption of the Securities of this series, the principal amount of the Securities of this series to be redeemed shall be allocated among all of the Securities of this series at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for redemption.

In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

Notice of any redemption by the Company will be mailed at least 30 days but not more than 60 days before any Redemption Date to each Holder of Securities to be redeemed.

Unless the Company defaults in payment of the Redemption Price, on and after any Redemption Date, interest will cease to accrue on the Securities or portions thereof called for redemption.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions

permitting the Holders of a majority in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 35% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee indemnity reasonably satisfactory to the Trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of at least $100,000, except as may be necessary to enable the registration of transfer by a Holder of its entire holding of the Securities. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same. No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this

Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

(FORM OF FACE OF 2034 DEBENTURE)

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR `THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL (WHICH MAY BE IN-HOUSE COUNSEL) SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT AND SUCH OTHER APPLICABLE LAWS.

No. R- $_____
PPN 26442L E#7 _____, 20__

DUKE ENERGY KENTUCKY, INC.
6.00% DEBENTURE DUE 2034

DUKE ENERGY KENTUCKY, INC., a corporation duly organized and existing under the laws of the Commonwealth of Kentucky (herein called the "Company", which term includes any successor Person under the Indenture hereafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the principal sum of _____ Dollars ($_____) on July 15, 2034, and to pay interest (a) thereon from June 28, 2024, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually, on January 15 and July 15 in each year, commencing January 15, 2025, at the rate of 6.00% per annum, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture, until the principal hereof is due and payable, and (b) to the extent permitted by law, (i) on any overdue payment of interest, (ii) on any overdue payment of the Redemption Price, and (iii) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand). The "Default Rate" shall mean a rate per annum from time to time equal to the lesser of (x) the maximum rate permitted by applicable law, and (y) 8.00%, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture.

The amount of interest payable on any Interest Payment Date shall be computed on the basis of a 360-day year of twelve 30-day months. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth day preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either

be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.

Subject to certain exceptions provided in the Indenture, payment of the principal of (and premium, if any) and interest on this Security will be made at the corporate trust office of the Trustee maintained for that purpose in the City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Any payment on this Security due on any day which is not a Business Day in the City of New York need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on the due date and no interest shall accrue for the period from and after such date, unless such payment is a payment at maturity or upon redemption, in which case, notwithstanding Section 113 of the Indenture, interest shall accrue thereon at the stated rate for such additional days.

As used herein, "Business Day" means any day other than a Saturday or Sunday or a day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

In Witness Whereof, the Company has caused this instrument to be duly executed.

DUKE ENERGY KENTUCKY, INC.

By:_____

CERTIFICATE OF AUTHENTICATION

Dated: _____, 20__

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

DEUTSCHE BANK TRUST COMPANY
AMERICAS, Trustee

By:_____
Authorized Signatory

(FORM OF REVERSE OF 2034 DEBENTURE)

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of December 1, 2004, as supplemented by the Ninth Supplemental Indenture dated as of June 28, 2024 (the "Indenture"), between the Company and Deutsche Bank Trust Company Americas, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof, which series is issuable without limitation as to the aggregate principal amount thereof.

The Company has the right to redeem at any time all, or from time to time any part of, the Securities of this series at a Redemption Price equal to (1) 100% of the principal amount of the Securities of this series to be redeemed, plus (2) the Make-Whole Amount determined for the redemption date with respect to such principal amount of the Securities of this series to be redeemed.

Any partial redemption of the Securities of this series shall be for a principal amount of not less than 10% of the aggregate amount then outstanding of the Securities of this series to be redeemed. In the case of each such partial redemption of the Securities of this series, the principal amount of the Securities of this series to be redeemed shall be allocated among all of the Securities of this series at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for redemption.

In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

Notice of any redemption by the Company will be mailed at least 30 days but not more than 60 days before any Redemption Date to each Holder of Securities to be redeemed.

Unless the Company defaults in payment of the Redemption Price, on and after any Redemption Date, interest will cease to accrue on the Securities or portions thereof called for redemption.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions

permitting the Holders of a majority in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 35% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee indemnity reasonably satisfactory to the Trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of at least $100,000, except as may be necessary to enable the registration of transfer by a Holder of its entire holding of the Securities. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same. No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this

Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

(FORM OF FACE OF 2039 DEBENTURE)

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL (WHICH MAY BE IN-HOUSE COUNSEL) SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT AND SUCH OTHER APPLICABLE LAWS.

No. R- $_____
PPN 26442L F*0 _____, 20__

DUKE ENERGY KENTUCKY, INC.
6.17% DEBENTURE DUE 2039

DUKE ENERGY KENTUCKY, INC., a corporation duly organized and existing under the laws of the Commonwealth of Kentucky (herein called the "Company", which term includes any successor Person under the Indenture hereafter referred to), for value received, hereby promises to pay to _____, or registered assigns, the principal sum of _____ Dollars ($_____) on July 15, 2039, and to pay interest (a) thereon from June 28, 2024, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually, on January 15 and July 15 in each year, commencing January 15, 2025, at the rate of 6.17% per annum, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture, until the principal hereof is due and payable, and (b) to the extent permitted by law, (i) on any overdue payment of interest, (ii) on any overdue payment of the Redemption Price, and (iii) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand). The "Default Rate" shall mean a rate per annum from time to time equal to the lesser of (x) the maximum rate permitted by applicable law, and (y) 8.17%, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture.

The amount of interest payable on any Interest Payment Date shall be computed on the basis of a 360-day year of twelve 30-day months. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth day preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either

be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.

Subject to certain exceptions provided in the Indenture, payment of the principal of (and premium, if any) and interest on this Security will be made at the corporate trust office of the Trustee maintained for that purpose in the City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Any payment on this Security due on any day which is not a Business Day in the City of New York need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on the due date and no interest shall accrue for the period from and after such date, unless such payment is a payment at maturity or upon redemption, in which case, notwithstanding Section 113 of the Indenture, interest shall accrue thereon at the stated rate for such additional days.

As used herein, "Business Day" means any day other than a Saturday or Sunday or a day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

In Witness Whereof, the Company has caused this instrument to be duly executed.

DUKE ENERGY KENTUCKY, INC.

By:_____

CERTIFICATE OF AUTHENTICATION

Dated: _____, 20__

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

DEUTSCHE BANK TRUST COMPANY
AMERICAS, Trustee

By:_____
Authorized Signatory

(FORM OF REVERSE OF 2039 DEBENTURE)

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of December 1, 2004, as supplemented by the Ninth Supplemental Indenture dated as of June 28, 2024 (the "Indenture"), between the Company and Deutsche Bank Trust Company Americas, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof, which series is issuable without limitation as to the aggregate principal amount thereof.

The Company has the right to redeem at any time all, or from time to time any part of, the Securities of this series at a Redemption Price equal to (1) 100% of the principal amount of the Securities of this series to be redeemed, plus (2) the Make-Whole Amount determined for the redemption date with respect to such principal amount of the Securities of this series to be redeemed.

Any partial redemption of the Securities of this series shall be for a principal amount of not less than 10% of the aggregate amount then outstanding of the Securities of this series to be redeemed. In the case of each such partial redemption of the Securities of this series, the principal amount of the Securities of this series to be redeemed shall be allocated among all of the Securities of this series at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for redemption.

In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

Notice of any redemption by the Company will be mailed at least 30 days but not more than 60 days before any Redemption Date to each Holder of Securities to be redeemed.

Unless the Company defaults in payment of the Redemption Price, on and after any Redemption Date, interest will cease to accrue on the Securities or portions thereof called for redemption.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions

permitting the Holders of a majority in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 35% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee indemnity reasonably satisfactory to the Trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of at least $100,000, except as may be necessary to enable the registration of transfer by a Holder of its entire holding of the Securities. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same. No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this

Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

ARTICLE THREE.

ORIGINAL ISSUE OF DEBENTURES

An initial issue of the Debentures in the aggregate principal amount of $80,000,000 for the 2031 Debentures, $95,000,000 for the 2034 Debentures and $50,000,000 for the 2039 Debentures may, upon execution of this Supplemental Indenture, or from time to time hereafter, be executed by the Company and delivered to the Trustee for authentication, and the Trustee shall thereupon authenticate and deliver said Debentures upon receipt of a Company Order, an Officers' Certificate and an Opinion of Counsel.

ARTICLE FOUR.

PAYING AGENT AND SECURITY REGISTRAR

Deutsche Bank Trust Company Americas will be the Paying Agent and Security Registrar for the Debentures.

ARTICLE FIVE.

DEFAULTS AND REMEDIES

SECTION 501. ADDITIONAL EVENTS OF DEFAULT.

In addition to those Events of Default set forth in Section 501 of the Indenture, the following events shall also be Events of Default with respect to the Debentures:

(a) the Company defaults in the performance of or compliance with any term contained in Sections 601(a)(iv), 608, 609 or 610 hereof; or

(b) (i) any representation or warranty made in writing by or on behalf of the Company or by any officer of the Company in the Purchase Agreement or any writing furnished in connection with the transactions contemplated thereby proves to have been false or incorrect in any material respect on the date as of which made, or (ii) so long as the obligation or condition giving rise to the requirement for a Subsidiary Guaranty under Section 607 hereof remains in effect, any representation or warranty made in writing by or on behalf of any Subsidiary Guarantor or by any officer of such Subsidiary Guarantor in any Subsidiary Guaranty or any writing furnished in connection with such Subsidiary Guaranty proves to have been false or incorrect in any material respect on the date as of which made; or

(c) (i) the Company or any Significant Subsidiary is in default (as principal or as guarantor or other surety) in the payment of any principal of or premium or make whole amount or interest on any Indebtedness that is outstanding in an aggregate principal amount of at least $50,000,000 beyond any period of grace provided with respect thereto, or (ii) the Company or any Significant Subsidiary is in default in the performance of or compliance with any term of any evidence of any Indebtedness in an aggregate outstanding principal amount of at least $50,000,000 or of any mortgage, indenture or other agreement relating thereto or any other condition exists, and as a consequence of such default or condition such Indebtedness has become, or has been

declared, due and payable before its stated maturity or before its regularly scheduled dates of payment; or

(d) one or more final judgments or orders for the payment of money aggregating in excess of $50,000,000, including, without limitation, any such final order enforcing a binding arbitration decision, are rendered against one or more of the Company and its Subsidiaries, (i) which judgments are not, within 60 days after entry thereof, bonded, vacated, satisfied, discharged or stayed pending appeal, or (ii) which judgments are not discharged within 60 days after the expiration of such stay; or

(e) if (i) any Plan shall fail to satisfy the minimum funding standards of ERISA or the Code for any plan year or part thereof or a waiver of such standards or extension of any amortization period is sought or granted under section 412 of the Code, (ii) a notice of intent to terminate any Plan shall have been or is reasonably expected to be filed with the PBGC or the PBGC shall have instituted proceedings under ERISA section 4042 to terminate or appoint a trustee to administer any Plan or the PBGC shall have notified the Company or any ERISA Affiliate that a Plan may become a subject of any such proceedings, (iii) the aggregate "amount of unfunded benefit liabilities" (within the meaning of section 4001(a)(18) of ERISA) under all Plans, determined in accordance with Title IV of ERISA, shall exceed an amount that could reasonably be expected to have a Material Adverse Effect, (iv) the Company or any ERISA Affiliate shall have incurred or is reasonably expected to incur any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, (v) the Company or any ERISA Affiliate withdraws from any Multiemployer Plan, or (vi) the Company or any Subsidiary establishes or amends any employee welfare benefit plan that provides post-employment welfare benefits in a manner that would increase the liability of the Company or any Subsidiary thereunder; and any such event or events described in clauses (i) through (vi) above, either individually or together with any other such event or events, would reasonably be expected to have a Material Adverse Effect. As used in this Section 501(e), the terms "employee benefit plan" and "employee welfare benefit plan" shall have the respective meanings assigned to such terms in section 3 of ERISA; or

(f) so long as the obligation or condition giving rise to the requirement for a Subsidiary guaranty under Section 607 hereof remains in effect, (i) any Subsidiary Guaranty shall cease to be in full force and effect, (ii) any Subsidiary Guarantor or any Person acting on behalf of any Subsidiary Guarantor shall contest in any manner the validity, binding nature or enforceability of any Subsidiary Guaranty, or (iii) the obligations of any Subsidiary Guarantor under any Subsidiary Guaranty are not or cease to be legal, valid, binding and enforceable in accordance with the terms of such Subsidiary Guaranty.

SECTION 502. REMEDY TO ALSO INCLUDE MAKE-WHOLE AMOUNT.

Upon any Debentures becoming due and payable as a result of Section 502 of the Indenture, whether automatically or by declaration, such Debentures will forthwith mature and the entire unpaid principal amount of such Debentures, plus (x) all accrued and unpaid interest thereon and (y) the Make-Whole Amount, determined pursuant to Section 208(b) hereof, in respect of such principal amount (to the full extent permitted by applicable law), shall all be immediately due and payable, in each and every case without presentment, demand, protest or further notice, all of

which are hereby waived. The Company acknowledges that each Holder of a Debenture has the right to maintain its investment in the Debentures free from repayment by the Company (except as herein specifically provided for) and that the provision for payment of a Make-Whole Amount by the Company in the event that the Debentures are redeemed or are accelerated as a result of an Event of Default, is intended to provide compensation for the deprivation of such right under such circumstances.

ARTICLE SIX.

COVENANTS

In addition to the covenants set forth in Article Ten of the Indenture, the Company covenants that so long as any of the Debentures are outstanding:

SECTION 601. INFORMATION ABOUT THE COMPANY.

(a) Financial and Business Information. The Company shall deliver to the Trustee and to each Purchaser and each Holder of a Debenture that is an Institutional Investor:

(i) *Quarterly Statements*. Within 60 days after the end of each quarterly fiscal period in each fiscal year of the Company (other than the last quarterly fiscal period of each such fiscal year), copies of:

(A) a consolidated balance sheet of the Company and its Subsidiaries as at the end of such quarter; and

(B) consolidated statements of income, changes in shareholders' equity and cash flows of the Company and its Subsidiaries, for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter;

which set forth in each case, in comparative form, the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP applicable to quarterly financial statements generally, and certified by a Senior Financial Officer as fairly presenting, in all material respects, the financial position of the companies being reported on and their results of operations and cash flows, subject to changes resulting from year-end adjustments;

(ii) *Annual Statements*. Within 120 days after the end of each fiscal year of the Company, copies of:

(A) a consolidated balance sheet of the Company and its Subsidiaries as at the end of such year, and

(B) consolidated statements of income, changes in shareholders' equity and cash flows of the Company and its Subsidiaries for such year,

which set forth in each case, in comparative form, the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion thereon (without a "going concern" or similar qualification or exception and without any qualification or exception as to the scope of the audit on which such opinion is based) of independent public accountants of recognized national standing, which opinion shall state that such financial statements present fairly, in all material respects, the financial position of the companies being reported upon and their results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion in the circumstances;

(iii) *SEC and Other Reports.* Promptly upon their becoming available, copies of (A) each financial statement, report, notice or proxy statement sent by the Company or any Subsidiary to its principal lending banks as a whole (excluding information sent to such banks in the ordinary course of administration of a bank facility, such as information relating to pricing and borrowing availability) or to its public Securities holders generally, and (B) each regular or periodic report, each registration statement that shall have become effective (without exhibits except as expressly requested by such Purchaser or Holder), and each final prospectus and all amendments thereto filed by the Company or any Subsidiary with the SEC;

(iv) *Notice of Default or Event of Default.* Promptly, and in any event within five days after a Responsible Officer becoming aware of the existence of any Default or Event of Default, a written notice specifying the nature and period of existence thereof and what action the Company is taking or proposes to take with respect thereto;

(v) *ERISA Matters.* Promptly, and in any event within five days after a Responsible Officer becoming aware of any of the following, a written notice setting forth the nature thereof and the action, if any, that the Company or an ERISA Affiliate proposes to take with respect thereto:

(A) with respect to any Plan, any reportable event, as defined in section 4043(c) of ERISA and the regulations thereunder, for which notice thereof has not been waived pursuant to such regulations as in effect on the date hereof; or

(B) the taking by the PBGC of steps to institute, or the threatening by the PBGC of the institution of, proceedings under section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or the receipt by the Company or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan; or

(C) any event, transaction or condition that could result in the incurrence of any liability by the Company or any ERISA Affiliate pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, or in the imposition of any lien on any of the rights, properties or

assets of the Company or any ERISA Affiliate pursuant to Title I or IV of ERISA or such penalty or excise tax provisions, if such liability or lien, taken together with any other such liabilities or liens then existing, would reasonably be expected to have a Material Adverse Effect; and

(vi) *Requested Information*. With reasonable promptness, such other data and information relating to the business, operations, affairs, financial condition, assets or properties of the Company or any of its Subsidiaries or relating to the ability of the Company to perform its obligations hereunder and under the Debentures as from time to time may be reasonably requested by any such Purchaser or Holder of a Debenture.

(b) Officer's Certificate. Each set of financial statements delivered to a Purchaser or a Holder of a Debenture pursuant to Sections 601(a) or (b) hereof shall be accompanied by a certificate of a Senior Financial Officer certifying that such Senior Financial Officer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her supervision, a review of the transactions and conditions of the Company and its Subsidiaries from the beginning of the quarterly or annual period covered by the statements then being furnished to the date of the certificate and that such review shall not have disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists, specifying the nature and period of existence thereof and what action the Company shall have taken or proposes to take with respect thereto.

(c) Electronic Delivery. Financial statements, opinions of independent certified public accountants, other information and Officer's Certificates that are required to be delivered by the Company pursuant to clauses (i), (ii) or (iii) of Section 601(a) hereof and Section 601(b) hereof shall be deemed to have been delivered if the Company satisfies any of the following requirements with respect thereto:

(i) such financial statements satisfying the requirements of clauses (i) or (ii) of Section 601(a) hereof and related Officer's Certificate satisfying the requirements of Section 601(b) hereof are delivered to each Purchaser and each Holder of a Debenture by e-mail;

(ii) such financial statements satisfying the requirements of clauses (i) or (ii) of Section 601(a) hereof and related Officer's Certificate satisfying the requirements of Section 601(b) hereof are timely posted by or on behalf of the Company on Intralinks or on any other similar website to which each Purchaser and each Holder of Debentures has free access; or

(iii) the Company shall have filed any of the items referred to in clause (iii) of Section 601(a) hereof with the SEC on EDGAR and shall have made such items available on its home page on the internet or on Intralinks or on any other similar website to which each Purchaser and Holder of Debentures has free access;

provided, however, that in the case of delivery under clauses (ii) or (iii) of this Section 601(c), the Company shall have given each Purchaser and each Holder of a Debenture written notice, which may be by e-mail, of such posting or filing in connection with each delivery.

SECTION 602. VISITATION.

The Company shall permit the representatives of each Purchaser and each Holder of a Debenture that is an Institutional Investor:

(a) *No Default.* If no Default or Event of Default then exists, at the expense of such Holder and upon reasonable prior notice to the Company, to visit the principal executive office of the Company, to discuss the affairs, finances and accounts of the Company and its Subsidiaries with the Company's officers, and (with the consent of the Company, which consent will not be unreasonably withheld) to visit the other offices and properties of the Company and each Subsidiary, all at such reasonable times as may be reasonably requested in writing; *provided* that each Purchaser and each Holder shall be limited to one visit during any twelve-month period; and

(b) *Default.* If a Default or an Event of Default then exists, at the expense of the Company to visit and inspect any of the offices or properties of the Company or any Subsidiary, to examine all their respective books of account, records, reports and other papers, to make copies and extracts therefrom, and to discuss their respective affairs, finances and accounts with their respective officers and independent public accountants (and by this provision the Company authorizes said accountants to discuss the affairs, finances and accounts of the Company and its Subsidiaries), all at such times and as often as may be requested.

SECTION 603. COMPLIANCE WITH LAWS.

Without limiting Section 609 hereof, the Company will, and will cause each of its Subsidiaries to, comply with all laws, ordinances or governmental rules or regulations to which each of them is subject, including, without limitation, ERISA, Environmental Laws, the USA PATRIOT Act and the other laws and regulations relating to U.S. Economic Sanctions Laws, and will obtain and maintain in effect all licenses, certificates, permits, franchises and other governmental authorizations necessary to the ownership of their respective properties or to the conduct of their respective businesses, except, in each case, where (i) non-compliance with such laws, ordinances or governmental rules or regulations or failures to obtain or maintain in effect such licenses, certificates, permits, franchises and other governmental authorizations would not reasonably be expected to have a Material Adverse Effect, or (ii) the necessity of compliance with such laws, ordinances or governmental rules or regulations are being contested in good faith by appropriate proceedings.

SECTION 604. INSURANCE.

The Company will, and will cause each of its Subsidiaries to, maintain, with financially sound and reputable insurers, insurance with respect to their respective properties and businesses against such casualties and contingencies, of such types, on such terms and in such amounts (including deductibles, co-insurance and self-insurance, if adequate reserves are maintained with respect thereto) as is customary in the case of entities of established reputations engaged in the same or a similar business and similarly situated. Upon request, the Company will provide written evidence of its or its Subsidiaries' insurance to the Trustee.

SECTION 605. CORPORATE EXISTENCE, ETC.

Subject to Article Eight of the Indenture, the Company will at all times preserve and keep in full force and effect, and will cause each of its Subsidiaries (unless merged into the Company or a Wholly-Owned Subsidiary) to preserve and keep in full force and effect, their respective legal existence and their respective rights and franchises unless, in the good faith judgment of the Company, the termination of or failure to preserve and keep in full force and effect such legal existence, right or franchise would not, individually or in the aggregate, have a Material Adverse Effect.

SECTION 606. BOOKS AND RECORDS.

The Company will, and will cause each of its Subsidiaries to, maintain proper books of record and account in conformity with GAAP and all applicable requirements of any Governmental Authority having legal or regulatory jurisdiction over the Company or such Subsidiary, as the case may be. The Company will, and will cause each of its Subsidiaries to, keep books, records and accounts which, in reasonable detail, accurately reflect all transactions and dispositions of assets. The Company and its Subsidiaries have devised a system of internal accounting controls sufficient to provide reasonable assurances that their respective books, records, and accounts accurately reflect all transactions and dispositions of assets and the Company will, and will cause each of its Subsidiaries to, continue to maintain such system.

SECTION 607. SUBSIDIARY GUARANTORS.

The Company will cause each of its Subsidiaries that guarantees or otherwise becomes liable at any time, whether as a borrower or an additional or co-borrower or otherwise, for or in respect of any Indebtedness under any Material Credit Facility to concurrently therewith:

(a) enter into an agreement in form and substance satisfactory to the Trustee and the Required Holders providing for the guaranty by such Subsidiary, on a joint and several basis with all other such Subsidiaries, of (i) the prompt payment in full when due of all amounts payable by the Company pursuant to the Debentures (whether for principal, interest, the Redemption Price or otherwise), including, without limitation, all indemnities, fees and expenses payable by the Company thereunder and (ii) the prompt, full and faithful performance, observance and discharge by the Company of each and every covenant, agreement, undertaking and provision required pursuant to the Debentures be performed, observed or discharged by it (a "Subsidiary Guaranty"); and

(b) deliver the following to each Purchaser and each Holder of a Debenture:

(i) an executed counterpart of such Subsidiary Guaranty;

(ii) a certificate signed by an authorized responsible officer of such Subsidiary containing representations and warranties on behalf of such Subsidiary as to organization, power, authority and compliance with laws with respect to such Subsidiary Guaranty in form and substance satisfactory to the Trustee and the Required Holders;

(iii) all documents as may be reasonably requested by the Trustee or the Required Holders to evidence the due organization, continuing existence and good standing of such Subsidiary and the due authorization by all requisite action on the part of such Subsidiary of the execution and delivery of such Subsidiary Guaranty and the performance by such Subsidiary of its obligations thereunder; and

(iv) an opinion of counsel reasonably satisfactory to the Trustee and the Required Holders covering such matters relating to such Subsidiary and such Subsidiary Guaranty as the Trustee or the Required Holders may reasonably request.

SECTION 608. LINE OF BUSINESS.

The Company will not and will not permit any Subsidiary to engage in any business if, as a result, the general nature of the business in which the Company and its Subsidiaries, taken as a whole, would then be engaged would be substantially changed from the general nature of the business in which the Company and its Subsidiaries, taken as a whole, are engaged on the date hereof.

SECTION 609. TERRORISM SANCTIONS REGULATIONS.

The Company will not, and will not permit any Controlled Entity to (a) become (including by virtue of being owned or controlled by a Blocked Person), own or control a Blocked Person or (b) directly or indirectly have any investment in or engage in any dealing or transaction (including any investment, dealing or transaction involving the proceeds of the Notes) with any Person if such investment, dealing or transaction (i) would cause any holder or any affiliate of such holder to be in violation of, or subject to sanctions under, any law or regulation applicable to such holder, or (ii) is prohibited by or subject to sanctions under any U.S. Economic Sanctions Laws.

SECTION 610. NEGATIVE PLEDGE.

(a) While any of the Debentures remain outstanding, the Company shall not create, or permit to be created or to exist, any mortgage, lien, pledge, security interest or other encumbrance upon any of its property, whether owned on or acquired after the date hereof, to secure any indebtedness for borrowed money of the Company, unless the Debentures then outstanding are equally and ratably secured for so long as any such indebtedness is so secured.

(b) The restrictions of Section 610(a) hereof shall not apply with respect to, among other things:

(i) liens on property that existed when the Company acquired or constructed the property or were created within one year thereafter;

(ii) liens on property that secure payment of all or part of the purchase price or construction cost of the property, including the extension of any liens to repairs or improvements made on the property;

(iii) the pledge of any bonds or other securities at any time issued under any of the liens permitted by clauses (i) or (ii) above;

(iv) liens for taxes, assessments and other governmental charges or requirements which are not delinquent or which are being contested in good faith by appropriate proceedings or of which at least ten Business Days' notice has not been given to the general counsel of the Company or to such other Person designated by the Company to receive such notices;

(v) mechanics', workmen's, repairmen's, materialmen's, warehousemen's, and carriers' liens, other liens incident to construction, liens or privileges of any employees of the Company for salary or wages earned, but not yet payable, and other liens, including without limitation liens for worker's compensation awards, arising in the ordinary course of business for charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten Business Days' notice has not been given to the general counsel of the Company or to such other Person designated by the Company to receive such notices;

(vi) liens in respect of attachments, judgments or awards arising out of judicial or administrative proceedings in an amount not exceeding the greater of (A) Fifty Million Dollars ($50,000,000) and (B) three percent (3%) of the principal amount of the Securities then Outstanding;

(vii) liens in respect of attachments, judgments or awards arising out of judicial or administrative proceedings with respect to which the Company shall (A) in good faith be prosecuting an appeal or other proceeding for review and with respect to which the Company shall have secured a stay of execution pending such appeal or other proceeding or (B) have the right to prosecute an appeal or other proceeding for review or (C) have not received at least ten Business Days' notice given to the general counsel of the Company or to such other Person designated by the Company to receive such notices;

(viii) easements, leases, reservations or other rights of others in, on, over and/or across, and laws, regulations and restrictions affecting, and defects, irregularities, exceptions and limitations in title to, the property of the Company or any part thereof;

(ix) liens, defects, irregularities, exceptions and limitations in (A) title to real property subject to rights-of-way in favor of the Company or otherwise or used or to be used by the Company primarily for right-of-way purposes; (B) real property held under lease, easement, license or similar right; or (C) the rights-of-way, leases, easements, licenses or similar rights in favor of the Company; and defects, irregularities, exceptions and limitations in title to flood lands, flooding rights and/or water rights;

(x) liens securing indebtedness or other obligations neither created, assumed nor guaranteed by the Company nor on account of which it customarily pays interest upon real property or rights in or relating to real property acquired by the Company for the purpose of the generation of electric energy or the transmission or distribution of electric energy, gas or water, or for the purpose of telephonic, telegraphic, radio, wireless or other electronic communication, or otherwise for the purpose of obtaining rights-of-way;

(xi) leases existing at the date hereof affecting properties owned by the Company at said date and renewals and extensions thereof; and leases affecting such properties entered into after such date or affecting properties acquired by the Company after such date which, in either case, (A) have respective terms of not more than ten years (including extensions or renewals at the option of the tenant) or (B) do not materially impair the use by the Company of such properties for the respective purposes for which they are held by the Company;

(xii) liens vested in lessors, licensors, franchisors or permitters for rent or other amounts to become due or for other obligations or acts to be performed, the payment of which rent or the performance of which other obligations or acts is required under leases, subleases, licenses, franchises or permits, so long as the payment of such rent or other amounts or the performance of such other obligations or acts is not delinquent or is being contested in good faith and by appropriate proceedings;

(xiii) liens securing industrial revenue or pollution control bonds issued to finance any of the Company's pollution control, sewage or solid waste disposal facilities;

(xiv) controls, restrictions, obligations, duties and/or other burdens imposed by federal, state, municipal or other law, or by rules, regulations or orders of the government of the United States or of any State or Territory thereof or of the District of Columbia or of any county, municipality or other political subdivision of any thereof, or any department, agency, authority or other instrumentality of any of the foregoing (collectively, "Governmental Authorities"), upon the Company's property or any part thereof or the operation or use thereof or upon the Company with respect to the Company's property or any part thereof or the operation or use thereof or with respect to any franchise, grant, license, permit or public purpose requirement, or any rights reserved to or otherwise vested in Governmental Authorities to impose any such controls, restrictions, obligations, duties and/or other burdens;

(xv) rights which Governmental Authorities may have by virtue of franchises, grants, licenses, permits or contracts, or by virtue of law, to purchase, recapture or designate a purchaser of or order the sale of the Company's property or any part thereof, to terminate franchises, grants, licenses, permits, contracts or other rights or to regulate the property and business of the Company; and any and all obligations of the Company correlative to any such rights;

(xvi) liens required by law or governmental regulations (A) as a condition to the transaction of any business or the exercise of any privilege or license, (B) to enable the Company to maintain self-insurance or to participate in any funds established to cover any insurance risks, (C) in connection with workmen's compensation, unemployment insurance, social security, any pension or welfare benefit plan or (D) to share in the privileges or benefits required for companies participating in one or more of the arrangements described in sub-clauses (B) and (C) above;

(xvii) liens on the Company's property or any part thereof which are granted by the Company to secure duties or public or statutory obligations or to secure, or serve in lieu of, surety, stay or appeal bonds;

(xviii) rights reserved to or vested in others to take or receive any part of any coal, ore, gas, oil and other minerals, any timber and/or any electric capacity or energy, gas, water, steam and any other products, developed, produced, manufactured, generated, purchased or otherwise acquired by the Company or by others on property of the Company;

(xix) (A) rights and interests of Persons other than the Company arising out of contracts, agreements and other instruments to which the Company is a party and which relate to the common ownership or joint use of property; and (B) all liens on the interests of Persons other than the Company in property owned in common by such Persons and the Company if and to the extent that the enforcement of such liens would not adversely affect the interests of the Company in such property in any material respect;

(xx) any restrictions on assignment and/or requirements of any assignee to qualify as a permitted assignee and/or public utility or public service corporation; and

(xxi) any liens which have been bonded for the full amount in dispute or for the payment of which other adequate security arrangements have been made.

(c) Notwithstanding the foregoing, so long as the Company is in compliance with Section 612 and the interest rate adjustments, if applicable, in Section 204(e) hereof, the Company may create or assume any other mortgage, lien, pledge, security interest or other encumbrance not otherwise excepted under Section 610(b) hereof without equally (in an amount equal to the aggregate principal amount of the lesser of (x) the indebtedness secured by such newly created or assumed mortgage, lien, pledge, security interest or other encumbrance or (y) the Debentures then outstanding) and ratably (with the same priority as such newly created or assumed mortgage, lien, pledge, security interest or other encumbrance) securing the Debentures (a "Basket Lien"). Any such documentation evidencing the securing of the Debentures shall be reasonably acceptable to the Required Holders in substance and in form.

SECTION 611. INDEBTEDNESS TO CAPITALIZATION RATIO.

The Company will not permit the ratio of Consolidated Indebtedness to Consolidated Capitalization as at the end of any fiscal quarter of the Company to exceed 65%.

SECTION 612. RATING.

(a) If the Company has incurred, created or assumed a Basket Lien, the Company shall promptly (and, in any event within 30 days after such incurrence, creation and/or assumption) procure and deliver to the holders of the Debentures current Debt Ratings from the two NRSROs

(b) At any time that the Debt Rating maintained pursuant to clause (a) above is not a public rating, the Company will provide to each holder of a Debenture (x) at least annually (on or before each anniversary of the date of this Agreement) and (y) as soon as available, which in any

event shall not be later than the next annual anniversary date, upon any change in such Debt Rating, a Private Rating Letter evidencing such Debt Rating and a Private Rating Rationale Report with respect to such Debt Rating. In addition to the foregoing information, if the SVO or any other regulatory authority having jurisdiction over any holder of any Debentures from time to time requires any additional information with respect to the Debt Rating, the Company shall use commercially reasonable efforts to procure such information from the NRSRO.

SECTION 613. CHANGE OF CONTROL.

While any series of the Debentures is outstanding, if the Company issues debt securities in a Private Placement pursuant to a note purchase agreement, debenture purchase agreement, indenture or supplemental indenture (or any amendment to any of the foregoing) (each, a "Private Debt Agreement"), which Private Debt Agreement contains any MFL Change of Control which is not otherwise included in this Ninth Supplemental Indenture, then a Senior Financial Officer of the Company shall promptly (but in any event within ten Business Days from the occurrence thereof) provide written notice thereof to the holders of Debentures, which notice shall refer specifically to this Section 613 and describe in reasonable detail the MFL Change of Control and the relevant triggering events and rights and obligations flowing therefrom. Thereupon, unless waived in writing by the Required Holders within ten Business Days of the holders' receipt of such notice, such MFL Change of Control shall be deemed incorporated by reference into this Ninth Supplemental Indenture, *mutatis mutandis,* as if set forth fully herein effective as of the date when such MFL Change of Control became effective under the applicable Private Debt Agreement.

ARTICLE SEVEN.

AMENDMENTS TO INDENTURE.

(a) Section 501(1) of the Indenture is replaced in its entirety with the following:

"(1) default in the payment of any interest upon any Security of that series when it becomes due and payable, and continuance of such default for a period of 5 days"

For the avoidance of doubt, the above amendment shall only apply to the Debentures issued under this Ninth Supplemental Indenture.

(b) Section 603 of the Indenture is hereby amended by adding the following new paragraphs (8), (9) and (10):

"(8) in no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(9) the Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture; the rights, privileges,

protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder.

(10) in no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances."

ARTICLE EIGHT.

MISCELLANEOUS

SECTION 801. INDENTURE RATIFIED AND CONFIRMED.

The Indenture, as amended and supplemented by this Ninth Supplemental Indenture, is in all respects ratified and confirmed, and this Ninth Supplemental Indenture shall be deemed part of the Indenture in the manner and to the extent herein and therein provided. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Ninth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Company. The Trustee accepts the trusts created by the Indenture, as amended and supplemented by this Ninth Supplemental Indenture, and agrees to perform the same upon the terms and conditions of the Indenture, as amended and supplemented by this Ninth Supplemental Indenture. All of the provisions contained in the Indenture in respect of the rights, privileges, immunities, powers, and duties of the Trustee shall be applicable in respect of the Ninth Supplemental Indenture as fully and with like force and effect as though fully set forth in full herein.

SECTION 802. EXECUTION IN COUNTERPARTS

This Ninth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

SECTION 803. EFFECT OF HEADINGS AND TABLE OF CONTENTS.

The Article and Section headings in this Ninth Supplemental Indenture and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 804. SUCCESSORS AND ASSIGNS.

All covenants and agreements in this Ninth Supplemental Indenture by the Company and the Trustee shall bind their respective successors and assigns, whether so expressed or not.

SECTION 805. SEPARABILITY.

In case any provision in this Ninth Supplemental Indenture shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 806. BENEFITS OF INDENTURE.

Nothing in this Ninth Supplemental Indenture or the Debentures, express or implied, shall give to any Person, other than the parties hereto, their successors hereunder and the Holders of any Debentures, any benefit or any legal or equitable right, remedy or claim under this Ninth Supplemental Indenture.

SECTION 807. GOVERNING LAW.

This Ninth Supplemental Indenture and the Debentures shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 808. USA PATRIOT ACT.

The parties hereto acknowledge that in accordance with Section 326 of the USA PATRIOT Act, the Trustee is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account. The Company agrees that it will cause Holders of the Debentures to provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the USA PATRIOT Act.

SECTION 809. ELECTRONIC SIGNATURES.

The parties agree to electronic contracting and signatures with respect to this Ninth Supplemental Indenture and the other documents delivered in connection herewith (other than the Debentures). Delivery of an electronic signature to, or a signed copy of, this Ninth Supplemental Indenture and such other documents (other than the Debentures) by facsimile, email or other electronic transmission shall be fully binding on the parties to the same extent as the delivery of the signed originals and shall be admissible into evidence for all purposes. The words "execution," "execute", "signed," "signature," and words of like import in or related to any document to be signed in connection with this Ninth Supplemental Indenture and the other documents (other than the Debentures) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Company, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Notwithstanding the foregoing, if the Company shall request manually signed counterpart signatures to this Ninth Supplemental Indenture or any other document delivered in connection herewith, the Trustee hereby agrees to use its reasonable endeavors to provide such manually signed signature pages as soon as reasonably practicable.

IN WITNESS WHEREOF, the parties hereto have caused this Ninth Supplemental Indenture to be duly executed as of the day and year first above written.

DUKE ENERGY KENTUCKY, INC.

By: _____

Name: Chris R. Bauer
Title: Assistant Treasurer

DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

DocuSigned by:
Carol Ng
736039448A5B420...

By: _____
Name:
Title:

DocuSigned by:

By: _____
Name: Irina Golovashchuk
Title: Vice President
0554C4BAE86D450...

Irina Golovashchuk
Vice President

DUKE ENERGY KENTUCKY
CASE NO. 2025-00125
FORECASTED TEST PERIOD FILING REQUIREMENTS
FR 16(7)(k)

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807 KAR 5:001, SECTION 16(7)(k)

Description of Filing Requirement:

The most recent FERC Financial Report FERC Form No.1, FERC Financial Report FERC Form No. 2, or Public Service Commission Form T (telephone).

Response:

See attached.

Witness Responsible:

Linda L. Miller

THIS FILING IS
Item 1: ☑ An Initial (Original) Submission OR ☐ Resubmission No.

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

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

Exact Legal Name of Respondent (Company)	Year/Period of Report
Duke Energy Kentucky, Inc.	End of: 2024/ Q4

FERC FORM NO. 1 (REV. 02-04)

INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

GENERAL INFORMATION

Purpose

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

Who Must Submit

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

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

one million megawatt hours of total annual sales,

100 megawatt hours of annual sales for resale,

500 megawatt hours of annual power exchanges delivered, or

500 megawatt hours of annual wheeling for others (deliveries plus losses).

What and Where to Submit

Submit FERC Form Nos. 1 and 3-Q electronically through the eCollection portal at https://eCollection.ferc.gov, and according to the specifications in the Form 1 and 3-Q taxonomies.

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

Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:
Secretary
Federal Energy Regulatory Commission 888 First Street, NE
Washington, DC 20426

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

The CPA Certification Statement should:

Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

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

The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert

FERC Form

the List of Schedules, pages 2 and 3.

Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below).

Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.

For any resubmissions, please explain the reason for the resubmission in a footnote to the data field.

Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.

Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Schedule specific instructions are found in the applicable taxonomy and on the applicable blank rendered form.

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

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

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

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

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

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

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

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

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

DEFINITIONS

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

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

explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

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

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases." The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. Further instructions are found on the Commission's website at https://www.ferc.gov/ferc-online/ferc-online/frequently-asked-questions-faqs-efilingferc-online.

Federal, State, and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from https://www.ferc.gov/general-information-0/electric-industry-forms.

When to Submit

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

FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and

FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

Where to Send Comments on Public Reporting Burden.

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

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

GENERAL INSTRUCTIONS

Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.

Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.

EXCERPTS FROM THE LAW

Federal Power Act, 16 U.S.C. § 791a-825r

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

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

'Person' means an individual or a corporation;

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

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

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

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

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

"Sec. 304.

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

"Sec. 309.

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

Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on

GENERAL PENALTIES

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

FERC FORM NO. 1
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER

IDENTIFICATION

01 Exact Legal Name of Respondent	02 Year/ Period of Report
Duke Energy Kentucky, Inc.	End of: 2024/ Q4

03 Previous Name and Date of Change (If name changed during year)
/

04 Address of Principal Office at End of Period (Street, City, State, Zip Code)
1262 Cox Road, Erlanger, KY 41018

05 Name of Contact Person	06 Title of Contact Person
Danielle Weatherston	Accounting Manager II

07 Address of Contact Person (Street, City, State, Zip Code)
525 S. Tryon Street, Charlotte, NC 28202

08 Telephone of Contact Person, Including Area Code	09 This Report is An Original / A Resubmission	10 Date of Report (Mo, Da, Yr)
980-373-1697	(1) ☑ An Original (2) ☐ A Resubmission	04/16/2025

Annual Corporate Officer Certification

The undersigned officer certifies that:

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

01 Name	03 Signature	04 Date Signed (Mo, Da, Yr)
Cynthia S. Lee	Cynthia S. Lee	04/16/2025
02 Title		
SVP, CAO, and Controller		

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

FERC FORM No. 1 (REV. 02-04)

Page 1

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

LIST OF SCHEDULES (Electric Utility)

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

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
	Identification	1	
	List of Schedules	2	
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	N/A
4	Officers	104	
5	Directors	105	
6	Information on Formula Rates	106	
7	Important Changes During the Year	108	
8	Comparative Balance Sheet	110	
9	Statement of Income for the Year	114	
10	Statement of Retained Earnings for the Year	118	
12	Statement of Cash Flows	120	
12	Notes to Financial Statements	122	
13	Statement of Accum Other Comp Income, Comp Income, and Hedging Activities	122a	
14	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200	
15	Nuclear Fuel Materials	202	N/A
16	Electric Plant in Service	204	
17	Electric Plant Leased to Others	213	N/A
18	Electric Plant Held for Future Use	214	N/A
19	Construction Work in Progress-Electric	216	
20	Accumulated Provision for Depreciation of Electric Utility Plant	219	
21	Investment of Subsidiary Companies	224	N/A
22	Materials and Supplies	227	
23	Allowances	228	
24	Extraordinary Property Losses	230a	N/A
25	Unrecovered Plant and Regulatory Study Costs	230b	N/A

26	Transmission Service and Generation Interconnection Study Costs	231	N/A
27	Other Regulatory Assets	232	
28	Miscellaneous Deferred Debits	233	
29	Accumulated Deferred Income Taxes	234	
30	Capital Stock	250	
31	Other Paid-in Capital	253	
32	Capital Stock Expense	254b	N/A
33	Long-Term Debt	256	
34	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
35	Taxes Accrued, Prepaid and Charged During the Year	262	
36	Accumulated Deferred Investment Tax Credits	266	
37	Other Deferred Credits	269	
38	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272	
39	Accumulated Deferred Income Taxes-Other Property	274	
40	Accumulated Deferred Income Taxes-Other	276	
41	Other Regulatory Liabilities	278	
42	Electric Operating Revenues	300	
43	Regional Transmission Service Revenues (Account 457.1)	302	
44	Sales of Electricity by Rate Schedules	304	
45	Sales for Resale	310	
46	Electric Operation and Maintenance Expenses	320	
47	Purchased Power	326	
48	Transmission of Electricity for Others	328	
49	Transmission of Electricity by ISO/RTOs	331	N/A
50	Transmission of Electricity by Others	332	
51	Miscellaneous General Expenses-Electric	335	
52	Depreciation and Amortization of Electric Plant (Account 403, 404, 405)	336	
53	Regulatory Commission Expenses	350	
54	Research, Development and Demonstration Activities	352	
55	Distribution of Salaries and Wages	354	
56	Common Utility Plant and Expenses	356	
57	Amounts included in ISO/RTO Settlement Statements	397	
58	Purchase and Sale of Ancillary Services	398	
59	Monthly Transmission System Peak Load	400	N/A

60	**Monthly ISO/RTO Transmission System Peak Load**	400a	N/A
61	**Electric Energy Account**	401a	
62	**Monthly Peaks and Output**	401b	
63	**Steam Electric Generating Plant Statistics**	402	
64	**Hydroelectric Generating Plant Statistics**	406	N/A
65	**Pumped Storage Generating Plant Statistics**	408	N/A
66	**Generating Plant Statistics Pages**	410	N/A
66.1	**Energy Storage Operations (Large Plants)**	414	N/A
66.2	**Energy Storage Operations (Small Plants)**	419	N/A
67	**Transmission Line Statistics Pages**	422	
68	**Transmission Lines Added During Year**	424	
69	**Substations**	426	
70	**Transactions with Associated (Affiliated) Companies**	429	
71	**Footnote Data**	450	
	Stockholders' Reports (check appropriate box)		
	Stockholders' Reports Check appropriate box: ☐ Two copies will be submitted ☐ No annual report to stockholders is prepared		

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

GENERAL INFORMATION

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

Cynthia S. Lee

Senior Vice President, Chief Accounting Officer and Controller

525 S. Tryon Street, Charlotte, NC 28202

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

State of Incorporation: KY

Date of Incorporation: 1901-03-20

Incorporated Under Special Law:

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

(a) Name of Receiver or Trustee Holding Property of the Respondent: N/A

(b) Date Receiver took Possession of Respondent Property:

(c) Authority by which the Receivership or Trusteeship was created: N/A

(d) Date when possession by receiver or trustee ceased:

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

Kentucky - Gas and Electric

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

(1) ☐ Yes

(2) ☑ No

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

CONTROL OVER RESPONDENT

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

Duke Energy Kentucky, Inc is a wholly owned subsidiary of Duke Energy Ohio, Inc. Duke Energy Ohio, Inc. is a wholly owned subsidiary of Cinergy Corp. , which is a wholly owned subsidiary of Duke Energy Corporation.

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

CORPORATIONS CONTROLLED BY RESPONDENT

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

Definitions

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

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	N/A			

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

OFFICERS

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

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)	Date Started in Period (d)	Date Ended in Period (e)
1	Executive Vice President, Chief Legal Officer and Corporate Secretary	Kodwo Ghartey-Tagoe	756,000		
2	Executive Vice President	R. Alexander Glenn	562,913		
3	Chief Executive Officer	Lynn J. Good	1,500,000		
4	Executive Vice President	Julie S. Janson	900,000		
5	Senior Vice President, Chief Accounting Officer and Controller	Cynthia S. Lee	346,913		
6	Senior Vice President, Corporate Development and Treasurer	Karl W. Newlin	565,489		2024-11-01
7	Executive Vice President, External Affairs and Communications	Louis E. Renjel	541,800		2024-04-01
8	Executive Vice President, Chief Corporate Affairs Officer	Louis E. Renjel	579,726	2024-04-01	
9	Executive Vice President and Chief Financial Officer	Brian D. Savoy	696,613		
10	Executive Vice President, Customer Experience, Solutions, and Services	Harry K. Sideris	637,620		2024-04-01
11	President, Duke Energy	Harry K. Sideris	900,000	2024-04-01	2024-09-01
12	Executive Vice President	Harry K. Sideris	900,000	2024-09-01	
13	President	Amy B. Spiller	343,218		
14	Executive Vice President and Chief Commercial Officer	Steven K. Young	826,908		2024-04-01
15	Executive Vice President, Chief Generation Officer and Enterprise Operational Excellence	T. Preston Gillespie Jr.	772,967		
16	Senior Vice President and Chief Administrative Officer	Bonnie B. Titone	583,818	2024-04-01	
17	Senior Vice President, Chief Power Grid Officer	Scott L. Batson	535,000	2024-03-01	
18	Senior Vice President and Chief Customer Officer	Alexander J. Weintraub	472,213	2024-04-01	
19	Senior Vice President and Treasurer	Michael P. Callahan	380,000	2024-11-01	
20	Senior Vice President and President, Natural Gas Business	Brian R. Weisker	350,000	2024-04-01	

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), name and abbreviated titles of the directors who are officers of the respondent.
2. Provide the principle place of business in column (b), designate members of the Executive Committee in column (c), and the Chairman of the Executive Committee in column (d).

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)	Member of the Executive Committee (c)	Chairman of the Executive Committee (d)
1	R. Alexander Glenn, Executive Vice President	525 S. Tryon Street, Charlotte, NC 28202	true	
2	Lynn J. Good, Chief Executive Officer	525 S. Tryon Street, Charlotte, NC 28202		true
3	Kodwo Ghartey-Tagoe, Executive Vice President, Chief Legal Officer and Corporate Secretary	525 S. Tryon Street, Charlotte, NC 28202	true	

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

INFORMATION ON FORMULA RATES

Does the respondent have formula rates?	☐ Yes ☑ No

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

Line No.	FERC Rate Schedule or Tariff Number (a)	FERC Proceeding (b)
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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

INFORMATION ON FORMULA RATES - FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?	☑ Yes ☐ No

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

Line No.	Accession No. (a)	Document Date / Filed Date (b)	Docket No. (c)	Description (d)	Formula Rate FERC Rate Schedule Number or Tariff Number (e)
1	20120515-5244	05/15/2012	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
2	20130129-5070	01/29/2013	ER12-91-000	Formula Rate Annual Update Corrected	PJM OATT, Attachment H-22A
3	20130515-5122	05/15/2013	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
4	20140515-5149	05/15/2014	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
5	20150515-5244	05/15/2015	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
6	20150617-5152	06/17/2015	ER15-1932-000	Section 205	PJM OATT, Attachment H-22A
7	20160513-5092	05/13/2016	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
8	20161130-5416	11/30/2016	ER12-91-000	Formula Rate Annual Update Corrected	PJM OATT, Attachment H-22A
9	20170509-5150	05/09/2017	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
10	20180129-5213	01/29/2018	ER12-91-000	Formula Rate Annual Update Corrected	PJM OATT, Attachment H-22A
11	20180402-5140	04/02/2018	ER18-1274-000	Section 205	PJM OATT, Attachment H-22A & H-22B
12	20180515-5331	05/15/2018	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
13	20181214-5040	12/14/2018	ER19-555-000	Section 205	PJM OATT, Attachment H-22A
14	20190329-5217	03/29/2019	ER19-1483-000	Section 205	PJM OATT, Attachment H-22A
15	20190515-5112	05/15/2019	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
16	20200207-5054	02/07/2020	ER12-91-000	Formula Rate Annual Update Corrected	PJM OATT, Attachment H-22A
17	20200515-5123	05/15/2020	ER20-1832-000	Order No. 864 Compliance Filing	PJM OATT, Attachment H-22A
18	20200515-5294	05/15/2020	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A

19	20210115-5207	01/15/2021	ER20-1832-001	Order No. 864 Compliance Filing	PJM OATT, Attachment H-22A
20	20210121-5326	01/21/2021	ER12-91-000	Formula Rate Annual Update Corrected	PJM OATT, Attachment H-22A
21	20210316-5124	03/16/2021	ER21-1450-000	Section 205	PJM OATT, Attachment H-22A
22	20210517-5120	05/17/2021	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
23	20220118-5334	01/18/2022	ER12-91-000	Formula Rate Annual Update Corrected	PJM OATT, Attachment H-22A
24	20220315-5149	03/15/2022	ER-22-1338-000	Section 205	PJM OATT, Attachment H-22A
25	20220321-5144	03/21/2022	ER20-1832-002	Order No. 864 Compliance Filing	PJM OATT, Attachment H-22A
26	20220516-5130	05/16/2022	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
27	20221121-5093	11/21/2022	ER23-470-000	Section 205	PJM OATT, Attachment H-22A
28	20230321-3075	03/21/2023	ER23-1045-000	Section 205	PJM OATT, Attachment H-22A
29	20230515-5331	05/15/2023	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
30	20240111-5086	01/11/2024	ER24-853-000	Section 205	PJM OATT, Attachment H-22A
31	20240515-5135	05/15/2024	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

INFORMATION ON FORMULA RATES - Formula Rate Variances

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

Line No.	Page No(s). (a)	Schedule (b)	Column (c)	Line No. (d)
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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

IMPORTANT CHANGES DURING THE QUARTER/YEAR

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

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

None

See Notes to Financial Statements, Note 1, "Summary of Significant Accounting Policies"

See Notes to Financial Statements, Note 2, "Regulatory Matters"

None

During the forth quarter 2024, Project "DKY.213503.F5967 Loop Thru Taylor Mill" was completed, in-service date of October 31, 2024.

There are no changes to report during the third quarter 2024.

During the second quarter 2024, Project "M18037502.Litton Sub-Ext Xmission" was completed, in-service date of May 2, 2024.
During the first quarter 2024, Project "KYGLT2001.GLT F965 Rpl Poles" was completed, in-service date of January 3, 2024.

See Notes to Financial Statements, Note 5, "Debt and Credit Facilities"

None

During the fourth quarter 2024, there were no large scale wage changes to report.

During the third quarter 2024, there were no large scale wage changes to report.

During the second quarter 2024, there were no large scale wage changes to report.

During the first quarter 2024, there were no large scale wage changes to report.

See Notes to Financial Statements, Note 2, "Regulatory Matters" and Note 3,"Commitments and Contingencies"

None

None

There are no changes to major security holders and voting powers of Duke Energy Kentucky, Inc. that occurred during the fourth quarter 2024.

The changes in officers and directors for Duke Energy Kentucky, Inc. that occurred during the fourth quarter 2024 are as follows:

Resignations effective 12/31/2024	
Retha Hunsicker	Senior Vice President and Customer Experience Design and Solutions
Appointments effective 11/11/2024	
Elizabeth H. Jones	Assistant Corporate Secretary
Appointments effective 11/01/2024	
Kathryn B. Aittola	Senior Vice President, Enterprise Strategy and Chief Risk Officer
Michael P. Callahan	Senior Vice President and Treasurer
Nicholas J. Giaimo	Senior Vice President, Financial Planning and Analysis
Cynthia S. Lee	Senior Vice President, Chief Accounting Officer and Controller
Resignations effective 11/01/2024	
Kathryn B. Aittola	Vice President, Enterprise Strategy and Chief Risk Officer
Christopher R. Bauer	Assistant Treasurer
Nicholas J. Giaimo	Vice President, Financial Planning and Analysis
Cynthia S. Lee	Vice President, Chief Accounting Officer and Controller
Karl W. Newlin	Senior Vice President, Corporate Development and Treasurer

The changes in officers for Duke Energy Kentucky, Inc. that occurred during the third quarter 2024 are as follows:

Appointments effective 09/01/2024	
Harry K. Sideris	Executive Vice President
Resignations effective 09/01/2024	
Harry K. Sideris	President, Duke Energy
Resignations effective 08/20/2024	
Robert T. Lucas III	Assistant Corporate Secretary
Appointments effective 08/09/2024	
Regis T. Repko	Senior Vice President, Generation Transition and System Optimization
Resignations effective 08/09/2024	
Regis T. Repko	Senior Vice President, System Planning and Optimization

The changes in officers for Duke Energy Kentucky, Inc. that occurred during the second quarter 2024 are as follows:

Resignations effective 06/30/2024	
Donald E. Broadhurst	Regional Senior Vice President Customer Delivery
George T. Hamrick	Senior Vice President Chief Transmission Officer
Jon F. Kerin	Vice President, Transmission Operations Services
Appointments effective 04/01/2024	
Adam Long	Vice President, Chief Operations Officer Natural Gas
Brian V. Powers	Vice President Central Operations Services & Oversight
Louis E. Renjel	Executive Vice President and Chief Corporate Affairs Officer
Harry K. Sideris	President, Duke Energy
Bonnie B. Titone	Senior Vice President and Chief Administrative Officer
Alexander J. Weintraub	Senior Vice President and Chief Customer Officer
Brian R. Weisker	Senior Vice President and President, Natural Gas Business
Resignations effective 04/01/2024	
Louis E. Renjel	Executive Vice President, External Affairs and Communications
Harry K. Sideris	Executive Vice President, Customer Experience, Solutions, and Services
Bonnie B. Titone	Senior Vice President and Chief Information Officer
Bryan P. Walsh	Vice President, Central Services and Organizational Effectiveness
Alexander J. Weintraub	Senior Vice President and President, Natural Gas Business
Brian R. Weisker	Senior Vice President, Chief Operations Officer, Natural Gas
Steven K. Young	Executive Vice President and Chief Commercial Officer

The changes in officers for Duke Energy Kentucky, Inc. that occurred during the first quarter 2024 are as follows:

Resignations effective 03/31/2024	
Donna T. Council	Senior Vice President, Corporate Real Estate, Aviation and Business Services
Swati V. Daji	Senior Vice President, Enterprise Strategy and Planning
Melisa B. Johns	Vice President, Renewables Development
Appointments effective 03/01/2024	
Kathryn B. Aittola	Vice President, Enterprise Strategy and Chief Risk Officer
Scott L. Batson	Senior Vice President, Chief Power Grid Officer
Jessica L. Bednarcik	Senior Vice President, Enterprise Safety and Generation Services
Donald E. Broadhurst	Regional Senior Vice President Customer Delivery
Zachary S. Hall	Vice President Environmental, Health and Safety
George T. Hamrick	Senior Vice President Chief Transmission Officer
Ben I. Harrison Jr.	Vice President Grid Operations - Planning and Operations
Cicely M. Hart	Vice President, Region Support
Amelia D. Hunter	Vice President, Audit and Chief Compliance Officer
Rufus S. Jackson	Senior Vice President Grid Operations
Dwight L. Jacobs	Senior Vice President Supply Chain, Real Estate and Chief Procurement Officer
Chris Lange	Regional Senior Vice President Power Grid Operations
V. Nelson Peeler	Senior Vice President Grid Strategy, Planning and Integration
Regis T. Repko	Senior Vice President, System Planning and Optimization
Robert J. Ringel	Vice President, Legal and Assistant Corporate Secretary and Chief Ethics Officer
Matthew G. Stout	Vice President Development
Oscar Suris	Senior Vice President Chief Communications Officer
Julie K. Turner	Vice President Grid Services
John A. Verderame	Vice President Fuels and Systems Optimization
Resignations effective 03/01/2024	
Kathryn B. Aittola	Vice President, Global Risk Management and Insurance and Chief Risk Officer
Scott L. Batson	Senior Vice President and Chief Distribution Officer
Jessica L. Bednarcik	Senior Vice President, Environmental, Health and Safety and Coal Combustion Products
Donald E. Broadhurst	Regional Senior Vice President, Customer Delivery - Midwest
Paul Draovitch	Senior Vice President, Chief Regulated and Renewable Energy Officer
Zachary S. Hall	Vice President, Environmental, Health and Safety Programs
George T. Hamrick	Senior Vice President and Chief Transmission Officer
Cicely M. Hart	Vice President, Region Support - Midwest
Amelia D. Hunter	Vice President, Corporate Audit Services
Rufus S. Jackson	Senior Vice President, Customer Delivery Governance, Programs & Support
Dwight L. Jacobs	Senior Vice President, Supply Chain and Chief Procurement Officer
V. Nelson Peeler	Senior Vice President, Transmission and Fuels Strategy and Policy
Regis T. Repko	Senior Vice President, Generation and Transmission Strategy
Robert J. Ringel	Vice President, Legal and Assistant Corporate Secretary
Oscar Suris	Senior Vice President and Chief Communications Officer
John A. Verderame	Vice President, Fuels and Systems Optimization
Jason S. Williams	Senior Vice President, Transmission Maintenance and Construction
Resignations effective 02/29/2024	
Melissa M. Feldmeier	Vice President and Chief Ethics and Compliance Officer
Ben I. Harrison Jr.	Vice President, Transmission Engineering and Asset Management
Sam Holeman	Vice President, Transmission Systems Planning and Operations
Appointments effective 01/01/2024	
Jessica Brooks Bishop	Senior Vice President and Customer Services Operations
Retha Hunsicker	Senior Vice President and Customer Experience Design and Solutions
Cameron D. McDonald	Senior Vice President and Chief Human Resources Officer
Sharene J. Pierce	Vice President, Chief Diversity and Inclusion Officer and Talent Acquisition
Resignations effective 01/01/2024	
Jessica Brooks Bishop	Vice President, Customer Care
Retha Hunsicker	Vice President, Customer Experience Design and Solutions
Cameron D. McDonald	Vice President, Talent Acquisition and Talent Management
Sharene J. Pierce	Vice President and Chief Diversity and Inclusion Officer

N/A

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**UTILITY PLANT**			
2	Utility Plant (101-106, 114)	200	3,482,526,185	3,303,112,339
3	Construction Work in Progress (107)	200	95,017,021	96,665,887
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		3,577,543,206	3,399,778,226
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200	1,157,722,167	1,125,191,209
6	Net Utility Plant (Enter Total of line 4 less 5)		2,419,821,039	2,274,587,017
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202		
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)			
9	Nuclear Fuel Assemblies in Reactor (120.3)			
10	Spent Nuclear Fuel (120.4)			
11	Nuclear Fuel Under Capital Leases (120.6)			
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202		
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)			
14	Net Utility Plant (Enter Total of lines 6 and 13)		2,419,821,039	2,274,587,017
15	Utility Plant Adjustments (116)			
16	Gas Stored Underground - Noncurrent (117)			
17	**OTHER PROPERTY AND INVESTMENTS**			
18	Nonutility Property (121)		1,348,431	1,311,314
19	(Less) Accum. Prov. for Depr. and Amort. (122)		5,837	3,014
20	Investments in Associated Companies (123)			
21	Investment in Subsidiary Companies (123.1)	224		
23	Noncurrent Portion of Allowances	228		
24	Other Investments (124)		1,500	1,500
25	Sinking Funds (125)			
26	Depreciation Fund (126)			
27	Amortization Fund - Federal (127)			
28	Other Special Funds (128)		18,274,741	18,344,727
29	Special Funds (Non Major Only) (129)			
30	Long-Term Portion of Derivative Assets (175)			85,796

31	Long-Term Portion of Derivative Assets - Hedges (176)			
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		19,618,835	19,740,323
33	**CURRENT AND ACCRUED ASSETS**			
34	Cash and Working Funds (Non-major Only) (130)			
35	Cash (131)		4,659,261	3,067,382
36	Special Deposits (132-134)			
37	Working Fund (135)			
38	Temporary Cash Investments (136)			
39	Notes Receivable (141)			
40	Customer Accounts Receivable (142)		55,116,228	19,800,922
41	Other Accounts Receivable (143)		1,261,007	1,918,271
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		3,519,041	745,575
43	Notes Receivable from Associated Companies (145)		29,611,000	33,756,872
44	Accounts Receivable from Assoc. Companies (146)		132,235	54,654,163
45	Fuel Stock (151)	227	34,644,879	39,838,611
46	Fuel Stock Expenses Undistributed (152)	227		
47	Residuals (Elec) and Extracted Products (153)	227		
48	Plant Materials and Operating Supplies (154)	227	22,496,411	25,454,519
49	Merchandise (155)	227		
50	Other Materials and Supplies (156)	227		
51	Nuclear Materials Held for Sale (157)	202/227		
52	Allowances (158.1 and 158.2)	228	17,733	18,470
53	(Less) Noncurrent Portion of Allowances	228		
54	Stores Expense Undistributed (163)	227	[a]964,225	[c]1,851,053
55	Gas Stored Underground - Current (164.1)			
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)			
57	Prepayments (165)		474,481	415,920
58	Advances for Gas (166-167)			
59	Interest and Dividends Receivable (171)			
60	Rents Receivable (172)		7,377	4,255
61	Accrued Utility Revenues (173)		38,087,741	
62	Miscellaneous Current and Accrued Assets (174)		7,171,234	15,093,617
63	Derivative Instrument Assets (175)		1,140,435	1,790,358
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)			85,796

65	Derivative Instrument Assets - Hedges (176)			
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)			
67	Total Current and Accrued Assets (Lines 34 through 66)		192,265,206	196,833,042
68	**DEFERRED DEBITS**			
69	Unamortized Debt Expenses (181)		3,131,238	2,449,519
70	Extraordinary Property Losses (182.1)	230a		
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b		
72	Other Regulatory Assets (182.3)	232	108,117,150	116,599,400
73	Prelim. Survey and Investigation Charges (Electric) (183)		1,369,168	1,147,081
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)			
75	Other Preliminary Survey and Investigation Charges (183.2)			
76	Clearing Accounts (184)		50	50
77	Temporary Facilities (185)			
78	Miscellaneous Deferred Debits (186)	233	(b) 2,626,924	(d) 2,735,310
79	Def. Losses from Disposition of Utility Plt. (187)			
80	Research, Devel. and Demonstration Expend. (188)	352		
81	Unamortized Loss on Reaquired Debt (189)		74,675	154,181
82	Accumulated Deferred Income Taxes (190)	234	84,756,085	74,710,350
83	Unrecovered Purchased Gas Costs (191)		96,764	(2,812,674)
84	Total Deferred Debits (lines 69 through 83)		200,172,054	194,983,217
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		2,831,877,134	2,686,143,599

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: StoresExpenseUndistributed

Account 163 - Functionalized for use with PJM Attachments H-22A: Transmission portion of $24 is calculated by multiplying Account 163 balance by ratio of Transmission M&S balance including Assigned To Construction and Transmission Plant to Total M&S balance.

(b) Concept: MiscellaneousDeferredDebits

Deferred Regulatory Comm. Expenses (See pages 350-351) is presented within page 233 by accounts.

(c) Concept: StoresExpenseUndistributed

Account 163 - Functionalized for use with PJM Attachments H-22A: Transmission portion of $29 is calculated by multiplying Account 163 balance by ratio of Transmission M&S balance including Assigned To Construction and Transmission Plant to Total M&S balance.

(d) Concept: MiscellaneousDeferredDebits

Deferred Regulatory Comm. Expenses (See pages 350-351) is presented within page 233 by accounts.

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**PROPRIETARY CAPITAL**			
2	Common Stock Issued (201)	250	8,779,995	8,779,995
3	Preferred Stock Issued (204)	250		
4	Capital Stock Subscribed (202, 205)			
5	Stock Liability for Conversion (203, 206)			
6	Premium on Capital Stock (207)		18,838,946	18,838,946
7	Other Paid-In Capital (208-211)	253	474,372,496	458,655,189
8	Installments Received on Capital Stock (212)	252		
9	(Less) Discount on Capital Stock (213)	254		
10	(Less) Capital Stock Expense (214)	254b		
11	Retained Earnings (215, 215.1, 216)	118	605,524,393	644,082,572
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118		
13	(Less) Reacquired Capital Stock (217)	250		
14	Noncorporate Proprietorship (Non-major only) (218)			
15	Accumulated Other Comprehensive Income (219)	122(a)(b)		
16	Total Proprietary Capital (lines 2 through 15)		1,107,515,830	1,130,356,702
17	**LONG-TERM DEBT**			
18	Bonds (221)	256		
19	(Less) Reacquired Bonds (222)	256		
20	Advances from Associated Companies (223)	256	25,000,000	25,000,000
21	Other Long-Term Debt (224)	256	906,720,000	681,720,000
22	Unamortized Premium on Long-Term Debt (225)			
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		137,248	149,511
24	Total Long-Term Debt (lines 18 through 23)		931,582,752	706,570,489
25	**OTHER NONCURRENT LIABILITIES**			
26	Obligations Under Capital Leases - Noncurrent (227)		3,848,686	7,490,743
27	Accumulated Provision for Property Insurance (228.1)			
28	Accumulated Provision for Injuries and Damages (228.2)		(165,376)	(158,424)
29	Accumulated Provision for Pensions and Benefits (228.3)		27,784,669	26,905,886

30	Accumulated Miscellaneous Operating Provisions (228.4)			
31	Accumulated Provision for Rate Refunds (229)			
32	Long-Term Portion of Derivative Instrument Liabilities		773,478	1,386,272
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges			
34	Asset Retirement Obligations (230)		87,119,796	88,018,039
35	Total Other Noncurrent Liabilities (lines 26 through 34)		119,361,253	123,642,516
36	**CURRENT AND ACCRUED LIABILITIES**			
37	Notes Payable (231)			
38	Accounts Payable (232)		60,325,492	61,721,705
39	Notes Payable to Associated Companies (233)			92,903,000
40	Accounts Payable to Associated Companies (234)		17,347,917	16,797,299
41	Customer Deposits (235)		8,514,090	8,476,056
42	Taxes Accrued (236)	262	28,213,190	188,672
43	Interest Accrued (237)		14,498,693	7,622,927
44	Dividends Declared (238)			
45	Matured Long-Term Debt (239)			
46	Matured Interest (240)			
47	Tax Collections Payable (241)		3,358,918	3,821,514
48	Miscellaneous Current and Accrued Liabilities (242)		5,373,368	7,654,560
49	Obligations Under Capital Leases-Current (243)		261,557	363,730
50	Derivative Instrument Liabilities (244)		1,190,434	1,748,894
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		773,478	1,386,272
52	Derivative Instrument Liabilities - Hedges (245)			
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges			
54	Total Current and Accrued Liabilities (lines 37 through 53)		138,310,181	199,912,085
55	**DEFERRED CREDITS**			
56	Customer Advances for Construction (252)		1,818,489	2,520,782
57	Accumulated Deferred Investment Tax Credits (255)	266	5,135,704	5,120,973
58	Deferred Gains from Disposition of Utility Plant (256)			
59	Other Deferred Credits (253)	269	16,284,576	14,354,084
60	Other Regulatory Liabilities (254)	278	114,180,365	120,050,570
61	Unamortized Gain on Reacquired Debt (257)			
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272		
63	Accum. Deferred Income Taxes-Other Property (282)		368,877,329	353,090,715

64	Accum. Deferred Income Taxes-Other (283)		28,810,655	30,524,683
65	Total Deferred Credits (lines 56 through 64)		535,107,118	525,661,807
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		2,831,877,134	2,686,143,599

FERC FORM No. 1 (REV. 12-03)

Page 112-113

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

STATEMENT OF INCOME

Quarterly

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

Annual or Quarterly if applicable

Do not report fourth quarter data in columns (e) and (f)
Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner department. Spread the amount(s) over Lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
Use page 122 for important notes regarding the statement of income for any account thereof.
Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or paid with respect to power or gas purchases.
Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proc revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense ac
If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.
Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, incl allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to th

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended - Quarterly Only - No 4th Quarter (e)	Prior 3 Months Ended - Quarterly Only - No 4th Quarter (f)	Electric Utility Current Year to Date (in dollars) (g)	Electric Utility Previous Year to Date (in dollars) (h)	Gas Utiity Current Year to Date (in dollars) (i)	Gas Utility Previous Year to Date (in dollars) (j)
1	UTILITY OPERATING INCOME									
2	Operating Revenues (400)	300	635,576,241	585,038,544			507,237,265	453,317,918	128,338,976	131,720,626
3	Operating Expenses									
4	Operation Expenses (401)	320	337,377,375	314,264,497			273,919,438	249,550,948	63,457,937	64,713,549
5	Maintenance Expenses (402)	320	22,064,694	33,333,930			19,693,798	30,988,699	2,370,896	2,345,231
6	Depreciation Expense (403)	336	82,611,500	71,219,848			63,224,061	53,727,825	19,387,439	17,492,023
7	Depreciation Expense for Asset Retirement Costs (403.1)	336	(1,527)	1,527			(1,527)	1,527		

8	Amort. & Depl. of Utility Plant (404-405)	336	8,825,695	8,964,793			4,855,881	4,743,185	3,969,814	4,221,608
9	Amort. of Utility Plant Acq. Adj. (406)	336								
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)									
11	Amort. of Conversion Expenses (407.2)									
12	Regulatory Debits (407.3)		20,428,641	29,047,623			19,947,870	27,693,783	480,771	1,353,840
13	(Less) Regulatory Credits (407.4)		2,845,627	999,040			765,097	919,582	2,080,530	79,458
14	Taxes Other Than Income Taxes (408.1)	262	14,779,881	15,517,515			9,414,453	11,785,321	5,365,428	3,732,194
15	Income Taxes - Federal (409.1)	262	26,944,401	1,773,250			19,133,979	9,069,527	7,810,422	(7,296,277)
16	Income Taxes - Other (409.1)	262	3,493,028	(1,740,017)			2,168,039	535,181	1,324,989	(2,275,198)
17	Provision for Deferred Income Taxes (410.1)	234, 272	53,235,762	82,456,649			37,603,780	44,373,898	15,631,982	38,082,751
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272	60,516,742	67,803,131			40,510,836	45,923,485	20,005,906	21,879,646
19	Investment Tax Credit Adj. - Net (411.4)	266	14,732	(143,719)					14,732	(143,719)
20	(Less) Gains from Disp. of Utility Plant (411.6)		416,202						416,202	
21	Losses from Disp. of Utility Plant (411.7)									
22	(Less) Gains from Disposition of Allowances (411.8)		890,491	686,671			890,491	686,671		
23	Losses from Disposition of Allowances (411.9)									

24	Accretion Expense (411.10)		(2,371)	2,370			(2,371)	2,370		
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		505,102,749	485,209,424			407,790,977	384,942,526	97,311,772	100,266,898
27	Net Util Oper Inc (Enter Tot line 2 less 25)		130,473,492	99,829,120			99,446,288	68,375,392	31,027,204	31,453,728
28	Other Income and Deductions									
29	Other Income									
30	Nonutilty Operating Income									
31	Revenues From Merchandising, Jobbing and Contract Work (415)		3,036,324	2,824,752						
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		210,561	97,084						
33	Revenues From Nonutility Operations (417)		32,813							
34	(Less) Expenses of Nonutility Operations (417.1)		23,985	78,445						
35	Nonoperating Rental Income (418)		(2,823)	(3,014)						
36	Equity in Earnings of Subsidiary Companies (418.1)	119								
37	Interest and Dividend Income (419)		3,990,787	5,220,039						
38	Allowance for Other Funds Used During Construction (419.1)		4,611,595	1,057,191						
39	Miscellaneous Nonoperating Income (421)		693,030	834,373						
40	Gain on Disposition of Property (421.1)		14,251	83,825						

41	TOTAL Other Income (Enter Total of lines 31 thru 40)		12,141,431	9,841,637						
42	Other Income Deductions									
43	Loss on Disposition of Property (421.2)		57,740	52,847						
44	Miscellaneous Amortization (425)									
45	Donations (426.1)		540,179	500,957						
46	Life Insurance (426.2)									
47	Penalties (426.3)		2,521							
48	Exp. for Certain Civic, Political & Related Activities (426.4)		929,040	751,685						
49	Other Deductions (426.5)		1,402,456	6,642,455						
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		2,931,936	7,947,944						
51	Taxes Applic. to Other Income and Deductions									
52	Taxes Other Than Income Taxes (408.2)	262	(2,462)	(4,979)						
53	Income Taxes-Federal (409.2)	262	(2,240,816)	(10,239,448)						
54	Income Taxes-Other (409.2)	262	(557,885)	(2,549,265)						
55	Provision for Deferred Inc. Taxes (410.2)	234, 272	8,534,028	13,582,055						
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272	3,942,058	10,267						
57	Investment Tax Credit Adj.-Net (411.5)									
58	(Less) Investment Tax Credits (420)									

59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		1,790,807	778,096						
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		7,418,688	1,115,597						
61	Interest Charges									
62	Interest on Long-Term Debt (427)		33,942,653	30,938,749						
63	Amort. of Debt Disc. and Expense (428)		506,717	465,836						
64	Amortization of Loss on Reaquired Debt (428.1)		79,506	118,160						
65	(Less) Amort. of Premium on Debt-Credit (429)									
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)									
67	Interest on Debt to Assoc. Companies (430)		2,167,876	6,162,745						
68	Other Interest Expense (431)		2,230,729	2,214,513						
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		2,480,607	4,117,502						
70	Net Interest Charges (Total of lines 62 thru 69)		36,446,874	35,782,501						
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		101,445,306	65,162,216						
72	Extraordinary Items									
73	Extraordinary Income (434)									

74	(Less) Extraordinary Deductions (435)									
75	Net Extraordinary Items (Total of line 73 less line 74)									
76	Income Taxes-Federal and Other (409.3)	262								
77	Extraordinary Items After Taxes (line 75 less line 76)									
78	Net Income (Total of line 71 and 77)		101,445,306	65,162,216						

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

STATEMENT OF RETAINED EARNINGS

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

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		644,082,572	578,920,356
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4	Adjustments to Retained Earnings Credit			
4.1	Current Expected Credit Losses (CECL) adjustments	283		
4.2	Current Expected Credit Losses (CECL) adjustments	190		
4.3				
4.4				
4.5				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10	Adjustments to Retained Earnings Debit			
10.1				
10.2				
10.3	Intercompany Equitizations		(3,485)	
10.4	Current Expected Credit Losses (CECL) adjustments	186		
10.5	Current Expected Credit Losses (CECL) adjustments	144		
15	TOTAL Debits to Retained Earnings (Acct. 439)		(3,485)	
16	Balance Transferred from Income (Account 433 less Account 418.1)		101,445,306	65,162,216
17	Appropriations of Retained Earnings (Acct. 436)			
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			

29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
30.1	September 2024 Common Stock Dividend Declared		(140,000,000)	
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		(140,000,000)	
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		605,524,393	644,082,572
39	APPROPRIATED RETAINED EARNINGS (Account 215)			
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)			
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		605,524,393	644,082,572
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account Report only on an Annual Basis, no Quarterly)			
49	Balance-Beginning of Year (Debit or Credit)			
50	Equity in Earnings for Year (Credit) (Account 418.1)			
51	(Less) Dividends Received (Debit)			
52	TOTAL other Changes in unappropriated undistributed subsidiary earnings for the year			
52.1	Transfers from Unappropriated Retained Earnings (Account 216)			
53	Balance-End of Year (Total lines 49 thru 52)			

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

STATEMENT OF CASH FLOWS

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

Line No.	Description (See Instructions No.1 for explanation of codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities		
2	Net Income (Line 78(c) on page 117)	101,445,306	65,162,216
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	82,609,973	71,221,375
5	Amortization of (Specify) (footnote details)		
5.1	Amortization of Primary Nuclear Fuel		
5.2	Plant Items	8,825,694	8,964,793
5.3	Debt Discount, Premium, Expense, and Loss on Reacquired Debt	586,223	583,996
8	Deferred Income Taxes (Net)	(2,689,010)	28,225,306
9	Investment Tax Credit Adjustment (Net)	14,732	(143,719)
10	Net (Increase) Decrease in Receivables	71,306,667	(46,377,607)
11	Net (Increase) Decrease in Inventory	11,227,570	(8,415,150)
12	Net (Increase) Decrease in Allowances Inventory	737	
13	Net Increase (Decrease) in Payables and Accrued Expenses	24,985,237	(49,801,451)
14	Net (Increase) Decrease in Other Regulatory Assets	11,885,720	19,201,907
15	Net Increase (Decrease) in Other Regulatory Liabilities	(85,370)	841,818
16	(Less) Allowance for Other Funds Used During Construction	4,611,595	1,057,191
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote):		
18.1	Other (provide details in footnote):		
18.2	Special funds	(900,387)	(2,104,057)
18.3	Prepayments	1,591,222	(75,808)
18.4	Miscellaneous Current and Accrued Assets	1,421,062	5,241,397
18.5	Preliminary Survey and Investigation Charges	(222,087)	(646,498)
18.6	Clearing Accounts		(50)

18.7	Temporary Facilities		
18.8	Miscellaneous Deferred Debits	107,746	(358,263)
18.9	Unrecovered Purchased Gas Costs	(1,959,890)	3,895,257
18.10	Accumulated Other Comprehensive Income		
18.11	Obligations Under Capital Leases - Noncurrent	(2,114,381)	(543,482)
18.12	Accumulated Provisions	235,187	1,001,027
18.13	Accumulated Provision for Rate Refund		
18.14	Contribution to Pension Plan	(1,566,954)	(1,508,640)
18.15	Customer Advances for Construction	(702,293)	(167)
18.16	Other Deferred Credits	(275,361)	(906,285)
18.17	Derivative Instruments	286,164	(332,505)
18.18	Net Utility Plant and Nonutility Property	4,194,320	(6,406,529)
18.19	Debt Expenses	(1,036,923)	(11,971)
18.20	Deferred Income Taxes	250,988	224,545
22	Net Cash Provided by (Used in) Operating Activities (Total of Lines 2 thru 21)	304,810,297	85,874,264
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	(231,570,064)	(222,275,933)
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant	(1,320,699)	(6,119,928)
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	(4,611,595)	(1,057,191)
31	Other (provide details in footnote):		
31.1	Other (provide details in footnote):		
34	Cash Outflows for Plant (Total of lines 26 thru 33)	(228,279,168)	(227,338,670)
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
39	Investments in and Advances to Assoc. and Subsidiary Companies	(29,611,000)	
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Disposition of Investments in (and Advances to) Associated and Subsidiary Companies		
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		
46	Loans Made or Purchased		

47	Collections on Loans		
49	Net (Increase) Decrease in Receivables	(37,286,000)	19,586,665
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
53.1	Cost of Removal net of salvage		
53.2	Other (provide details in footnote):		
53.3	Other investments		
53.4	Withdrawals, issuances, and redemptions of restricted funds held in trust		
57	Net Cash Provided by (Used in) Investing Activities (Total of lines 34 thru 55)	(295,176,168)	(207,752,005)
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	225,000,000	25,000,000
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
64.1	Other (provide details in footnote):		
64.2	Notes Payable to Associated Companies		
64.3	Other Financing Activities (provide details in footnote):		
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
67.1	Other (provide details in footnote):		
67.2	Contribution from Parent		185,000,000
70	Cash Provided by Outside Sources (Total 61 thru 69)	225,000,000	210,000,000
72	Payments for Retirement of:		
73	Long-term Debt (b)		(99,943,778)
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		
76.1	Other (provide details in footnote):		
76.2	Intercompany Notes Payable MoneyPool	(92,903,000)	11,671,000
76.3	Premium payments and fees on deferred debt	(139,250)	(108,597)
76.4	Fair market value adjustment		
76.5	Bond Issuance Costs		

78	Net Decrease in Short-Term Debt (c)		
80	Dividends on Preferred Stock		
81	Dividends on Common Stock	(140,000,000)	
83	Net Cash Provided by (Used in) Financing Activities (Total of lines 70 thru 81)	(8,042,250)	121,618,625
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	Net Increase (Decrease) in Cash and Cash Equivalents (Total of line 22, 57 and 83)	1,591,879	(259,116)
88	Cash and Cash Equivalents at Beginning of Period	3,067,382	3,326,498
90	Cash and Cash Equivalents at End of Period	(a)4,659,261	3,067,382

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: CashAndCashEquivalents

	YTD December 2024	YTD December 2023
Supplemental Disclosures (in thousands)		
Cash paid for interest, net of amount Capital	$ 28,205	$ 34,318
Cash paid / (refunded) for income taxes	$ (4,899)	$ 25,502
Significant non-cash transactions (in thousands)		
AFUDC - equity component	$ 4,612	$ 1,057
Accrued capital expenditures	$ 40,733	$ 30,966
Cash and Cash Equivalents at End of period:		
Cash (131)	$ 4,659,261	$ 3,067,383
Working Funds (135)	$ 0	$ 0
Temporary Cash Investments (136)	$ 0	$ 0
	$ 4,659,261	$ 3,067,383

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

NOTES TO FINANCIAL STATEMENTS

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

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

- GAAP requires that public business enterprises report certain information about operating segments in complete sets of financial statements of the enterprise and certain information about their products and services, which are not required for FERC reporting purposes.
- GAAP requires that majority-owned subsidiaries be consolidated for financial reporting purposes. FERC requires that majority-owned subsidiaries be separately reported as Investment in Subsidiary Companies, unless an appropriate waiver has been granted by the FERC.
- FERC requires that income or losses of an unusual nature and infrequent occurrence, which would significantly distort the current year's income, be recorded as extraordinary income or deductions, respectively.
- GAAP requires that removal and nuclear decommissioning costs for property that does not have an associated legal retirement obligation be presented as a regulatory liability on the Balance Sheet. These costs are presented as accumulated depreciation on the Balance Sheet for FERC reporting purposes.
- GAAP requires the regulatory assets and liabilities resulting from the implementation of ASC 740-10 (formerly SFAS No. 109) be presented as a net amount on the balance sheet. For FERC reporting purposes, these assets and liabilities are presented separately and are included in the Other Regulatory Asset and Other Regulatory Liability line items.
- GAAP requires that the current portion of regulatory assets and regulatory liabilities be reported as current assets and current liabilities, respectively, on the Balance Sheet. FERC requires that the current portion of regulatory assets and liabilities be reported as Regulatory Assets within Deferred Debits and Regulatory Liabilities within Deferred Credits, respectively.
- GAAP requires that the current portion of long-term debt and preferred stock be reported as a current liability on the Balance Sheet. FERC requires that the current portion of long-term debt and preferred stock be reported as Long-term Debt and Proprietary Capital.
- GAAP requires that any deferred costs associated with a specific debt issuance be presented as a reduction to debt on the Balance Sheet. FERC requires any Unamortized Debt Expense to be separately stated as a Deferred Debit on the Balance Sheet.
- GAAP requires that certain account balances within financial statement line items which are not in the natural position for that line item (e.g. an account within Accounts Receivable with a credit balance) be reclassed to the appropriate side of the Balance Sheet. FERC does not require certain accounts which are not in a natural position for their respective line item to be reclassed, as long as the line item in total is in its natural position.
- GAAP requires that regulated assets that are abandoned or retired early, including the cost of the asset and its associated accumulated depreciation, be reclassified to a separate regulatory asset on the Balance Sheet. For FERC reporting purposes, those assets which have been abandoned but are still operating are maintained in their original balance sheet accounts.
- GAAP requires that the current portion of Asset Retirement Obligations be reported as current liabilities on the Balance Sheet. For FERC reporting purposes, these liabilities are not reported separately and are reflected as Asset Retirement Obligations within the Other Noncurrent Liabilities section of the Balance Sheet.
- GAAP requires service cost related to pensions and Post-Retirement Benefits Other Than Pensions (PBOP) to be reported with other compensation costs arising from services rendered by employees during the period and included in a subtotal of income from operations on the income statement. Non-service cost components are presented separately outside the subtotal of income from operations on the income statement. For FERC reporting purposes, costs related to pensions and PBOP is included in the Net Utility Operating Income of the income statement.

Duke Energy Kentucky's notes to the financial statements have been prepared in conformity with GAAP. Accordingly, certain footnotes are not reflective of Duke Energy Kentucky's financial statements contained herein. Management has evaluated the impact of events occurring after December 31, 2024 up to March 18, 2025, the date that Duke Energy Kentucky's U.S. GAAP financial statements were issued.

Management has evaluated the impact of events occurring after December 31, 2024 up to February 27, 2025 (March 18, 2025 for DE Kentucky), the date that the Company's U.S. GAAP financial statements were issued and has updated such evaluation for disclosure purposes through April 16, 2025. These financial statements include all necessary

adjustments and disclosures resulting from these evaluations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Duke Energy Kentucky is a combination electric and natural gas regulated public utility company that provides service in northern Kentucky. Duke Energy Kentucky's principal lines of business include generation, transmission, distribution and sale of electricity, as well as the transportation and sale of natural gas. Duke Energy Kentucky is subject to the regulatory provisions of the KPSC and the FERC. Duke Energy Kentucky's common stock is wholly owned by Duke Energy Ohio, Inc., an indirect wholly owned subsidiary of Duke Energy.

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

Other Current Assets and Liabilities

The following table provides a description of amounts included in Other within Current Assets or Current Liabilities that exceed 5% of total Current Assets or Current Liabilities on the Duke Energy Kentucky Balance Sheets at either December 31, 2024, or 2023.

		December 31,	
(in thousands)	Location	2024	2023
Income Taxes Receivable	Current Assets	$ —	$ 19,388
Collateral Assets	Current Assets	4,736	11,458

SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

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

Regulatory Accounting

The majority of Duke Energy Kentucky's operations are subject to price regulation for the sale of electricity and natural gas by the KPSC or FERC. When prices are set on the basis of specific costs of the regulated operations and an effective franchise is in place such that sufficient natural gas or electric services can be sold to recover those costs, Duke Energy Kentucky applies regulatory accounting. Regulatory accounting changes the timing of the recognition of costs or revenues relative to a company that does not apply regulatory accounting. As a result, regulatory assets and regulatory liabilities are recognized on the Balance Sheets and are amortized consistent with the treatment of the related cost in the ratemaking process. Regulatory assets are reviewed for recoverability each reporting period. If a regulatory asset is no longer deemed probable of recovery, the deferred cost is charged to earnings. See Note 2 for further information.

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

Cash and Cash Equivalents

All highly liquid investments with maturities of three months or less at the date of acquisition are considered cash equivalents.

Inventory

Inventory related to regulated operations is valued at historical cost. Inventory is charged to expense or capitalized to property, plant and equipment when issued, primarily using the average cost method. Excess or obsolete inventory is written-down to the lower of cost or net

realizable value. Once inventory has been written-down, it creates a new cost basis for the inventory that is not subsequently written-up. Provisions for inventory write-offs were not material at December 31, 2024, and 2023. The components of inventory are presented in the table below.

	December 31,	
(in thousands)	2024	2023
Materials and supplies	$ 23,461	$ 27,306
Coal	23,006	28,153
Natural gas, oil and other	11,639	11,685
Total inventory	$ 58,106	$ 67,144

Long-Lived Asset Impairments

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

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

Property, Plant and Equipment

Property, plant and equipment are stated at the lower of depreciated historical cost net of any disallowances or fair value, if impaired. Duke Energy Kentucky capitalizes all construction-related direct labor and material costs, as well as indirect construction costs such as general engineering, taxes and financing costs. See "Allowance for Funds Used During Construction and Interest Capitalized" below for information on capitalized financing costs. Costs of renewals and betterments that extend the useful life of property, plant and equipment are also capitalized. The cost of repairs, replacements and major maintenance projects, which do not extend the useful life or increase the expected output of the asset, are expensed as incurred. Depreciation is generally computed over the estimated useful life of the asset using the composite straight-line method. Depreciation studies are conducted periodically to update composite rates and are approved by the KPSC and/or the FERC when required. The composite weighted average depreciation rate was 2.8% and 2.5% for the years ended December 31, 2024, and 2023, respectively.

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

When Duke Energy Kentucky sells entire regulated operating units, the original cost and accumulated depreciation and amortization balances are removed from Property, Plant and Equipment on the Balance Sheets. Any gain or loss is recorded in earnings, unless otherwise required by the KPSC and/or the FERC. See Note 7 for further information.

Leases

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

Operating leases are included in Operating lease ROU assets, net, Other current liabilities and Operating lease liabilities on the Balance Sheets.

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

Allowance for Funds Used During Construction and Interest Capitalized

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

AFUDC equity, a permanent difference for income taxes, reduces the effective tax rate when capitalized and increases the effective tax rate when depreciated or amortized. See Note 15 for additional information.

Asset Retirement Obligations

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

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

Obligations for closure of ash basins are based upon discounted cash flows of estimated costs for site-specific plans, if known, or probability weightings of the potential closure methods if the closure plans are under development and multiple closure options are being considered and evaluated on a site-by-site basis. See Note 6 for further information.

Accounts Payable

Duke Energy has a voluntary supply chain finance program (the "program") with a global financial institution. Duke Energy Kentucky is a participant in this enterprise-wide program offered to suppliers. The program allows Duke Energy Kentucky suppliers, at their sole discretion, to sell their receivables from Duke Energy Kentucky to the financial institution at a rate that leverages Duke Energy Kentucky'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 Kentucky's payment terms, which are based on commercial terms negotiated between Duke Energy Kentucky and the supplier regardless of program participation. The commercial terms negotiated between Duke Energy Kentucky and its suppliers are consistent regardless of whether the supplier elects to participate in the program. Duke Energy Kentucky does not issue any guarantees with respect to the program and does not participate in negotiations between suppliers and the financial institution. Duke Energy Kentucky does not have an economic interest in the supplier's decision to participate in the program and receives no interest, fees or other benefit from the financial institution based on supplier participation in the program.

Suppliers invoices sold to the financial institution under the program are included within Accounts payable on the Balance Sheets and were immaterial for the years ended December 31, 2024, and 2023, respectively, for Duke Energy Kentucky. All activity related to amounts due to suppliers who elected to participate in the program are included within Net cash provided by operating activities on the Statements of Cash Flows.

Revenue Recognition

Duke Energy Kentucky recognizes revenue as customers obtain control of promised goods and services in an amount that reflects consideration expected in exchange for those goods or services. Generally, the delivery of electricity and natural gas results in the transfer of control to customers at the time the commodity is delivered and the amount of revenue recognized is equal to the amount billed to each customer, including estimated volumes delivered when billings have not yet occurred. See Note 13 for further information.

Derivatives and Hedging

Derivative instruments may be used in connection with commodity price and interest rate activities, including swaps, futures, forwards and options. All derivative instruments, except those that qualify for the normal purchase/normal sale exception, are recorded on the Balance Sheets at fair value. For activity subject to regulatory accounting, gains and losses on derivative contracts are reflected as regulatory assets or regulatory liabilities and not as other comprehensive income or current period income. As a result, changes in fair value of these derivatives have no immediate earnings impact. See Note 10 for further information.

Loss Contingencies and Environmental Liabilities

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

Environmental liabilities are recorded on an undiscounted basis when environmental remediation or other liabilities become probable and can be reasonably estimated. Environmental expenditures related to past operations that do not generate current or future revenues are expensed. Environmental expenditures related to operations that generate current or future revenues are expensed or capitalized, as appropriate. Certain environmental expenditures receive regulatory accounting treatment and are recorded as regulatory assets. See Notes 2 and 3 for further information.

Income Taxes

Duke Energy and its subsidiaries file a consolidated federal income tax return and other state and foreign jurisdictional returns. Duke Energy Kentucky has a tax-sharing agreement with Duke Energy, and income taxes recorded represent amounts Duke Energy Kentucky would incur as a separate C-Corporation. Deferred income taxes have been provided for temporary differences between GAAP and tax bases of assets and liabilities because the differences create taxable or tax-deductible amounts for future periods. Investment tax credits associated with regulated operations are deferred and amortized as a reduction of income tax expense over the estimated useful lives of the related properties.

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

Tax-related interest and penalties are recorded in Interest Expense and Other Income and Expenses, net, in the Statements of Operations. See Note 15 for further information.

Dividend Restrictions

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

New Accounting Standards

There were no Accounting Standard Updates adopted for 2024 and 2023 that had a material impact on the presentation or results of operations, cash flows or financial position of Duke Energy Kentucky.

2. REGULATORY MATTERS

REGULATORY ASSETS AND LIABILITIES

Duke Energy Kentucky records regulatory assets and liabilities that result from the ratemaking process. See Note 1 for further information.

The following table represents the regulatory assets and liabilities on the Balance Sheets.

	December 31,		Earns/Pays	Recovery/Refund
(in thousands)	2024	2023	a Return	Period Ends
Regulatory Assets[a]				
East Bend deferrals	$ **24,238**	28,453	Yes	(c)(f)
Accrued pension and other post-retirement benefits	**29,080**	26,699		(b)
COR regulatory asset	**31,888**	22,102	Yes	(c)
AROs – coal ash	**14,326**	16,674	Yes	(c)(f)
East Bend outage normalization	**10,010**	11,672		2028
Deferred fuel and purchased gas costs	**3,860**	5,359		(d)(f)2025
Environmental Surcharge Mechanism Deferral	**3,602**	4,905	Yes	(d)(f)2025
Deferred Forced Outage Purchased Power	**4,060**	4,424		2028
Advanced Metering Infrastructure	**2,393**	2,761		2033
Deferred gas integrity costs	**1,382**	1,671	Yes	2029
Vacation accrual	**1,169**	1,112		2025
Other	**3,591**	4,716		(c)(d)
Total regulatory assets	**129,599**	130,548		
Less: current portion	**19,305**	21,018		
Total noncurrent regulatory assets	$ **110,294**	$ 109,530		
Regulatory Liabilities[a]				
Net regulatory liability related to income taxes	$ **98,382**	105,250		(c)
Accrued pension and other post-retirement benefits	**4,528**	5,246		(b)
Deferred fuel and purchased gas costs	**1,043**	4,764		(d)2025
Demand side management / Energy efficiency costs	**4,818**	2,277		(c)(d)
Other	**55**	594		(c)(e)
Total regulatory liabilities	**108,826**	118,131		
Less: current portion	**12,076**	14,554		
Total noncurrent regulatory liabilities	$ **96,750**	$ 103,577		

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.
(b) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 14 for further information.
(c) The expected recovery or refund period varies or has not been determined.
(d) Deferred costs are recovered through a rider mechanism.
(e) Some amounts relate to unrealized gains and losses on derivatives recorded as a regulatory asset or liability, respectively, until the contracts are settled.
(f) Certain amounts are recovered through rates.

RATE RELATED INFORMATION

The KPSC approves rates for retail electric and natural gas services within the Commonwealth of Kentucky. The FERC approves rates for electric sales to wholesale customers served under cost-based rates, as well as sales of transmission service. For open regulatory matters, unless otherwise noted, Duke Energy Kentucky cannot predict the outcome or ultimate resolution of the respective matters.

Duke Energy Kentucky 2022 Electric Base Rate Case

In December 2022, Duke Energy Kentucky filed a base rate case with the KPSC driven by capital investments to strengthen the electricity generation and delivery systems along with adjusted depreciation rates for the East Bend and Woodsdale 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, a return on equity (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.

In November 2023, Duke Energy Kentucky filed for rehearing requesting certain matters be reconsidered by the KPSC and the KPSC granted in part and denied in part the Company's request for rehearing. On July 1, 2024, the KPSC issued its final order on rehearing, ruling in Duke Energy Kentucky's favor on nearly all issues. However, the KPSC ordered Duke Energy Kentucky to refund alleged over collections since the KPSC's October 12, 2023, order. On July 10, 2024, the KPSC issued an order correcting the base fuel rate used to calculate new base rates in its July 1, 2024, order and its calculation of Duke Energy Kentucky's Street Lighting Rate. New rates were implemented in August 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. Duke Energy Kentucky and Appellee briefs were filed in 2024.

Duke Energy Kentucky 2024 Electric Base Rate Case.

On December 2, 2024, Duke Energy Kentucky filed a base rate case with the KPSC requesting an annualized increase in electric base rates of approximately $70 million and an ROE of 10.85% with an equity ratio of 52.728%. This is an overall increase of approximately 14.7%. The request for the rate increase is driven by capital investments to strengthen the electricity generation and delivery systems. New rates are anticipated to go into effect around July 2, 2025. An evidentiary hearing is scheduled to begin on May 21, 2025.

3. COMMITMENTS AND CONTINGENCIES

GENERAL INSURANCE

Duke Energy Kentucky has insurance and/or reinsurance coverage either directly or through indemnification from Duke Energy's captive insurance company, Bison Insurance Company Limited, and its affiliates, consistent with companies engaged in similar commercial operations with similar type properties. Duke Energy Kentucky's coverage includes (i) commercial general liability coverage for liabilities arising to third parties for bodily injury and property damage; (ii) workers' compensation; (iii) automobile liability coverage; and (iv) property coverage for all real and personal property damage. Real and personal property damage coverage excludes electric transmission and distribution lines, but includes damages arising from boiler and machinery breakdowns, earthquakes, flood damage and extra expense, but not outage or replacement power coverage. All coverage is subject to certain deductibles or retentions, sublimits, exclusions, terms and conditions common for companies with similar types of operations. Duke Energy Kentucky self-insures its electric transmission and distribution lines against loss due to storm damage and other natural disasters.

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

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

ENVIRONMENTAL

Duke Energy Kentucky is 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 Duke Energy Kentucky.

Remediation Activities

In addition to the AROs discussed in Note 6, Duke Energy Kentucky is 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 Kentucky. These sites are in various stages of investigation, remediation and monitoring. Managed in conjunction with relevant federal, state and local agencies, remediation activities vary based upon site condition 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, Duke Energy Kentucky 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. 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 Statements of Operations unless regulatory recovery of the costs is deemed probable.

Duke Energy Kentucky has accrued approximately $618 thousand of probable and estimable costs related to its various environmental sites in Other within Other Noncurrent Liabilities on the Balance Sheets as of December 31, 2024, and 2023. Additional losses in excess of recorded reserves are expected to be immaterial for the stages of investigation, remediation and monitoring for the environmental sites that have been evaluated. The maximum amount of the range for all stages of Duke Energy Kentucky's environmental sites cannot be determined at this time.

LITIGATION

Duke Energy Kentucky is involved in other legal, tax and regulatory proceedings arising in the ordinary course of business, some of which involve significant amounts. Duke Energy Kentucky believes the final disposition of these proceedings will not have a material effect on its results of operations, cash flows or financial position. Duke Energy Kentucky expenses legal costs related to the defense of loss contingencies as incurred.

OTHER COMMITMENTS AND CONTINGENCIES

General

As part of its normal business, Duke Energy Kentucky is party to various financial guarantees, performance guarantees and other contractual commitments to extend guarantees of credit and other assistance to various third parties. These guarantees involve elements of performance and credit risk, which are not included on the Balance Sheets. The possibility of Duke Energy Kentucky having to honor its contingencies is largely dependent upon future operations of various third parties or the occurrence of certain future events.

Purchase Obligations

Pipeline and Storage Capacity Contracts

Duke Energy Kentucky enters into pipeline and storage capacity contracts that commit future cash flows to acquire services needed in its business. Costs arising from capacity commitments are recovered via the Gas Cost Adjustment Clause in Kentucky. The time period for fixed payments under these pipeline and storage capacity contracts is up to 19 years.

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

The following table presents future unconditional purchase obligations under these contracts.

(in thousands)	December 31, 2024
2025	$ 24,384
2026	24,259
2027	23,865
2028	23,865
2029	23,500
Thereafter	179,889
Total	$ 299,762

4. LEASES

As part of its operations, Duke Energy Kentucky leases space on communication towers under various terms and expiration dates. Certain Duke Energy Kentucky lease agreements include options for renewal and early termination. The intent to renew a lease varies depending on the lease type and asset. Renewal options that are reasonably certain to be exercised are included in the lease measurements. The decision to terminate a lease early is dependent on various economic factors. No termination options have been included in any of the lease measurements.

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

The following table presents the components of lease expense and are included in Operations, maintenance and other on the Statements of Operations.

	Years Ended December 31,	
(in thousands)	2024	2023
Operating lease expense	$ 1,764	$ 1,879
Variable lease expense	64	43
Total lease expense	$ 1,828	$ 1,922

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

(in thousands)	December 31, 2024
2025	$ 437
2026	445
2027	454
2028	462
2029	405
Thereafter	3,166
Total operating lease payments	5,369
Less: present value discount	(1,259)
Total operating lease liabilities[(a)]	$ 4,110

(a) Certain operating lease payments include renewal options that are reasonably certain to be exercised.

The following tables contain additional information related to leases.

(in thousands)	Classification	December 31, 2024	2023
Assets			
Operating	Operating lease ROU assets, net	$ 3,955	$ 7,430
Total lease assets		$ 3,955	$ 7,430
Liabilities			
Current			
Operating	Other current liabilities	$ 261	$ 364
Noncurrent			
Operating	Operating lease liabilities	$ 3,849	$ 7,491
Total lease liabilities		$ 4,110	$ 7,855

(in thousands)	Years ended December 31, 2024	2023
Cash paid for amounts included in the measurement of lease liabilities[a]		
Operating cash flows from operating leases	$ 597	$ 697

(a) No amounts were classified as investing cash flows from operating leases for the years ended December 31, 2024, and 2023.

	December 31, 2024	2023
Weighted average remaining lease term (years)		
Operating leases	12	13
Weighted average discount rate[a]		
Operating leases	4.4 %	4.4 %

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

5. DEBT AND CREDIT FACILITIES

SUMMARY OF DEBT AND RELATED TERMS

The following table summarizes outstanding debt.

(in thousands)	Weighted Average Interest Rate	Year Due	December 31, 2024	2023
Unsecured debt	4.55 %	2025 - 2057	$ 830,000	$ 605,000
Tax-exempt bonds[a][b]	3.72 %	2027	76,720	76,720
Money pool borrowings[b][c]	4.69 %	2030	25,000	117,903
Unamortized debt discount and premium, net			(137)	(150)
Unamortized debt issuance costs			(2,659)	(2,008)
Total debt	4.49 %		$ 928,924	$ 797,465
Short-term money pool borrowings			—	(92,903)
Current maturities of long-term debt			(94,948)	—
Total long-term debt			$ 833,976	$ 704,562

(a) Includes $27 million that is secured by a bilateral letter of credit agreement at December 31, 2024, and 2023.
(b) Floating-rate debt. At December 31, 2023, the weighted average interest rate was 3.79% and 5.26% for tax-exempt bonds and money pool borrowings, respectively.
(c) Includes $25 million classified as Long-Term Debt Payable to Affiliated Companies on the Balance Sheets at December 31, 2024, and 2023.

MATURITIES AND CALL OPTIONS

The following table shows the annual maturities of long-term debt for the next five years and thereafter. Amounts presented exclude short-term notes payable.

(in thousands)	December 31, 2024
2025	$ 95,000
2026	45,000
2027	76,720
2028	40,000
2029	130,000
Thereafter	545,000
Total long-term debt, including current maturities	$ 931,720

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

SHORT-TERM OBLIGATIONS CLASSIFIED AS LONG-TERM DEBT

Certain tax-exempt bonds that may be put to Duke Energy Kentucky at the option of the holder and money pool borrowings, which are short-term obligations by nature, are classified as long-term due to Duke Energy Kentucky's intent and ability to utilize such borrowings as long-term financing. As Duke Energy's Master Credit Facility and Duke Energy Kentucky's other bilateral letter of credit agreements have non-cancelable terms in excess of one year as of the balance sheet date, Duke Energy Kentucky has the ability to refinance these short-term obligations on a long-term basis. See "Available Credit Facilities" below for additional information.

At December 31, 2024, and 2023, $27 million of tax-exempt bonds and $25 million of money pool borrowings were classified as Long-Term Debt and Long-Term Debt Payable to Affiliated Companies, respectively, on the Balance Sheets.

SUMMARY OF SIGNIFICANT DEBT ISSUANCES

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

Issuance Date	Year Ended December 31, 2024 Maturity Date	Interest Rate	Amount
Unsecured Debt			
June 2024[a]	July 2031	5.90 %	80,000
June 2024[a]	July 2034	6.00 %	95,000
June 2024[a]	July 2039	6.17 %	50,000
Total issuances			$ 225,000

(a) Proceeds used to pay down a portion of short-term debt and for general corporate purposes.

AVAILABLE CREDIT FACILITIES

Master Credit Facility

In March 2025, Duke Energy extended the termination date of its existing Master Credit Facility to March 2030 and increased its capacity from $9 billion to $10 billion. Duke Energy Kentucky has borrowing capacity under the Master Credit Facility up to a specified sublimit. Duke Energy has the unilateral ability at any time to increase or decrease Duke Energy Kentucky's borrowing sublimit, subject to a maximum sublimit. The amount available to Duke Energy Kentucky under the Master Credit Facility may be reduced due to backstop issuances of commercial paper. At December 31, 2024, Duke Energy Kentucky had a borrowing sublimit of $225 million and available capacity of $200 million under Duke Energy's Master Credit Facility.

Duke Energy Kentucky and Duke Energy Indiana, LLC, a subsidiary of Duke Energy, collectively have a $156 million bilateral letter of credit agreement with a termination date of February 2026. Duke Energy Kentucky may request the issuance of letters of credit up to $27 million on its behalf to support various series of tax-exempt bonds. This credit facility may not be used for any purpose other than to support the tax-exempt bonds.

Term Loan Facility

In October 2021, Duke Energy Kentucky entered into a two-year term loan facility with commitments totaling $50 million. The term loan facility was fully drawn at the time of closing. In October 2023, Duke Energy Kentucky's $50 million two-year term loan facility was increased to $75 million and its maturity was extended to April 2024. The $25 million in incremental borrowings under the facility were fully drawn at the time of closing and used to pay down short-term debt and for general corporate purpose. In December 2023, Duke Energy Kentucky repaid the $75 million outstanding on the term loan and terminated the facility.

OTHER DEBT MATTERS

Money Pool

Duke Energy Kentucky receives support for its short-term borrowing needs through participation with Duke Energy and certain of its subsidiaries in a money pool arrangement. Under this arrangement, those companies with short-term funds may provide short-term loans to affiliates participating under this arrangement. The money pool is structured such that Duke Energy Kentucky separately manages its cash needs and working capital requirements. Accordingly, there is no net settlement of receivables and payables between money pool participants. Duke Energy may loan funds to its participating subsidiaries, but may not borrow funds through the money pool.

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

Restrictive Debt Covenants

Duke Energy Kentucky's debt and credit agreements contain various financial and other covenants. Duke Energy's Master Credit Facility contains a covenant requiring the debt-to-total capitalization ratio not to exceed 65% for each borrower. Failure to meet those covenants beyond applicable grace periods could result in accelerated due dates and/or termination of the agreements. As of December 31, 2024, Duke Energy Kentucky was in compliance with all covenants related to its debt agreements. In addition, some credit agreements may allow for acceleration of payments or termination of the agreements due to nonpayment, or acceleration of other significant indebtedness of the borrower or some of its subsidiaries. None of the debt or credit agreements contain material adverse change clauses.

6. ASSET RETIREMENT OBLIGATIONS

Duke Energy Kentucky records an ARO when it has a legal obligation to incur retirement costs associated with the retirement of a long-lived asset and the obligation can be reasonably estimated. Certain assets have an indeterminate life, and thus the fair value of the retirement obligation is not reasonably estimable. AROs are primarily related to closure of ash basins and landfills at a fossil generation facility and the retirement of natural gas mains. A liability for these AROs is recorded when a fair value is determinable.

Duke Energy Kentucky is subject to state and federal regulations covering the closure of coal ash impoundments, including the EPA's 2015 Coal Combustion Residuals Rule (2015 CCR Rule). AROs recorded on the Balance Sheets include the legal obligation for the disposal of Coal Combustion Residuals (CCR), which is based upon estimated closure costs for impacted ash impoundments. The amount recorded represents the discounted cash flows for estimated closure costs based upon specific closure plans. Actual costs to be incurred will be dependent upon factors that vary from site to site. The most significant factors are the method and time frame of closure at the individual sites. Closure methods considered include removing the water from ash basins, consolidating material as necessary and capping the ash with a synthetic barrier, excavating and relocating the ash to a lined structural fill or lined landfill or recycling the ash for concrete or some other beneficial use. The ultimate method and timetable for closure will be in compliance with standards set by federal and state regulations and other agreements. The ARO amount will be adjusted as additional information is gained through the closure and post-closure process, including acceptance and approval of compliance approaches, which may change management assumptions, and may result in a material change to the balance.

On May 8, 2024, the EPA published in the Federal Register a rule which significantly expands the scope of the 2015 CCR Rule by establishing regulatory requirements for inactive surface impoundments at retired generating facilities (2024 CCR Rule). The 2024 CCR Rule also imposes a subset of the 2015 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 which may include surface impoundments and landfills that closed prior to the effective date of the 2015 CCR Rule, inactive CCR landfills, and any other areas where CCR is managed directly on the land at Duke Energy Kentucky facilities. Cost recovery for future expenditures is anticipated and will be pursued through the normal ratemaking process with federal and state utility commissions, which permit recovery of reasonable and prudently incurred costs associated with Duke Energy Kentucky's regulated operations.

Duke Energy Kentucky's regulated electric and regulated natural gas operations accrue costs of removal for property that does not have an associated legal retirement obligation based on regulatory orders from the KPSC. These costs of removal are recorded as a regulatory liability in accordance with regulatory accounting treatment. The amount spent may be higher than the amount accrued and result in a net asset. See Note 2 for the estimated cost of removal for assets without an associated legal retirement obligation, which are included in Regulatory assets on the Balance Sheets as of December 31, 2024, and 2023.

The following table presents the changes in the liability associated with AROs.

	Years Ended December 31,	
(in thousands)	**2024**	**2023**
Balance at beginning of period	**$ 88,018**	$ 107,821
Accretion expense[a]	**4,469**	4,712
Liabilities settled[b]	**(6,920)**	(15,099)
Liabilities incurred in the current year	**—**	1,142
Revisions to estimates of cash flows[c]	**1,552**	(10,558)
Balance at end of period	**$ 87,119**	$ 88,018

(a) All accretion expense has been deferred in accordance with regulatory accounting treatment.
(b) Related to ash basin and landfill closure costs at the East Bend Station.
(c) Revision amounts represent the change in discounted cash flows for estimated ash impoundment closure costs. The amounts primarily relate to changes in routine maintenance cost estimates for ash impoundments. The increase in 2024 includes additional scope requirements to regulate the disposal of CCR in landfills and surface impoundments as a result of the 2024 CCR Rule, including an increase in groundwater monitoring wells.

The asset retirement costs associated with AROs are included within Property, Plant and Equipment on the Balance Sheets

7. PROPERTY, PLANT AND EQUIPMENT

The following table summarizes property, plant and equipment.

	Average Remaining Useful Life	December 31,	
(in thousands)	**(Years)**	**2024**	**2023**
Land		**$ 58,726**	$ 52,830
Plant			
Electric generation, distribution and transmission	**39**	**2,280,204**	2,204,173
Natural gas transmission and distribution	**57**	**971,058**	879,157
Other buildings and improvements	**28**	**23,091**	22,736
Equipment	**13**	**58,360**	54,152
Construction in process		**96,312**	98,006
Other	**15**	**87,186**	82,605
Total property, plant and equipment		**3,574,937**	3,393,659
Accumulated depreciation and amortization		**(1,179,346)**	(1,138,125)
Net property, plant and equipment[a]		**$ 2,395,591**	$ 2,255,534

(a) The debt component of AFUDC totaled $2.5 million and $4.1 million at December 31, 2024, and 2023, respectively.

8. OTHER INCOME AND EXPENSES, NET

The components of Other Income and Expenses, net on the Statements of Operations are as follows.

	Years Ended December 31,	
(in thousands)	**2024**	**2023**
Income/(Expense):		
Interest income	**$ 3,991**	$ 5,220
AFUDC equity	**4,612**	1,057
Other	**1,998**	2,524
Other Income and Expenses, net	**$ 10,601**	$ 8,801

9. RELATED PARTY TRANSACTIONS

Duke Energy Kentucky engages in related party transactions, which are generally performed at cost and in accordance with KPSC and FERC regulations. Refer to the Balance Sheets for balances due to or from related parties. Transactions with related parties included in the Statements of Operations are presented in the following table.

	Years Ended December 31,	
(in thousands)	**2024**	**2023**
Corporate governance and shared service expenses[a]	**$ 81,451**	$ 75,518

(a) Duke Energy Kentucky is charged its proportionate share of costs, primarily related to human resources, employee benefits, information technology, legal and accounting fees, as well as other third-party costs, from a consolidated affiliate of Duke Energy. These amounts are recorded in Operation, maintenance and other on the Statements of Operations.

In addition to the amounts presented above, Duke Energy Kentucky has other affiliate transactions, including certain indemnification coverages through Duke Energy's wholly owned captive insurance subsidiary, rental of office space, participation in a money pool arrangement with Duke Energy and certain of its subsidiaries, other operational transactions and its proportionate share of certain charged expenses. See Note 5 for more information regarding the money pool.

As discussed in Note 12, certain trade receivables were previously sold by Duke Energy Kentucky to Cinergy Receivables Company, LLC (CRC), an indirect 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 its subsidiaries file a consolidated federal income tax return and other state and jurisdictional returns. Duke Energy Kentucky has a tax sharing agreement with Duke Energy for the allocation of consolidated tax liabilities and benefits. Income taxes recorded represent amounts Duke Energy Kentucky would incur as a separate C-Corporation. Duke Energy Kentucky had an intercompany tax payable balance of $8 million included in Taxes accrued at December 31, 2024, and an intercompany tax receivable balance of $25 million included in Other current assets at December 31, 2023 on the Balance Sheets.

10. DERIVATIVES AND HEDGING

COMMODITY PRICE RISK

Duke Energy Kentucky has limited exposure to market price changes of fuel and emission allowance costs incurred for its retail customers due to the use of cost tracking and recovery mechanisms. Duke Energy Kentucky does have exposure to the impact of market fluctuations in the prices of electricity, fuel and emission allowances associated with its generation output not utilized to serve retail operations or committed load (off-system, wholesale power sales). Duke Energy Kentucky's outstanding commodity derivatives, FTRs, had a notional volume of 1,287 gigawatt-hours and 1,616 gigawatt-hours at December 31, 2024, and 2023, respectively.

See Note 11 for additional information on the fair value of commodity derivatives.

INTEREST RATE RISK

Duke Energy Kentucky is exposed to changes in interest rates as a result of its issuance or anticipated issuance of variable-rate and fixed-rate debt. Interest rate risk is managed by limiting variable-rate exposure to a percentage of total debt and by monitoring changes in interest rates. To manage risk associated with changes in interest rates, Duke Energy Kentucky may enter into financial contracts including interest rate swaps and U.S. Treasury lock agreements. The notional amount of interest rate swaps outstanding was $26.7 million at December 31, 2024, and 2023. Financial contracts entered into by Duke Energy Kentucky are not designated as a hedge because they are accounted for under regulatory accounting. With regulatory accounting, the mark-to-market gains or losses are deferred as regulatory liabilities or assets, respectively. Regulatory assets and regulatory liabilities are amortized consistent with the treatment of related costs in the ratemaking process. The accrual of interest on swaps is recorded as Interest Expense on the Statements of Operations.

See Note 11 for additional information on the fair value of interest rate derivatives.

CREDIT RISK

Duke Energy Kentucky analyzes the financial condition of counterparties prior to entering into agreements and establishes credit limits and monitors the appropriateness of those limits on an ongoing basis. Credit limits and collateral requirements for retail electric customers are established by the KPSC.

Duke Energy Kentucky's industry has historically operated under negotiated credit lines for physical delivery contracts. Duke Energy Kentucky may use master collateral agreements to mitigate certain credit exposures. The collateral agreements require certain counterparties to post cash or letters of credit for the amount of exposure in excess of an established threshold. The threshold amount represents an unsecured credit limit determined in accordance with the corporate credit policy. Collateral agreements also provide that the inability to post collateral is sufficient cause to terminate contracts and liquidate all positions.

Duke Energy Kentucky also obtains cash or letters of credit from customers to provide credit support outside of collateral agreements, where appropriate, based on its financial analysis of the customer and the regulatory or contractual terms and conditions applicable to each transaction.

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 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.

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. Duke Energy Kentucky has not elected to record any of these items at fair value.

Commodity derivatives

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. The valuation technique and unobservable input for an FTR is regional transmission organization auction pricing and FTR price - per megawatt-hour, respectively.

Interest rate derivatives

All 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.

QUANTITATIVE DISCLOSURES

The following tables provide recorded balances for assets and liabilities measured at fair value on a recurring basis on the Balance Sheets. Derivative amounts in the table below exclude cash collateral.

	December 31, 2024				December 31, 2023			
(in thousands)	Total Fair Value	Level 2	Level 3		Total Fair Value	Level 2	Level 3	
Derivative assets[a]	$ 1,140	$ 134	$ 1,006		$ 1,510	$ —	$ 1,510	
Derivative liabilities[b]	$ (1,190)	$ (1,190)	—		(1,749)	(1,749)	0	
Net (liabilities) assets	$ (50)	$ (1,056)	$ 1,006		$ (239)	$ (1,749)	$ 1,510	

(a) Included in Other within Current Assets and Other within Other Noncurrent Assets on the Balance Sheets. The amounts primarily relate to FTRs.
(b) Included in Other within Current Liabilities and Other within Other Noncurrent Liabilities on the Balance Sheets. The amounts relate to interest rate swaps

The following table provides a reconciliation of beginning and ending balances of assets and liabilities measured at fair value on a recurring basis where the determination of fair value includes significant unobservable inputs (Level 3).

	Derivatives (net)	
	Years Ended December 31,	
(in thousands)	2024	2023
Balance at beginning of period	$ 1,510	$ 4,560
Purchases, sales, issuances and settlements:		
Purchases	2,157	4,842
Settlements	(3,688)	(3,780)
Total gains (losses) included on the Balance Sheets as regulatory assets or liabilities	1,027	(4,112)
Balance at end of period	$ 1,006	$ 1,510

OTHER FAIR VALUE DISCLOSURES

The fair value of long-term debt, including current maturities, is summarized in the following table. Estimates determined are not necessarily indicative of the amounts that could have settled in current markets. Fair value of long-term debt uses Level 2 measurements.

	December 31, 2024		December 31, 2023	
(in thousands)	Book value	Fair value	Book value	Fair value
Long-Term debt, including current maturities	$ 928,924	$ 854,475	$ 704,562	$ 635,310

At December 31, 2024, and 2023, the fair value of cash and cash equivalents, accounts and notes receivable, and accounts and notes payable 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

A variable interest entity (VIE) is an entity that is evaluated for consolidation using more than a simple analysis of voting control. The analysis to determine whether an entity is a VIE considers contracts with an entity, credit support for an entity, the adequacy of the equity investment of an entity and the relationship of voting power to the amount of equity invested in an entity. This analysis is performed either upon the creation of a legal entity or upon the occurrence of an event requiring reevaluation, such as a significant change in an entity's assets or activities. A qualitative analysis of control determines the party that consolidates a VIE. This assessment is based on (i) what party has the power to direct the activities of the VIE that most significantly impact its economic performance and (ii) what party has rights to receive benefits or is obligated to absorb losses that could potentially be significant to the VIE. The analysis of the party that consolidates a VIE is a continual reassessment.

Cinergy Receivables Company

Until March 2024, CRC was a bankruptcy remote, special purpose entity that was an affiliate of Duke Energy Kentucky. As discussed below, Duke Energy Kentucky did not consolidate CRC as it was not the primary beneficiary. On a revolving basis, CRC bought certain accounts receivable arising from the sale of electricity, natural gas and related services from Duke Energy Kentucky. CRC then borrowed amounts under a credit facility to buy the receivables from Duke Energy Kentucky. 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 reserves for expected past due balances. The sole source of funds to satisfy the related debt obligation was cash collections from the receivables.

In March 2024, Duke Energy repaid all outstanding CRC borrowings and terminated the related CRC facility. Additionally, Duke Energy's restricted receivables outstanding at CRC at the time of termination related to Duke Energy Kentucky totaled $86 million and were transferred back to Duke Energy Kentucky to be collected and reported as Receivables on the Consolidated Balance Sheets.

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. Duke Energy Kentucky did not consolidate CRC.

The proceeds Duke Energy Kentucky 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. Duke Energy Kentucky had no receivables from CRC as of December 31, 2024 and $34 million of receivables from CRC at December 31, 2023. The balance as of December 31, 2023 is included in Receivables from affiliated companies on the Balance Sheets.

The subordinated note held by Duke Energy Kentucky was stated at fair value as of December 31, 2023. Prior to Duke Energy terminating the CRC credit facility, carrying values of retained interests were determined by allocating carrying value of the receivables between assets sold and interests retained based on relative fair value. The allocated basis of the subordinated note was not materially different than the face value because (i) the receivables generally turned over in less than two months, (ii) credit losses were reasonably predictable due to the broad customer base and lack of significant concentration and (iii) the equity in CRC was subordinate to all retained interests and thus would absorb losses first. The hypothetical effect on fair value of the retained interests assuming both a 10% and a 20% unfavorable variation in credit losses or discount rates was not material due to the short turnover of receivables and historically low credit loss history. Interest accrued to Duke Energy Kentucky on the retained interests using the acceptable yield method.

Key assumptions used in estimating fair value as of December 31, 2023 are detailed in the following table.

Anticipated credit loss ratio	0.5 %
Discount rate	6.1 %
Receivables turnover rate	11.7 %

The following table presents gross and net receivables sold.

	December 31,	
(in thousands)	**2024**	**2023**
Receivables sold	**$ —**	$ 81,182
Less: Retained interests	**—**	33,757
Net receivables sold	**$ —**	$ 47,425

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

	Years Ended December 31,	
(in thousands)	**2024**	**2023**
Sales		
Receivables sold	**$ 134,178**	$ 613,410
Loss recognized on sale	**1,503**	6,445
Cash flows		
Cash proceeds from receivables sold	**$ 127,359**	$ 626,122
Collection fees received	**67**	307
Return received on retained interests	**934**	4,674

Cash flows from sales of receivables are reflected within Cash Flows from Operating Activities and Cash Flows from Investing Activities on the Statements of Cash Flows.

Collection fees received in connection with the servicing of transferred accounts receivable were included in Operation, maintenance and other on the Statements of Operations. The loss recognized on sales of receivables was calculated monthly by multiplying receivables sold during the month by the required discount. The required discount was derived monthly utilizing a three-year weighted average formula that considers charge-off history, late charge history and turnover history on the sold receivables, as well as a component for the time value of money. The discount rate, or component for the time value of money, was the prior month-end Daily Simple Secured Overnight Financing Rate (SOFR) plus a fixed rate of 1%.

13. REVENUE

Duke Energy Kentucky recognizes revenue consistent with amounts billed under tariff offerings or at contractually agreed upon rates based on actual physical delivery of electric or natural gas service, including estimated volumes delivered when billings have not yet occurred. As such,
the majority of Duke Energy Kentucky's revenues have fixed pricing based on the contractual terms of the published tariffs, with variability in expected cash flows attributable to the customer's volumetric demand and ultimate quantities of energy or natural gas supplied and used during the billing period. The stand-alone selling price of related sales are designed to support recovery of prudently incurred costs and an appropriate return on invested assets and are primarily governed by published tariff rates or contractual agreements approved by relevant
regulatory bodies. Certain excise taxes and franchise fees levied by state or local governments are required to be paid even if not collected from the customer. These taxes are recognized on a gross basis as part of revenues. Duke Energy Kentucky elects to account for all other taxes net of revenues.

Performance obligations are satisfied over time as energy or natural gas is delivered and consumed with billings generally occurring monthly and related payments due within 30 days, depending on regulatory requirements. In no event does the timing between payment and delivery of the goods and services exceed one year. Using this output method for revenue recognition provides a faithful depiction of the transfer of electric and natural gas service as customers obtain control of the commodity and benefit from its use at delivery. Additionally, Duke Energy Kentucky has an enforceable right to consideration for energy or natural gas delivered at any discrete point in time and will recognize revenue at an amount that reflects the consideration to which Duke Energy Kentucky is entitled for the energy or natural gas delivered.

As described above, the majority of Duke Energy Kentucky's tariff revenues are at-will and, as such, related contracts with customers have an expected duration of one year or less and will not have future performance obligations for disclosure.

Duke Energy Kentucky earns substantially all of its revenues through the sale of electricity and natural gas.

Electricity Sales

Electric sales revenues are earned primarily through retail and wholesale electric service through the generation, transmission, distribution and sale of electricity. Duke Energy Kentucky generally provides retail electric service customers with their full electric load requirements and sells wholesale block sales of electricity into the market.

Retail electric service is generally marketed throughout Duke Energy Kentucky's electric service territory through standard service offers. The standard service offers are through tariffs determined by the KPSC. Each tariff, which is assigned to customers based on customer class, has multiple components such as an energy charge, customer charge, demand charge and applicable riders. Duke Energy Kentucky considers each of these components to be aggregated into a single performance obligation for providing electric service. Electricity is considered a single performance obligation satisfied over time consistent with the series guidance and is provided and consumed over the billing period, generally one month. Retail electric service is typically provided to at-will customers who can cancel service at any time, without a substantive penalty. Additionally, Duke Energy Kentucky adheres to applicable regulatory requirements to ensure the collectability of amounts billed and appropriate mitigating procedures are followed when necessary. As such, revenue from contracts with customers is equivalent to the electricity supplied and billed in that period (including unbilled estimates).

Wholesale electric service is provided through block sales of electricity. Revenues for block sales are recognized monthly as energy is delivered and stand-ready service is provided, consistent with invoiced amounts and unbilled estimates.

Natural Gas Sales

Natural gas sales revenues are earned through retail natural gas service through the transportation, distribution and sale of natural gas. Duke Energy Kentucky generally provides 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 Kentucky is consumed by customers simultaneously with receipt of delivery.

Retail natural gas service is marketed throughout Duke Energy Kentucky's natural gas service territory using published tariff rates. The tariff rates are established by the KPSC. Each tariff, which is assigned to customers based on customer class, has multiple components, such as a commodity charge, customer or monthly charge and transportation costs. Duke Energy Kentucky considers each of these components to be aggregated into a single performance obligation for providing natural gas service. For contracts where Duke Energy Kentucky provides all of the customer's natural gas needs, the delivery of natural gas is considered a single performance obligation satisfied over time, and revenue is recognized monthly based on billings and unbilled estimates as service is provided and the commodity is consumed over the billing period. Additionally, natural gas service is typically at-will and customers can cancel service at any time, without a substantive penalty. Duke Energy Kentucky also adheres to applicable regulatory requirements to ensure the collectability of amounts billed and receivable and appropriate mitigating procedures are followed when necessary.

Disaggregated Revenues

For electric and natural gas sales, revenue by customer class is most meaningful to Duke Energy Kentucky as each respective customer class collectively represents unique customer expectations of service, generally has different energy and demand requirements and operates under tailored, regulatory approved pricing structures. Additionally, each customer class is impacted differently by weather and a variety of economic factors including the level of population growth, economic investment, employment levels and regulatory activities. As such, analyzing revenues disaggregated by customer class allows Duke Energy Kentucky to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

Disaggregated revenues are presented as follows:

(in thousands)	Years Ended December 31,	
By market or type of customer	**2024**	**2023**
Electricity Sales		
Residential	**$ 199,941**	$ 171,241
Commercial	**200,512**	176,078
Industrial	**70,766**	65,844
Wholesale[(a)]	**19,922**	16,965

Other revenues			**14,514**	23,998
Total Electricity Sales revenue from contracts with customers	**$**		**505,655** $	454,126
Natural Gas Sales				
Residential	**$**		**81,244** $	84,173
Commercial			**37,698**	38,129
Industrial			**6,025**	6,265
Other revenues			**3,370**	2,579
Total Natural Gas Sales revenue from contracts with customers	**$**		**128,337** $	131,146
Total revenue from contracts with customers	**$**		**633,992** $	585,272
Other revenue sources[(b)]			**3,980**	408
Total revenues	**$**		**637,972** $	585,680

(a) Duke Energy Kentucky nets wholesale electric sales and purchases on an hourly basis. As such, the net position may result in fluctuations between positive and negative net revenues at the end of a reporting period.
(b) Other revenue sources include revenues from derivatives, leases and alternative revenue programs that are not considered revenues from contracts with customers.

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

(in thousands)		
Balance at December 31, 2022	$	531
Credit Loss Expense		215
Balance at December 31, 2023	**$**	**746**
Credit Loss Expense		**173**
Other Adjustments		**2,600**
Balance at December 31, 2024	**$**	**3,519**

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.

14. EMPLOYEE BENEFIT PLANS

DEFINED BENEFIT RETIREMENT PLANS

Duke Energy Kentucky participates in qualified, non-contributory defined benefit retirement plans, which consist of the Duke Energy Retirement Cash Balance Plan (RCBP) and the Duke Energy Legacy Pension Plan (DELPP). Duke Energy Kentucky participants also participate in non-qualified defined benefit retirement plans and other post-retirement benefit plans sponsored by Duke Energy. Duke Energy allocates pension and other post-retirement obligations and costs related to these plans to Duke Energy Kentucky. The plans cover most employees using a cash balance formula. Under a cash balance formula, a plan participant accumulates a retirement benefit consisting of pay credits based upon a percentage of current eligible earnings based on age and/or years of service and interest credits. Certain employees are covered under plans that use a final average earnings formula. Under these average earnings formulas, a plan participant accumulates a retirement benefit equal to the sum of percentages of their (i) highest three-year or four-year average earnings, (ii) highest three-year or four-year average earnings in excess of covered compensation per year of participation (maximum of 35 years) and/or (iii) highest three-year average earnings times years of participation in excess of 35 years. Duke Energy also maintains, and Duke Energy Kentucky participates in, non-qualified, non-contributory defined benefit retirement plans which cover certain executives. The qualified and non-qualified non-contributory defined benefit plans are closed to new participants.

Duke Energy uses a December 31 measurement date for its defined benefit retirement plan assets and obligations. Actuarial gains experienced by the defined benefit retirement plans in remeasuring plan obligations as of December 31, 2024, were primarily attributable to the increase in the discount rate used to measure plan obligations. Actuarial losses experienced by the defined benefit retirement plans in remeasuring plan assets as of December 31, 2024, were primarily attributable to actual investment performance that was less than expected investment performance. Actuarial gains experienced by the defined benefit retirement plans in remeasuring plan assets on December 31, 2023, were primarily attributable to actual investment performance that exceeded expected investment performance. Actuarial losses experienced by the defined benefit retirement plans in remeasuring plan obligations as of December 31, 2023, were primarily attributable to the decrease in the discount rate used to measure plan obligations.

As a result of the application of settlement accounting due to total lump-sum benefit payments exceeding the settlement threshold (defined as the sum of service cost and interest cost on projected benefit obligation components of net periodic benefit costs) for one of its qualified pension plans, Duke Energy Kentucky recognized settlement charges of $469 thousand which were recorded to Other Income and Expenses, net, within the Statements of Operations as of December 31, 2024. Settlement charges include amounts allocated by Duke Energy for employees of Duke Energy Kentucky and allocated charges for their proportionate share of settlement charges for employees of Duke Energy's shared services affiliate. As a result of the remeasurement due to the application of settlement accounting, Duke Energy Kentucky recognized a remeasurement loss of $2.1 million, which is recorded in Other within Other Noncurrent Assets on the Balance Sheet as of December 31, 2024. The remeasurement loss, which represents a decrease in funded status, reflects an increase of $88 thousand in the fair value of plan assets and an increase of $2.2 million in the projected benefit obligation.
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. Actual contributions for Duke Energy Kentucky were $1,567 thousand and $1,509 thousand for the years ended December 31, 2024, and 2023, respectively.

Net periodic benefit costs disclosed in the tables below represent the cost of the respective plan for the periods presented prior to capitalization of amounts reflected as Net property, plant and equipment, on the Balance Sheets. Only the service cost component of net periodic benefit costs is eligible to be capitalized. The remaining non-capitalized portions of net periodic benefit costs are classified as either: (i) service cost, which is recorded in Operations, maintenance and other on the Statements of Operations; or as (ii) components of non-service cost, which is recorded in Other Income and Expenses, net, on the Statements of Operations. Amounts presented in the tables below represent the amounts of pension and other post-retirement benefit cost allocated by Duke Energy for employees of Duke Energy Kentucky. Additionally, Duke Energy Kentucky is allocated its proportionate share of pension and other post-retirement benefit cost for employees of Duke Energy's shared services affiliate that provides support to Duke Energy Kentucky. These allocated amounts are included in the governance and shared services costs discussed in Note 9.

QUALIFIED PENSION PLANS

Components of Net Periodic Pension Costs

		Years Ended December 31,	
(in thousands)		**2024**	**2023**
Service cost	**$**	**641** $	623
Interest cost on projected benefit obligation		**3,849**	4,088
Expected return on plan assets		**(5,273)**	(5,112)
Amortization of prior service credit		**(73)**	(89)
Amortization of actuarial loss		**521**	231
Settlement charge		**469**	—
Net periodic pension costs	**$**	**134** $	(259)

Amounts Recognized in Regulatory Assets

		December 31,	
(in thousands)		**2024**	**2023**
Regulatory assets, net increase (decrease)	**$**	**2,801** $	(339)

Reconciliation of Funded Status to Net Amount Recognized

(in thousands)	Years Ended December 31, 2024	2023
Change in Projected Benefit Obligation		
Obligation at prior measurement date	$ 73,892	$ 75,508
Service cost	569	553
Interest cost	3,849	4,088
Actuarial losses	77	494
Benefits paid	(6,677)	(6,482)
Transfers [a]	—	(269)
Obligation at measurement date	$ 71,710	$ 73,892
Accumulated Benefit Obligation at measurement date	$ 70,775	$ 72,775
Change in Fair Value of Plan Assets		
Plan assets at prior measurement date	$ 68,329	$ 67,753
Actual return on plan assets	1,929	5,818
Benefits paid	(6,677)	(6,482)
Employer contributions	1,567	1,509
Transfers [a]	—	(269)
Plan assets at measurement date	$ 65,148	$ 68,329
Funded status of plan	$ (6,562)	$ (5,563)

(a) Transfers represents net amounts associated with plan participants that have moved to/from other Duke Energy subsidiaries

Amounts Recognized in the Balance Sheets

(in thousands)	December 31, 2024	2023
Prefunded pension[a]	$ 18,275	$ 18,345
Noncurrent pension liability[b]	24,837	23,908
Net liability recognized	$ (6,562)	$ (5,563)
Regulatory assets	$ 25,122	$ 22,321

(a) Included in Other within Investments and Other Assets on the Balance Sheets.
(b) Included in Accrued pension and other post-retirement benefit costs on the Balance Sheets.

Information for Plans with Accumulated Benefit Obligation in Excess of Plan Assets

(in thousands)	December 31, 2024	2023
Projected benefit obligation	$ 28,576	$ 28,358
Accumulated benefit obligation	27,640	27,240
Fair value of plan assets	3,739	4,450

Assumptions Used for Pension Benefits Accounting

	December 31, 2024	2023
Benefit Obligations		
Discount rate	5.70 %	5.40 %
Interest crediting rate	4.78 %	4.15 %
Salary increase	3.50 %	3.50 %
Net Periodic Benefit Cost		
Discount rate	5.00% - 5.40%	5.60 %
Interest crediting rate	4.15 %	4.35 %
Salary increase	3.50 %	3.50 %
Expected long-term rate of return on plan assets	8.50% - 7.00%	6.50% - 8.25%

The discount rate used to determine the current year pension obligation and following year's pension expense is based on a bond selection-settlement portfolio approach. This approach develops a discount rate by selecting a portfolio of high quality corporate bonds that generate sufficient cash flow to provide for the projected benefit payments of the plan. The selected bond portfolio is derived from a universe of non-callable corporate bonds rated Aa quality or higher. After the bond portfolio is selected, a single interest rate is determined that equates the present value of the plan's projected benefit payments discounted at this rate with the market value of the bonds selected.

NON-QUALIFIED PENSION PLANS

The accumulated benefit obligation, which equals the projected benefit obligation for non-qualified pension plans, was zero for Duke Energy Kentucky as of December 31, 2024. Employer contributions, which equal benefits paid for non-qualified pension plans, were zero for the year ended December 31, 2024. Net periodic pension costs for non-qualified pension plans were not material for the years ended December 31, 2024, or 2023.

OTHER POST-RETIREMENT BENEFIT PLANS

Duke Energy provides, and Duke Energy Kentucky participates in, some health care and life insurance benefits for retired employees on a contributory and non-contributory basis. Employees are eligible for these benefits if they have met age and service requirements at retirement, as defined in the plans. The health care benefits include medical, dental and prescription drug coverage and are subject to certain limitations, such as deductibles and co-payments.

Duke Energy did not make any pre-funding contributions to its other post-retirement benefit plans during the years ended December 31, 2024, and 2023.

Components of Net Periodic Other Post-Retirement Benefit Costs

(in thousands)	Years Ended December 31, 2024	2023
Service cost	$ 28	$ 35
Interest cost on accumulated post-retirement benefit obligation	189	199
Expected return on plan assets	(72)	(65)
Amortization of actuarial (gain)	(413)	(358)
Amortization of prior service credit	(10)	(32)
Net periodic post-retirement pension costs	$ (278)	$ (221)

Amounts Recognized in Regulatory Assets and Regulatory Liabilities

(in thousands)	December 31, 2024	2023
Regulatory assets, net (decrease) increase	$ (181)	$ 181
Regulatory liabilities, net decrease	(718)	(590)

Reconciliation of Funded Status to Accrued Other Post-Retirement Benefit Costs

(in thousands)	Years Ended December 31, 2024	2023
Change in Benefit Obligation		
Accumulated post-retirement benefit obligation at prior measurement date	**$ 3,916**	$ 3,912
Service cost	**28**	35
Interest cost	**189**	199
Plan participants' contributions	**38**	120
Actuarial (gain) loss	**(45)**	232
Benefits paid	**(401)**	(582)
Accumulated post-retirement benefit obligation at measurement date	**$ 3,725**	$ 3,916
Change in Fair Value of Plan Assets		
Plan assets at prior measurement date	**$ 1,138**	$ 1,243
401(h) asset transfers	**—**	(177)
Actual return on plan assets	**46**	68
Benefits paid	**(401)**	(582)
Employer contributions	**361**	466
Plan participants' contributions	**38**	120
Plan assets at measurement date	**$ 1,182**	$ 1,138
Funded status of plan	**$ (2,543)**	$ (2,778)

Amounts Recognized in the Balance Sheets

(in thousands)	December 31, 2024	2023
Current post-retirement liability[(a)]	**$ 168**	$ 167
Noncurrent post-retirement liability[(b)]	**2,375**	2,611
Total accrued post-retirement liability	**$ 2,543**	$ 2,778
Regulatory assets	**$ —**	$ 181
Regulatory liabilities	**$ 4,528**	$ 5,246

(a) Included in Other within Current Liabilities on the Balance Sheets.
(b) Included in Accrued pension and other post-retirement benefit costs on the Balance Sheets.

Assumptions Used for Other Post-Retirement Benefits Accounting

	December 31, 2024	2023
Benefit Obligations		
Discount rate	**5.70 %**	5.40 %
Net Periodic Benefit Cost		
Discount rate	**5.40 %**	5.60 %
Expected long-term rate of return on plan assets	**7.00 %**	6.50% - 8.25%

The discount rate used to determine the current year other post-retirement benefits obligation and following year's other post-retirement benefits expense is based on a bond selection-settlement portfolio approach. This approach develops a discount rate by selecting a portfolio of high quality corporate bonds that generate sufficient cash flow to provide for the projected benefit payments of the plan. The selected bond portfolio is derived from a universe of non-callable corporate bonds rated Aa quality or higher. After the bond portfolio is selected, a single interest rate is determined that equates the present value of the plan's projected benefit payments discounted at this rate with the market value of the bonds selected.

Assumed Health Care Cost Trend Rate

	December 31, 2024	2023
Health care cost trend rate assumed for next year - pre-65 trend	**7.00 %**	6.50 %
Rate to which the cost trend is assumed to decline (the ultimate trend rate)	**4.75 %**	4.75 %
Year that the rate reaches the ultimate trend rate	**2034-2035**	2031-2032

Expected Benefit Payments

The following table presents Duke Energy's expected benefit payments to participants on behalf of Duke Energy Kentucky in its qualified and other post-retirement benefit plans over the next 10 years. These benefit payments reflect expected future service, as appropriate.

(in thousands)	Qualified Plans	Other Post-Retirement Plans	Total
Years ending December 31,			
2025	$ 6,344	$ 815	$ 7,159
2026	6,312	652	6,964
2027	6,333	582	6,915
2028	6,323	520	6,843
2029	6,208	460	6,668
2030–2034	29,592	1,060	30,652

MASTER RETIREMENT TRUST

The assets for the Duke Energy Kentucky plans discussed above are derived from the Master Retirement Trust (Master Trust) that is held by Duke Energy and, as such, Duke Energy Kentucky is allocated its proportionate share of assets discussed below. Assets for both the qualified pension and other post-retirement benefits are maintained in the Master Trust. Duke Energy also invests other post-retirement assets in Voluntary Employees' Beneficiary Association trusts. The investment objective is to achieve sufficient returns, subject to a prudent level of portfolio risk, for the purpose of promoting the security of plan benefits for participants. As of December 31, 2024, Duke Energy assumes qualified pension and other post-retirement plan assets will generate a long-term rate of return of 8.50% for the RCBP account assets and 7.00% for the DELPP account assets. The expected long-term rate of return was developed using a weighted average calculation of expected returns based primarily on future expected returns across asset classes considering the use of active asset managers, where applicable. The asset allocation targets were set after considering the investment objective and the risk profile. Equity securities are held for their high expected return. Debt securities are primarily held to hedge the qualified pension plan liability. Return seeking debt securities, hedge funds and other global securities are held for diversification. Investments within asset classes are diversified to achieve broad market participation and reduce the impact of individual managers or investments.

Effective January 1, 2025, the target asset allocation for the RCBP account assets is 35% liability hedging and 65% return-seeking assets and the target asset allocation for the DELPP account assets is 80% liability hedging assets and 20% return-seeking assets. Duke Energy periodically reviews its asset allocation targets, and over time, as the funded status of the benefit plans increase, the level of asset risk relative to plan liabilities may be reduced to better manage Duke Energy's benefit plan liabilities and reduce funded status volatility.

The following table includes the target asset allocations by asset class at December 31, 2024, and the actual asset allocations for the RCBP assets.

Asset Category	Target Allocation	Actual Allocation at December 31, 2024	2023
Global equity securities	45 %	**44 %**	45 %
Global private equity securities	2 %	**1 %**	2 %
Debt securities	35 %	**33 %**	35 %
Return seeking debt securities	7 %	**7 %**	6 %
Hedge funds	4 %	**5 %**	4 %
Real estate and cash	7 %	**10 %**	8 %
Total	100 %	**100 %**	100 %

The following table includes the target asset allocations by asset class at December 31, 2024, and the actual asset allocations for the DELPP assets.

Asset Category	Target Allocation	Actual Allocation at December 31, 2024	2023
Global equity securities	14 %	**15 %**	14 %
Global private equity securities	1 %	**— %**	— %
Debt securities	80 %	**79 %**	79 %
Return seeking debt securities	2 %	**2 %**	2 %
Hedge funds	1 %	**— %**	2 %
Real estate and cash	2 %	**4 %**	3 %
Total	100 %	**100 %**	100 %

EMPLOYEE SAVINGS PLAN

Duke Energy Kentucky also participates in employee savings plans sponsored by Duke Energy. Most employees participate in a matching contribution formula where Duke Energy provides a matching contribution generally equal to 100% of employee before-tax and Roth 401(k) contributions and, as applicable, after-tax contributions of up to 6% of eligible pay per period.

For new and rehired non-union and certain unionized employees who are not eligible to participate in Duke Energy's defined benefit plans, an additional employer contribution of 4% of eligible pay per pay period, which is subject to a three-year vesting schedule, is provided to the employee's savings plan account.

Duke Energy Kentucky's expense related to its proportionate share of pretax employer contributions and the additional 4% employer contribution was $1,337 thousand and $1,264 thousand for the years ended December 31, 2024, and 2023, respectively.

15. INCOME TAXES

INCOME TAX EXPENSE

Components of Income Tax Expense

(in thousands)	Years Ended December 31, 2024	2023
Current income taxes		
Federal	**$ 24,704**	$ (8,466)
State	**2,935**	(4,289)
Total current income taxes	**27,639**	(12,755)
Deferred income taxes		
Federal	**(5,494)**	20,459
State	**2,819**	7,766
Total deferred income taxes[a]	**(2,675)**	28,225
Investment tax credit amortization	**—**	(144)
Total income tax expense included in Statements of Operations	**$ 24,964**	$ 15,326

(a) Total deferred income taxes includes the generation of NOL carryforwards and tax credit carryforwards of $11.6 million and $6.5 million in 2024 and 2023, respectively.

Statutory Rate Reconciliation

The following table presents a reconciliation of income tax expense at the U.S. federal statutory tax rate to actual tax expense.

(in thousands)	Years Ended December 31, 2024	2023
Income tax expense, computed at the statutory rate of 21%	**$ 26,546**	$ 16,902
State income tax, net of federal income tax effect	**4,546**	2,747
Amortization of excess deferred income tax	**(5,007)**	(3,853)
Tax credits	**(439)**	(450)
Other items, net	**(682)**	(20)
Total income tax expense	**$ 24,964**	$ 15,326
Effective tax rate	**19.7%**	19.0%

DEFERRED TAXES

Net Deferred Income Tax Liability Components

(in thousands)	Years Ended December 31, 2024	2023
Deferred credits and other liabilities	**$ 751**	$ 755
Lease obligations	**1,024**	1,958
Tax credits and NOL carryforwards	**23,375**	11,763
Pension, post-retirement and other employee benefits	**2,954**	2,122
Other	**2,616**	2,207
Total deferred income tax assets	**30,720**	18,805
Accelerated depreciation rates	**(339,215)**	(325,644)
Regulatory assets and deferred debits, net	**(4,437)**	(2,066)
Total deferred income tax liabilities	**(343,652)**	(327,710)
Net deferred income tax liabilities	**$ (312,932)**	$ (308,905)

The following table presents the expiration of tax credits and NOL carryforwards.

(in thousands)	December 31, 2024 Amount	Expiration Year	
General business credits	**$ 6,655**	2027	— 2043
Corporate AMT Credits	**16,557**	Indefinite	
State NOL carryforward	**163**	2037	— Indefinite
Total tax credits and NOL carryforwards	**$ 23,375**		

UNRECOGNIZED TAX BENEFITS

The following table presents changes to unrecognized tax benefits.

(in thousands)	Years Ended December 31, 2024	2023
Unrecognized tax benefits – January 1	**$ 554**	$ 501
Unrecognized tax benefit increases	**37**	53
Unrecognized tax benefits – December 31	**$ 591**	$ 554

The following table includes additional information regarding the unrecognized tax benefits at December 31, 2024. Duke Energy Kentucky does not expect a decrease in unrecognized tax benefits within the next 12 months.

(in thousands)	December 31, 2024
Amount that if recognized, would affect the effective tax rate or regulatory liability[a]	**$ 591**

(a) Duke Energy Kentucky is unable to estimate the specific amounts that would affect the effective tax rate versus the regulatory liability.

OTHER TAX MATTERS

Duke Energy Kentucky recognized no interest income, interest expense or penalties related to income taxes on the Statements of Operations in 2024, or 2023. As of December 31, 2024, and 2023, no amounts were recognized on the Balance Sheets for interest or penalties related to income taxes.

Duke Energy Kentucky is no longer subject to federal, state and local income tax examinations by tax authorities for years before 2019, aside from certain tax attributes carried forward for utilization in future years.

16. SUBSEQUENT EVENTS

Subsequent events were evaluated through March 18, 2025. For information on subsequent events related to debt and credit facilities, see Note 5.

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.
4. Report data on a year-to-date basis.

Line No.	Item (a)	Unrealized Gains and Losses on Available-For-Sale Securities (b)	Minimum Pension Liability Adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 116, Line 78) (i)	Total Comprehensiv Income (j)
1	Balance of Account 219 at Beginning of Preceding Year									
2	Preceding Quarter/Year to Date Reclassifications from Account 219 to Net Income									
3	Preceding Quarter/Year to Date Changes in Fair Value									
4	Total (lines 2 and 3)								65,162,216	65,162,21
5	Balance of Account 219 at End of Preceding Quarter/Year									
6	Balance of Account 219 at Beginning of Current Year									
7	Current Quarter/Year to Date Reclassifications from Account 219 to Net Income									
8	Current Quarter/Year to Date Changes in Fair Value									
9	Total (lines 7 and 8)								101,445,306	101,445,30
10	Balance of Account 219 at End of Current Quarter/Year									

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION. AMORTIZATION AND DEPLETION

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

Line No.	Classification (a)	Total Company For the Current Year/Quarter Ended (b)	Electric (c)	Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)
1	UTILITY PLANT							
2	In Service							
3	Plant in Service (Classified)	3,136,533,263	2,160,790,670	921,374,503				54,368,090
4	Property Under Capital Leases	3,954,601	(a) 3,954,601					
5	Plant Purchased or Sold							
6	Completed Construction not Classified	342,001,209	234,217,562	107,925,931				(142,284)
7	Experimental Plant Unclassified							
8	Total (3 thru 7)	3,482,489,073	2,398,962,833	1,029,300,434				54,225,806
9	Leased to Others							
10	Held for Future Use	37,112	0	37,112				
11	Construction Work in Progress	95,017,021	67,540,842	25,830,214				1,645,965
12	Acquisition Adjustments							
13	Total Utility Plant (8 thru 12)	3,577,543,206	2,466,503,675	1,055,167,760				55,871,771
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	1,157,722,167	900,462,361	228,952,303				28,307,503
15	Net Utility Plant (13 less 14)	2,419,821,039	1,566,041,314	826,215,457				27,564,268
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION							
17	In Service:							
18	Depreciation	1,089,836,298	874,519,752	209,490,823				5,825,723
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights							

20	Amortization of Underground Storage Land and Land Rights							
21	Amortization of Other Utility Plant	67,885,869	25,942,609	19,461,480				22,481,780
22	Total in Service (18 thru 21)	1,157,722,167	900,462,361	228,952,303				28,307,503
23	Leased to Others							
24	Depreciation							
25	Amortization and Depletion							
26	Total Leased to Others (24 & 25)							
27	Held for Future Use							
28	Depreciation							
29	Amortization							
30	Total Held for Future Use (28 & 29)							
31	Abandonment of Leases (Natural Gas)							
32	Amortization of Plant Acquisition Adjustment							
33	Total Accum Prov (equals 14) (22,26,30,31,32)	1,157,722,167	900,462,361	228,952,303				28,307,503

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: UtilityPlantInServicePropertyUnderCapitalLeases

Property Under Capital Leases includes Net Operating Leases of $3,954,601.

FERC FORM No. 1 (ED. 12-89)

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.
2. If the nuclear fuel stock is obtained under leasing arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.

Line No.	Description of item (a)	Balance Beginning of Year (b)	Changes during Year Additions (c)	Changes during Year Amortization (d)	Changes during Year Other Reductions (Explain in a footnote) (e)	Balance End of Year (f)
1	Nuclear Fuel in process of Refinement, Conv, Enrichment & Fab (120.1)					
2	Fabrication					
3	Nuclear Materials					
4	Allowance for Funds Used during Construction					
5	(Other Overhead Construction Costs, provide details in footnote)					
6	SUBTOTAL (Total 2 thru 5)					
7	Nuclear Fuel Materials and Assemblies					
8	In Stock (120.2)					
9	In Reactor (120.3)					
10	SUBTOTAL (Total 8 & 9)					
11	Spent Nuclear Fuel (120.4)					
12	Nuclear Fuel Under Capital Leases (120.6)					
13	(Less) Accum Prov for Amortization of Nuclear Fuel Assem (120.5)					
14	TOTAL Nuclear Fuel Stock (Total 6, 10, 11, 12, less 13)					
15	Estimated Net Salvage Value of Nuclear Materials in Line 9					
16	Estimated Net Salvage Value of Nuclear Materials in Line 11					
17	Est Net Salvage Value of Nuclear Materials in Chemical Processing					
18	Nuclear Materials held for Sale (157)					
19	Uranium					
20	Plutonium					
21	Other (Provide details in footnote)					

22	TOTAL Nuclear Materials held for Sale (Total 19, 20, and 21)					

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

1. Report below the original cost of electric plant in service according to the prescribed accounts.
2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of the prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.
7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.
8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.
9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date.

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
1	1. INTANGIBLE PLANT						
2	(301) Organization						
3	(302) Franchise and Consents						
4	(303) Miscellaneous Intangible Plant	34,480,973	4,139,064	1,320,371		86,596	37,386,262
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	34,480,973	4,139,064	1,320,371		86,596	37,386,262
6	2. PRODUCTION PLANT						
7	A. Steam Production Plant						
8	(310) Land and Land Rights	7,046,984					7,046,984
9	(311) Structures and Improvements	187,522,084	2,817,380	12,649,789			177,689,675
10	(312) Boiler Plant Equipment	572,821,324	21,917,226	8,968,015			585,770,535
11	(313) Engines and Engine-Driven Generators						
12	(314) Turbogenerator Units	118,642,287	7,286,029	1,923,888			124,004,428
13	(315) Accessory Electric Equipment	49,973,658	(228,105)	(20,632)			49,766,185
14	(316) Misc. Power Plant Equipment	25,098,631	(204,906)	37,339			24,856,386

15	(317) Asset Retirement Costs for Steam Production	89,131,026	1,762,158				90,893,184
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	1,050,235,994	33,349,782	23,558,399			1,060,027,377
17	B. Nuclear Production Plant						
18	(320) Land and Land Rights						
19	(321) Structures and Improvements						
20	(322) Reactor Plant Equipment						
21	(323) Turbogenerator Units						
22	(324) Accessory Electric Equipment						
23	(325) Misc. Power Plant Equipment						
24	(326) Asset Retirement Costs for Nuclear Production						
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)						
26	C. Hydraulic Production Plant						
27	(330) Land and Land Rights						
28	(331) Structures and Improvements						
29	(332) Reservoirs, Dams, and Waterways						
30	(333) Water Wheels, Turbines, and Generators						
31	(334) Accessory Electric Equipment						
32	(335) Misc. Power Plant Equipment						
33	(336) Roads, Railroads, and Bridges						
34	(337) Asset Retirement Costs for Hydraulic Production						
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)						
36	D. Other Production Plant						
37	(340) Land and Land Rights	2,258,589					2,258,589
38	(341) Structures and Improvements	38,133,069	(501,575)				37,631,494
39	(342) Fuel Holders, Products, and Accessories	61,464,932	335,507	141,361			61,659,078

40	(343) Prime Movers	10,506,033	15,909,307	3,751,126			22,664,214
41	(344) Generators	224,951,120	9,647,853	3,484,935			231,114,038
42	(345) Accessory Electric Equipment	25,415,302	(1,827,138)	47,449			23,540,715
43	(346) Misc. Power Plant Equipment	5,613,908	(93,035)				5,520,873
44	(347) Asset Retirement Costs for Other Production	442,832					442,832
44.1	(348) Energy Storage Equipment - Production						
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	368,785,785	23,470,919	7,424,871			384,831,833
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	1,419,021,779	56,820,701	30,983,270			1,444,859,210
47	3. Transmission Plant						
48	(350) Land and Land Rights	9,498,593	(137,116)	61,500			9,299,977
48.1	(351) Energy Storage Equipment - Transmission						
49	(352) Structures and Improvements	6,033,045	6,158			49,708	6,088,911
50	(353) Station Equipment	59,411,193	5,237,412	44,517		(49,708)	64,554,380
51	(354) Towers and Fixtures						
52	(355) Poles and Fixtures	41,928,443	433,492	933,634			41,428,301
53	(356) Overhead Conductors and Devices	17,705,427	6,725,970	(159,180)			24,590,577
54	(357) Underground Conduit						
55	(358) Underground Conductors and Devices						
56	(359) Roads and Trails						
57	(359.1) Asset Retirement Costs for Transmission Plant						
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	134,576,701	12,265,916	880,471			145,962,146
59	4. Distribution Plant						
60	(360) Land and Land Rights	21,582,374	280,209				21,862,583
61	(361) Structures and Improvements	3,326,795	(260,423)			1,491,119	4,557,491
62	(362) Station Equipment	133,798,101	9,528,551	1,378,648		(1,491,119)	140,456,885
63	(363) Energy Storage Equipment – Distribution						
64	(364) Poles, Towers, and Fixtures	79,009,021	2,758,110	991,835			80,775,296

65	(365) Overhead Conductors and Devices	161,459,055	7,653,696	2,202,777			166,909,974
66	(366) Underground Conduit	48,115,495	4,482,053	2,249			52,595,299
67	(367) Underground Conductors and Devices	95,355,408	8,751,336	331,303			103,775,441
68	(368) Line Transformers	81,322,248	9,903,441	491,156			90,734,533
69	(369) Services	22,400,638	(1,992,195)	463			20,407,980
70	(370) Meters	31,950,828	2,379,362	2,309,168			32,021,022
71	(371) Installations on Customer Premises	1,372,739	412,379	3,017			1,782,101
72	(372) Leased Property on Customer Premises	9,647					9,647
73	(373) Street Lighting and Signal Systems	11,266,467	2,663,328	(39,865)			13,969,660
74	(374) Asset Retirement Costs for Distribution Plant						
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	690,968,816	46,559,847	7,670,751			729,857,912
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT						
77	(380) Land and Land Rights						
78	(381) Structures and Improvements						
79	(382) Computer Hardware						
80	(383) Computer Software						
81	(384) Communication Equipment						
82	(385) Miscellaneous Regional Transmission and Market Operation Plant						
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper						
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)						
85	6. General Plant						
86	(389) Land and Land Rights						
87	(390) Structures and Improvements	165,342					165,342
88	(391) Office Furniture and Equipment	6,242,370	3,434,908	595,653			9,081,625
89	(392) Transportation Equipment	1,196,357					1,196,357
90	(393) Stores Equipment						

91	(394) Tools, Shop and Garage Equipment	3,663,075	474,853				4,137,928
92	(395) Laboratory Equipment						
93	(396) Power Operated Equipment	11,770					11,770
94	(397) Communication Equipment	20,698,015	1,759,317	107,358	(294)		22,349,680
95	(398) Miscellaneous Equipment						
96	SUBTOTAL (Enter Total of lines 86 thru 95)	31,976,929	5,669,078	703,011	(294)		36,942,702
97	(399) Other Tangible Property						
98	(399.1) Asset Retirement Costs for General Plant						
99	TOTAL General Plant (Enter Total of lines 96, 97, and 98)	31,976,929	5,669,078	703,011	(294)		36,942,702
100	TOTAL (Accounts 101 and 106)	2,311,025,198	125,454,606	41,557,874	(294)	86,596	2,395,008,232
101	(102) Electric Plant Purchased (See Instr. 8)						
102	(Less) (102) Electric Plant Sold (See Instr. 8)						
103	(103) Experimental Plant Unclassified						
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	2,311,025,198	[a]125,454,606	41,557,874	(294)	86,596	2,395,008,232

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: ElectricPlantInServiceAdditions

The balances above do not include Operating Lease Activity

FERC FORM No. 1 (REV. 12-05)

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

ELECTRIC PLANT LEASED TO OTHERS (Account 104)

Line No.	Name of Lessee (a)	* (Designation of Associated Company) (b)	Description of Property Leased (c)	Commission Authorization (d)	Expiration Date of Lease (e)	Balance at End of Year (f)
1						
2						
3						
4						
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12						
13						
14						
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33						
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41						
42						
43						
44						
45						
46						
47	TOTAL					

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of $250,000 or more. Group other items of property held for future use.
2. For property having an original cost of $250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21	Other Property:			
22				
23				
24				
25				
26				
27				
28				

29				
30				
31				
32				
33				
34				
35				
36				
37				
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40				
41				
42				
43				
44				
45				
46				
47	TOTAL			

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts).
3. Minor projects (5% of the Balance End of the Year for Account 107 or $1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	DISTRIBUTION PLANT	
2	LITTON SUB	8,246,115
3	TAYLOR MILL SUB - DKY2135	2,907,522
4	DISTRIBUTION OVERHEAD/UNDERGROUND LINE IMPROVEMENTS	2,834,318
5	SUBOPT - HEBRON - 0042	2,818,680
6	VILLA 43 LN EXT TO THOMAS MORE 41 D	1,854,866
7	OUTAGE RESTORATION CAP-D	1,411,853
8	SUBOPT - AUGUSTINE - 0041	1,310,345
9	SUBOPT - AUGUSTINE - 0046	1,120,810
10	PROJECTS LESS THAN $1 MILLION	15,368,877
11	GENERAL PLANT	
12	PROJECTS LESS THAN $1 MILLION	1,630,510
13	INTANGIBLE PLANT	
14	SMART GRID DEE DMS ADMS - 336	2,474,321
15	DEE DER DISPATCH DESIGN AND DEVELOP	1,104,067
16	PROJECTS LESS THAN $1 MILLION	4,003,868
17	PRODUCTION PLANT	
18	FGD LIMESTONE CONVERSION	3,371,655
19	PROJECTS LESS THAN $1 MILLION	5,181,169
20	TRANSMISSION PLANT	
21	F5967 RBLD HWY 177 TO DECOURSEY SUB	3,993,860
22	TAYLOR MILL SUB - DKY2135	1,908,656
23	F5967 RBLD POLE HL736 TO HWY 177 CO	1,747,977
24	HEBRON-OAKBROOK-INSTALL 69 KV CIRCU	1,294,877
25	HEBRON-OAKBROOK RLE	1,196,511
26	PROJECTS LESS THAN $1 MILLION	1,759,985
43	Total	67,540,842

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 12, column (c), and that reported for electric plant in service, page 204, column (d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Line No.	Item (a)	Total (c + d + e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased To Others (e)
	Section A. Balances and Changes During Year				
1	Balance Beginning of Year	858,179,936	858,179,936		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	63,224,061	63,224,061		
4	(403.1) Depreciation Expense for Asset Retirement Costs	(1,527)	(1,527)		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	79,449	79,449		
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9.1	Other Accounts (Specify, details in footnote):				
9.2	EastBend Depreciation	(490,618)	(490,618)		
9.3	Common Plant Depreciation	(668,869)	(668,869)		
9.4	ARO Depreciation Deferred	4,126,135	4,126,135		
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	66,268,631	66,268,631		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	(39,594,353)	[a](39,594,353)		
13	Cost of Removal	(12,157,556)	(12,157,556)		
14	Salvage (Credit)	1,945,237	1,945,237		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	(49,806,672)	(49,806,672)		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17.1	Other Debit or Cr. Items (Describe, details in footnote):				
17.2	Other Cost of Removal/Salvage Activity				
17.3	Main Basin ARO				

17.4	Gain & Loss on sale/disposal of assets				
17.5	Misc. Adjustments	(122,143)	(122,143)		
17.6	Common Allocation				
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	874,519,752	874,519,752		
Section B. Balances at End of Year According to Functional Classification					
20	Steam Production	473,840,122	473,840,122		
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production	215,255,621	215,255,621		
25	Transmission	14,104,216	14,104,216		
26	Distribution	164,788,722	164,788,722		
27	Regional Transmission and Market Operation				
28	General	6,531,071	6,531,071		
29	TOTAL (Enter Total of lines 20 thru 28)	874,519,752	874,519,752		

FOOTNOTE DATA

(a) Concept: BookCostOfRetiredPlant

Retirements in account 0111100 not reported on FERC Page 219

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Account 123.1, Investments in Subsidiary Companies.
2. Provide a subheading for each company and list thereunder the information called for below. Sub-TOTAL by company and give a TOTAL in columns (e), (f), (g) and (h). (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate. (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.
4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)	Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
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31								
32								
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36								
37								
38								
39								
40								
41								
42	Total Cost of Account 123.1 $		Total					

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.
2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)	39,838,611	34,644,879	Gas and Electric
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	[a]4,043,156	[b]7,500,404	Gas and Electric
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)	21,095,936	14,494,275	Electric
8	Transmission Plant (Estimated)	22	174	Electric
9	Distribution Plant (Estimated)	315,405	501,558	Gas and Electric
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)			
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	25,454,519	22,496,411	
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)	[c]1,851,053	[d]964,225	Gas and Electric
17				
18				
19				
20	TOTAL Materials and Supplies	67,144,183	58,105,515	

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: PlantMaterialsAndOperatingSuppliesConstruction

Production 3,349,791Transmission 381Distribution 692,984

(b) Concept: PlantMaterialsAndOperatingSuppliesConstruction

Production 6,666,388 Transmission 383
Distribution 833,633

(c) Concept: StoresExpenseUndistributed

Account 163 - Functionalized for use with PJM Attachments H-22A: Transmission portion of $29 is calculated by multiplying Account 163 balance by ratio of Transmission M&S balance including Assigned To Construction and Transmission Plant to Total M&S balance.

(d) Concept: StoresExpenseUndistributed

Account 163 - Functionalized for use with PJM Attachments H-22A: Transmission portion of $24 is calculated by multiplying Account 163 balance by ratio of Transmission M&S balance including Assigned To Construction and Transmission Plant to Total M&S balance.

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on Line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.
6. Report on Line 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferors of allowances acquired and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of and identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		Year One		Year Two		Year Three		Future Years		Totals	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)	No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)
1	Balance-Beginning of Year	294,543[a]	16,280	29,387		25,041		25,041		676,107		1,050,119	16,280
2													
3	Acquired During Year:												
4	Issued (Less Withheld Allow)												
5	Returned by EPA												
6													
7													
8	Purchases/Transfers:												
9													
10													
11													
12													
13													
14													
15	Total												
16													
17	Relinquished During Year:												
18	Charges to Account 509	3,674	219									3,674	219
19	Other:												
20	Allowances Used												

20.1	Allowances Used												
21	Cost of Sales/Transfers:												
22													
23													
24													
25													
26													
27													
28	Total	3,674	219									3,674	219
29	Balance-End of Year	290,869 (b)	16,061	29,387		25,041		25,041		676,107		1,046,445	16,061
30													
31	Sales:												
32	Net Sales Proceeds(Assoc. Co.)												
33	Net Sales Proceeds (Other)												
34	Gains												
35	Losses												
	Allowances Withheld (Acct 158.2)												
36	Balance-Beginning of Year												
37	Add: Withheld by EPA												
38	Deduct: Returned by EPA												
39	Cost of Sales												
40	Balance-End of Year												
41													
42	Sales												
43	Net Sales Proceeds (Assoc. Co.)												
44	Net Sales Proceeds (Other)												
45	Gains												
46	Losses												

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: AllowanceInventoryNumber

Balances includes allowances for Cross State Air Pollution Rule and the Acid Rain Program.

(b) Concept: AllowanceInventoryNumber

Balances includes allowances for Cross State Air Pollution Rule and the Acid Rain Program.

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on Line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.
6. Report on Line 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferors of allowances acquired and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of and identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		Year One		Year Two		Year Three		Future Years		Totals	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)	No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)
1	Balance-Beginning of Year	[a]19,846	2,190	4,353								24,199	2,190
2													
3	Acquired During Year:												
4	Issued (Less Withheld Allow)												
5	Returned by EPA												
6													
7													
8	Purchases/Transfers:												
9													
10													
11													
12													
13													
14													
15	Total												
16													
17	Relinquished During Year:												
18	Charges to Account 509	2,817	518									2,817	518
19	Other:												
20	Allowances Used												

20.1	Allowances Used												
21	Cost of Sales/Transfers:												
22	Cost of Sales												
23													
24													
25													
26													
27													
28	Total	2,817	518									2,817	518
29	Balance-End of Year	[b]17,029	1,672	4,353								21,382	1,672
30													
31	Sales:												
32	Net Sales Proceeds(Assoc. Co.)												
33	Net Sales Proceeds (Other)												
34	Gains												
35	Losses												
	Allowances Withheld (Acct 158.2)												
36	Balance-Beginning of Year												
37	Add: Withheld by EPA												
38	Deduct: Returned by EPA												
39	Cost of Sales												
40	Balance-End of Year												
41													
42	Sales												
43	Net Sales Proceeds (Assoc. Co.)												
44	Net Sales Proceeds (Other)												
45	Gains												
46	Losses												

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: AllowanceInventoryNumber

Balances includes allowances for Cross State Air Pollution Rule only.

(b) Concept: AllowanceInventoryNumber

Balances includes allowances for Cross State Air Pollution Rule only.

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss [Include in the description the date of Commission Authorization to use Acc 182.1 and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
20	TOTAL					

FERC FORM No. 1 (ED. 12-88)

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of COmmission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognized During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						

49	TOTAL					

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	**Transmission Studies**				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20	Total				
21	**Generation Studies**				
22					
23					
24					
25					
26					

27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39	Total				
40	Grand Total				

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	INCOME TAXES	6,704,646		282, 283	252,561	6,452,085
2	DEMAND SIDE MANAGEMENT COSTS - (Amortized in accordance with rider revenue) - Order #2017-321, Order #2015-368, Order #2014-388	(1,573)	1,573			
3	INTEREST RATE HEDGES (Amortized over life associated debt) - Order #2006-563	1,386,272	(612,794)			773,478
4	ESM DEFERRAL - Order #2017-321	7,617,256	(2,848,911)			4,768,345
5	FTR DEFERRAL					
6	REPS INCREMENTAL COSTS	917				917
7	ARO OTHER REGULATORY ASSET	896,977	356,535			1,253,512
8	GAS ARO OTHER REGULATORY ASSET	8,274,421	741,804			9,016,225
9	ARO CONTRA-REGULATORY ASSET - Order #2017-321	(2,712,521)	1,546,063			(1,166,458)
10	COAL ASH DEFERRED SPEND - Order #2015-187	16,844				16,844
11	COAL ASH ARO - Order #2015-187	5,728,611	878,741			6,607,352
12	COAL ASH CONTRA EQUITY - Order #2017-321	(430,039)	94,620			(335,419)
13	SPEND RA AMORTIZATION (NC & MW) - Order #2017-321	9,050,943		182.3, 407.3, 421, 431	1,775,193	7,275,750
14	SPEND RA AMORTIZATION (SC & FL) - Order #2017-321	2,307,548	5,743,752	407.3	7,289,811	761,489
15	DEK DEFERRED STORM EXPENSE (Amortized 60 months, beginning May 2020) - Order #2018-416	280,280		593	210,211	70,069
16	CARBON MANAGEMENT REGULATORY ASSET (Amortized 120 months, beginning May 2018) -Order#2017-321- Order#2008-308	866,649		407.3	199,996	666,653

17	HURRICANE IKE REGULATORY ASSET (Amortized 60 months, beginning May 2018) Order #2017-321, Order #2008-476					
18	EAST BEND PLANT O&M DEFERRAL (Amortized 120 months, beginning May 2018) Order #2017-321, Order #2014-201	19,726,278		407.3, 407.4	3,725,173	16,001,105
19	EAST BEND DEPRECIATION DEFERRAL (Amortized over remaining life of asset) Order#2015-120	8,727,031		403	490,618	8,236,413
20	Non-AMI Meter NBV (Amortized 146 months, beginning May 2018) Order #2017-321	2,761,273		407.3, 421	368,588	2,392,685
21	Opt-Out IT Modification (Amortized 60 months, beginning May 2018) Order #2017-321, Order #2016-152					
22	Plant Outage Normalization Order #2017-321; Order #2022-00372	11,671,911		407.3	1,661,853	10,010,058
23	Deferred Forced Outage Purchased Power Order #2017-321; Order #2022-00372	4,423,715		407.3, 557	363,892	4,059,823
24	GAS RATE CASE DEFERRAL (Amortized 60 months, beginning April 2019) - Order #2018-261	12,759		928	12,759	
25	DEFERRED GAS INTEGRITY COSTS (Amortized 120 months, beginning April 2018) Order #2018-261, Order #2016-159	1,671,236		407.3, 407.4	289,602	1,381,634
26	OTHER REGULATORY ASSETS - GENERAL ACCOUNTING - FERC Docket No. A107-1-000	22,320,716	3,348,116	128, 182.3, 228.3, 925	547,247	25,121,585
27	PENSION POST RETIRE PURCHASE ACCOUNTING - Q - FERC Docket No. A107-1-000	3,103,327		128, 182.3, 228.3, 926	106,296	2,997,031
28	PENSION POST RETIRE PURCHASE ACCOUNTING - NQ - FERC Docket No. A107-1-000	(34,855)	264			(34,591)
29	PENSION POST RETIRE PURCHASE ACCOUNTING - FAS - FERC Docket No. A107-1-000	1,129,270		228.3, 254, 926	133,236	996,034
30	Misc. ST Reg Assets					
31	Cust. Connect Deferral LT OrdCust. Connect Deferral LT Order #2021-00190	794,531		407.3	124,047	670,484
32	Deferred CIS O&M Current Order #2021-00190	124,047				124,047
33	OPEB FAS 106 - Medical	180,930		254	180,930	
34	OPEB FAS 106 - Life		56,443	254	56,443	
44	TOTAL	116,599,400	9,306,206		17,788,456	108,117,150

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MISCELLANEOUS DEFFERED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than $100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Credits Account Charged (d)	Credits Amount (e)	
1	Vacation accrual	1,111,962	57,346			1,169,308
2	Straight Line Lease Deferral - amortized 01/20 - 12/38	424,358	594,993	242	863,710	155,641
3	DEK 2017 Rate Case - amortized 05/18 - 04/25	98,614	6,573	928	78,890	26,297
4	DEK 2019 Rate Case - Electric - amortized 05/20 - 09/28	90,444	52,688	928	63,542	79,590
5	DEK 2021 Rate Case - Gas - amortized 01/22 - 12/26	135,346		928	44,939	90,407
6	Indirect overhead allocation pool - Undistributed	102,196	(11,275)			90,921
7	DEK 2022 Rate Case - Electric - amortized 10/23 - 10/28	772,390	18,591	928	194,848	596,133
8	DEK 2024 Electric Rate Case		373,735			373,735
9	DEK 2024 Rate Case - Gas		44,892			44,892
47	Miscellaneous Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	(a)2,735,310				(b)2,626,924

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FOOTNOTE DATA

(a) Concept: MiscellaneousDeferredDebits

Deferred Regulatory Comm. Expenses (See pages 350-351) is presented within page 233 by accounts.

(b) Concept: MiscellaneousDeferredDebits

Deferred Regulatory Comm. Expenses (See pages 350-351) is presented within page 233 by accounts.

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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance at Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2	Electric	55,425,410	64,638,480
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	55,425,410	64,638,480
9	Gas		
10	Gas	19,284,940	20,117,605
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)	19,284,940	20,117,605
17.1	Other (Specify)		
17	Other (Specify)		
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	74,710,350	84,756,085

Notes

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.
3. Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
5. State in a footnote if any capital stock that has been nominally issued is nominally outstanding at end of year.
6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value per Share (c)	Call Price at End of Year (d)	Outstanding per Bal. Sheet (Total amount outstanding without reduction for amounts held by respondent) Shares (e)	Outstanding per Bal. Sheet (Total amount outstanding without reduction for amounts held by respondent) Amount (f)	Held by Respondent As Reacquired Stock (Acct 217) Shares (g)	Held by Respondent As Reacquired Stock (Acct 217) Cost (h)	Held by Respondent In Sinking and Other Funds Shares (i)	Held by Respondent In Sinking and Other Funds Amount (j)
1	Common Stock (Account 201)									
2	Common Stock	1,000,000	15.00		585,333	8,779,995				
7	Total	1,000,000			585,333	8,779,995				
8	Preferred Stock (Account 204)									
9										
10										
11										
12	Total									

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 2025-04-16	Year/Period of Report End of: 2024/ Q4

Other Paid-in Capital

1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as a total of all accounts for reconciliation with the balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.

Donations Received from Stockholders (Account 208) - State amount and briefly explain the origin and purpose of each donation.
Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and briefly explain the capital changes that gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions that gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	**Donations Received from Stockholders (Account 208)**	
2	Beginning Balance Amount	148,811,383
3.1	Increases (Decreases) from Sales of Donations Received from Stockholders	
4	Ending Balance Amount	148,811,383
5	**Reduction in Par or Stated Value of Capital Stock (Account 209)**	
6	Beginning Balance Amount	
7.1	Increases (Decreases) Due to Reductions in Par or Stated Value of Capital Stock	
8	Ending Balance Amount	
9	**Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210)**	
10	Beginning Balance Amount	
11.1	Increases (Decreases) from Gain or Resale or Cancellation of Reacquired Capital Stock	
12	Ending Balance Amount	
13	**Miscellaneous Paid-In Capital (Account 211)**	
14	Beginning Balance Amount	309,843,806
15.1	Increases (Decreases) Due to Miscellaneous Paid-In Capital	(a) 15,717,307
16	Ending Balance Amount	325,561,113
17	**Other Paid in Capital**	
18	Beginning Balance Amount	
19.1	Increases (Decreases) in Other Paid-In Capital	
20	Ending Balance Amount	
40	Total	474,372,496

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FOOTNOTE DATA

(a) Concept: IncreasesDecreasesDueToMiscellaneousPaidInCapital
Intercompany Equitization of $15M

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CAPITAL STOCK EXPENSE (Account 214)

1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.
2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22	TOTAL	

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by Balance Sheet Account the details concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances frc Long-Term Debt.
2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds, and in column (
3. For Advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such companies from which advances were received, and in column (b) include the related account number.
4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued, and in column
5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, advanced during year (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates
6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose
7. If the respondent has any long-term securities that have been nominally issued and are nominally outstanding at end of year, describe such securities
8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column between the total of column (m) and the total Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Related Account Number (b)	Principal Amount of Debt Issued (c)	Total Expense, Premium or Discount (d)	Total Expense (e)	Total Premium (f)	Total Discount (g)	Nominal Date of Issue (h)	Date of Maturity (i)	AMORTIZATION PERIOD Date From (j)	Al
1	Bonds (Account 221)										
2											
3											
4											
5	Subtotal										
6	Reacquired Bonds (Account 222)										
7											
8											
9											
10	Subtotal										
11	Advances from Associated Companies (Account 223)										
12	(a) Intercompany Moneypool Notes Payable-Long Term, 4.692%		25,000,000					12/15/2014	03/16/2029	10/01/2023	
13	Subtotal		25,000,000								
14	Other Long Term Debt (Account 224)										

15	6.20% SERIES DUE IN 2036		65,000,000		653,550		367,900	03/10/2006	03/10/2036	03/10/2006	
16	5.90% SERIES DUE IN 2031		80,000,000		367,912			06/28/2024	07/15/2031	06/28/2024	
17	6.00% SERIES DUE IN 2034		95,000,000		428,064			06/28/2024	07/15/2034	06/28/2024	
18	2008 SERIES POLLUTION CONTROL REFUNDING BONDS DUE IN 2027 3.700%		50,000,000		691,754			06/27/2022	08/01/2027	06/27/2022	
19	(b) 2010 SERIES A POLLUTION CONTROL REFUNDING BONDS DUE IN 2027, 3.750%		26,720,000		939,966			02/01/2012	08/01/2027	02/01/2012	
20	6.17% SERIES DUE IN 2039		50,000,000		227,558			06/28/2024	07/15/2039	06/28/2024	
21	3.42% SERIES DUE IN 2026		45,000,000		220,191			01/05/2016	01/15/2026	01/05/2016	
22	4.45% SERIES DUE IN 2046		50,000,000		247,535			01/05/2016	01/15/2046	01/05/2016	
23	3.35% SERIES DUE IN 2029		30,000,000		124,475			09/07/2017	09/15/2029	09/07/2017	
24	4.11% SERIES DUE IN 2047		30,000,000		124,475			09/07/2017	09/15/2047	09/07/2017	
25	4.26% SERIES DUE IN 2057		30,000,000		124,475			09/07/2017	09/15/2057	09/07/2017	
26	4.18% SERIES DUE IN 2028		40,000,000		156,522			10/03/2018	10/15/2028	10/03/2018	
27	4.62% SERIES DUE IN 2048		35,000,000		141,522			12/12/2018	12/15/2048	12/12/2018	
28	4.32% SERIES DUE IN 2049		40,000,000		195,082			07/17/2019	07/15/2049	07/17/2019	
29	3.23% SERIES DUE IN 2025		95,000,000		415,082			09/26/2019	10/01/2025	09/26/2019	
30	3.56% SERIES DUE IN 2029		75,000,000		335,082			09/26/2019	10/01/2029	09/26/2019	
31	2.65% SERIES DUE IN 2030		35,000,000		127,283			09/15/2020	09/15/2030	09/15/2020	

32	3.66% SERIES DUE IN 2050		35,000,000		127,283			09/15/2020	09/15/2050	09/15/2020	
33	[(c)] Footnote										
34	Subtotal		906,720,000		5,647,811		367,900				
33	TOTAL		931,720,000								

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FOOTNOTE DATA

(a) Concept: ClassAndSeriesOfObligationCouponRateDescription

The interest rate varies on this note. The interest rate is as of December 31, 2024.

(b) Concept: ClassAndSeriesOfObligationCouponRateDescription

The interest rate varies on this pollution control bond. The interest rate is as of December 31, 2024

(c) Concept: ClassAndSeriesOfObligationCouponRateDescription

On November 21, 2024 the Kentucky PSC approved Duke Energy Kentucky's long-term financing application authorizing the issuance of up to $350 million of secured and/or unsecured notes, and $76.72 million of tax-exempt private activity bonds to refund existing tax exempt bonds. Authorization expires 12/31/2026.

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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be field, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as Long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	101,445,306
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5	Total	
9	Deductions Recorded on Books Not Deducted for Return	
10	Total	
14	Income Recorded on Books Not Included in Return	
15	Total	
19	Deductions on Return Not Charged Against Book Income	
20	AFUDC Interest	2,480,607
21	Allowance for Funds Used During Construction	4,611,595
22	Asset Retirement Obligation	100,250
23	Bad Debts	(2,773,466)
24	Benefits Accruals	(3,320,881)
25	Book Depreciation	(91,093,175)
26	Capitalized 174 R&D	(2,000,000)
27	Capitalized Hardware/Software	(451,652)
28	Charitable Contribution Carryover	63,337
29	Coal Ash Spend, Net of Capitalized Portion	(3,489,960)
30	Contributions in Aid of Construction	(968,917)
31	Cost of Removal	15,295,563
32	Deferred Costs - Customer Connect	(124,047)
33	Deferred Revenue	(880,114)
34	Demand Side Management Deferral	(2,540,455)
35	Emissions Allowance Expense	737
36	Environmental Reserve	6,952

37	Equipment/T&D Repairs	56,796,503
38	Extra Facility Lighting	(7,193)
39	Gas Supplier Refunds	(76,398)
40	Investment Tax Credit Amortization	(14,732)
41	Lobbying	(360,000)
42	Loss on Reacquired Debt	(79,507)
43	Mark to Market	(54,334)
44	Meals & Entertainment	(190,000)
45	Non-Cash Overhead Basis Adjustment	(490,294)
46	Penalties	(2,521)
47	Property Tax Reserves	7,094,148
48	Provision for Current Federal Income Taxes	(24,703,582)
49	Provision for Current State Income Taxes	(411,454)
50	Provision for Deferred Income Taxes	2,689,010
51	Rate Refunds	5,730
52	Regulatory Asset - Carbon Management	(199,996)
53	Regulatory Asset - Deferred Plant Costs	(4,215,791)
54	Regulatory Asset - Deferred Revenue	(612,405)
55	Regulatory Asset - ESM Deferral	(1,302,849)
56	Regulatory Asset - FAS 158	3,098,864
57	Regulatory Asset - Non-AMI Meters	(368,588)
58	Regulatory Asset/Liability - Rate Case Expenses	101,502
59	Regulatory Asset - Transition from MISO to PJM	218,194
60	Regulatory Asset - Vacation Carryover	57,345
61	Regulatory Liability - Outage Costs	(2,025,745)
62	Regulatory Liability - Overcollection of Revenue Refund Adj	1,505,572
63	Regulatory Liability - RSLI & Other Misc Dfd Costs	(289,602)
64	Severance Reserve - LT	627,867
65	Storm Cost Deferral	(210,211)
66	Tax Depreciation/Amortization	86,100,000
67	Tax Gains/Losses	4,250,000
68	Tax Interest Capitalized	(3,523,700)
69	Transportation Benefits	(24,000)
70	Unbilled Revenue - Fuel	1,976,841
71	Workers Com Reserve	106,131
72	Total	40,381,181
27	Federal Tax Net Income	61,064,125

28	Show Computation of Tax:	
29	Tax at 21% for Electric, Water, Non-Utility and Gas	12,823,466
30	Prior Year Federal Tax True Ups	198,209
31	Corporate Alternative Minimum Tax	12,910,000
32	Tax Credit Utilization	(1,228,090)
33	Total Federal Income Tax	24,703,585

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

TAXES ACCRUED, PREPAID AND CHARGES DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts durin have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the a amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in by the inclusion of these taxes.
3. Include in column (g) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.
5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifyin
6. Enter all adjustments of the accrued and prepaid tax accounts in column (i) and explain each adjustment in a foot- note. Designate debit adjustments
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmit
8. Report in columns (l) through (o) how the taxes were distributed. Report in column (o) only the amounts charged to Accounts 408.1 and 409.1 pertain to Accounts 408.1 and 409.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (o) the
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

Line No.	Kind of Tax (See Instruction 5) (a)	Type of Tax (b)	State (c)	Tax Year (d)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (g)	Taxes Paid During Year (h)	Adjustments (i)	BALANCE AT EI YEAR	
					Taxes Accrued (Account 236) (e)	Prepaid Taxes (Include in Account 165) (f)				Taxes Accrued (Account 236) (j)	Pr T (In Ac
1	Social Security Tax	Federal Tax	Federal	2024	(88,730)		1,303,954	1,346,729		(131,505)	
2	**Subtotal Federal Tax**				(88,730)		1,303,954	1,346,729		(131,505)	
3	Sales and Use	State Tax	KY	2024							
4	Property Tax	Local Tax	KY	2024							
5	State Property Tax	Property Tax	KY	2024	24,354,212		12,581,630	16,585,081		20,350,761	
6	**Subtotal Property Tax**				24,354,212		12,581,630	16,585,081		20,350,761	
7	Fed Unemployment	Unemployment Tax	Federal	2024	161		7,673	7,624		210	
8	Other Unemployment	Unemployment Tax	Other	2024	1,627			(25,917)	[a](1,608)	25,936	
9	OH Unemployment Tax	Unemployment Tax	OH	2024	(15,603)		1,753	17,336	[b]516	(30,670)	
10	KY Unemployment Tax	Unemployment Tax	KY	2024	(15,687)		5,190	5,384	[c]1,092	(14,789)	
11	**Subtotal Unemployment Tax**				(29,502)		14,616	4,427		(19,313)	
12	KY Sales and Use Tax	Sales And Use Tax	KY	2024	531,239	0	3,199,019	3,718,342		11,916	
13	OH Sales and Use Tax	Sales And Use Tax	OH	2024	3,949	0	143,757	104,024		43,682	
14	Other Sales and Use Tax	Sales And Use Tax	Other	2024	114,163	0	(40,789)	(42,789)		116,163	

15	**Subtotal Sales And Use Tax**				649,351	0	3,301,987	3,779,577		171,761	
16	Fed Income Tax	Income Tax	Federal	2024	(19,388,009)		24,703,585	(1,960,894)		7,276,470	
17	State Income Tax	Income Tax	KY	2024	(5,308,650)		2,935,143	(2,938,523)		565,016	
18	**Subtotal Income Tax**				(24,696,659)		27,638,728	(4,899,417)		7,841,486	
19	State Franchise	Franchise Tax	Various	2024	0		(8,417)	(8,417)		0	
20	**Subtotal Franchise Tax**				0		(8,417)	(8,417)		0	
21	Miscellaneous Tax	Miscellaneous Other Tax	Various	2024	0	0	(2,462)	(2,462)		0	
22	**Subtotal Miscellaneous Other Tax**				0	0	(2,462)	(2,462)		0	
40	TOTAL				188,672		44,830,036	16,805,518		28,213,190	

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: TaxAdjustments
Transfer of balance to lines 9 & 10
(b) Concept: TaxAdjustments
Transfer of balance from line 8
(c) Concept: TaxAdjustments
Transfer of balance from line 8

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)	Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION (j)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)				
1	Electric Utility									
2	3%									
3	4%									
4	7%									
5	10%									
6	30%	5,135,705	190	(1)				5,135,704		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	5,135,705		(1)				5,135,704		
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)									
10										`
11	Gas - 4									
12	Gas -10	(14,732)			411.4	(14,732)				
13	Total Gas	(14,732)				(14,732)				
47	OTHER TOTAL									
48	GRAND TOTAL	5,120,973				(14,732)		5,135,704		

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than $100,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	MISO MTEP Accrual	11,636,394			(218,194)	11,418,200
2	Deferred Revenue -Outdoor Lighting	1,866,098	415	329,941	1,210,055	2,746,212
3	Amort period 10 years over life					
4	of contracts					
5	MGP Reserve	617,795				617,795
6	FTR MTM gains/losses	83,862			(83,862)	
7	Gas Refunds	131,415	805	13,211	89,609	207,813
8	Amort period varies					
9	SCHM Exec Cash Bal Plan					
10	SCHM Tax&S/L For Surplus Mat'L					
11	Deferred Prepaid EF-Lighting Small Cell	18,520	454	2,799	9,992	25,713
12	Cash - suspense				1,268,843	1,268,843
47	TOTAL	14,354,084		345,951	2,276,443	16,284,576

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to amortizable property.
2. For other (Specify),include deferrals relating to other income and deductions.
3. Use footnotes as required.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR				ADJUSTMENTS				Balance at End of Year (k)
							Debits		Credits		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	
1	Accelerated Amortization (Account 281)										
2	Electric										
3	Defense Facilities										
4	Pollution Control Facilities										
5	Other										
5.1	Other (provide details in footnote):										
8	TOTAL Electric (Enter Total of lines 3 thru 7)										
9	Gas										
10	Defense Facilities										
11	Pollution Control Facilities										
12	Other										
12.1	Other (provide details in footnote):										
15	TOTAL Gas (Enter Total of lines 10 thru 14)										
16	Other										
16.1	Other										
16.2	Other										
17	TOTAL (Acct 281) (Total of 8, 15 and 16)										

18	Classification of TOTAL										
19	Federal Income Tax										
20	State Income Tax										
21	Local Income Tax										

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to property not subject to accelerated amortization.
2. For other (Specify),include deferrals relating to other income and deductions.
3. Use footnotes as required.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR				ADJUSTMENTS				Balance at End of Year (k)
							Debits		Credits		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	
1	Account 282										
2	Electric	241,961,189	32,444,530	18,150,263	389,734	3,849,637	182.3	449,960			252,345,593
3	Gas	111,129,526	12,376,842	15,143,423	8,041,495	17,622			182.3	144,918	116,531,736
4	Other (Specify)										
5	Total (Total of lines 2 thru 4)	353,090,715	44,821,372	33,293,686	8,431,229	3,867,259		449,960		144,918	368,877,329
6											
7											
8											
9	TOTAL Account 282 (Total of Lines 5 thru 8)	353,090,715	44,821,372	33,293,686	8,431,229	3,867,259		449,960		144,918	368,877,329
10	Classification of TOTAL										
11	Federal Income Tax	287,166,447	35,142,968	26,473,731	6,750,572	3,096,371		360,267		113,647	299,243,265
12	State Income Tax	65,924,268	9,678,404	6,819,955	1,680,657	770,888		89,693		31,271	69,634,064
13	Local Income Tax										

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For other (Specify),include deferrals relating to other income and deductions.
3. Provide in the space below explanations for Page 276. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR				ADJUSTMENTS				Balance at End of Year (k)
							Debits		Credits		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	
1	Account 283										
2	Electric										
3	Electric	25,097,565	1,162,145	3,264,393				143,111 [a]			22,852,206
9	TOTAL Electric (Total of lines 3 thru 8)	25,097,565	1,162,145	3,264,393				143,111			22,852,206
10	Gas										
11	Gas	5,427,118	927,619	469,838						73,550 [b]	5,958,449
17	TOTAL Gas (Total of lines 11 thru 16)	5,427,118	927,619	469,838						73,550	5,958,449
18	TOTAL Other										
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	30,524,683	2,089,764	3,734,231				143,111		73,550	28,810,655
20	Classification of TOTAL										
21	Federal Income Tax	24,753,710	1,673,196	2,989,861				134,892		34,184	23,336,337
22	State Income Tax	5,770,973	416,568	744,370				8,219		39,366	5,474,318
23	Local Income Tax										

NOTES

FOOTNOTE DATA

(a) Concept: AccumulatedDeferredIncomeTaxLiabilitiesOtherAdjustmentsDebitedToAccount

Offset to account 182.3	131,075	Offset to account 146	12,036	Total	143,111

(b) Concept: AccumulatedDeferredIncomeTaxLiabilitiesOtherAdjustmentsCreditedToAccount

Offset to account 182.3	68,124	Offset to account 146	5,426	Total	73,550

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than $100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	INCOME TAXES	111,674,385	190, 411	6,975,030		104,699,355
2	PENSION COSTS	5,246,108	182.3, 228.3, 926	788,845	70,650	4,527,913
3	DSM ENERGY EFFICIENCY-Order #2015-00368	2,276,629			2,542,028	4,818,657
4	DEFERRED FORCED OUTAGE-Order #2017-00321					
5	Tax Regulatory Liab - Reclass					
6	Open Int Rate Swap Cur Rg Liab	280,474			(146,034)	134,440
7	Deferred Regulatory Liability	572,974			(572,974)	
8	Other Longterm Liab			207,252	207,252	
41	TOTAL	120,050,570		7,971,127	2,100,922	114,180,365

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

Electric Operating Revenues

1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.
4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. Disclose amounts of $250,000 or greater in a footnote for accounts 451, 456, and 457.2.
6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See page 108, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)	MEGAWATT HOURS SOLD Year to Date Quarterly/Annual (d)	MEGAWATT HOURS SOLD Amount Previous year (no Quarterly) (e)	AVG.NO. CUSTOMERS PER MONTH Current Year (no Quarterly) (f)	AVG.NO. CUSTOMERS PER MONTH Previous Year (no Quarterly) (g)
1	Sales of Electricity						
2	(440) Residential Sales	199,940,506	171,174,866	1,487,303	1,408,351	139,405	136,696
3	(442) Commercial and Industrial Sales						
4	Small (or Comm.) (See Instr. 4)	174,749,536	152,483,229	1,525,120	1,460,309	13,034	12,734
5	Large (or Ind.) (See Instr. 4)	70,765,336	65,832,366	720,270	742,796	294	312
6	(444) Public Street and Highway Lighting	567,499	551,855	12,682	12,163	492	512
7	(445) Other Sales to Public Authorities	25,196,846	23,013,094	229,278	224,929	848	873
8	(446) Sales to Railroads and Railways						
9	(448) Interdepartmental Sales	11,125	31,256	107	348		
10	TOTAL Sales to Ultimate Consumers	471,230,848	413,086,666	3,974,760	3,848,896	154,073	151,127
11	(447) Sales for Resale	19,921,895	16,965,211	463,781	397,898	1	1
12	TOTAL Sales of Electricity	491,152,743	430,051,877	4,438,541	4,246,794	154,074	151,128
13	(Less) (449.1) Provision for Rate Refunds	(410,259)	(10,091,777)				
14	TOTAL Revenues Before Prov. for Refunds	491,563,002	440,143,654	4,438,541	4,246,794	154,074	151,128
15	Other Operating Revenues						
16	(450) Forfeited Discounts	931,113					

17	(451) Miscellaneous Service Revenues	(a) 82,121	(d) (54,308)				
18	(453) Sales of Water and Water Power						
19	(454) Rent from Electric Property	1,651,188	1,872,614				
20	(455) Interdepartmental Rents						
21	(456) Other Electric Revenues	(b) 5,202,296	(e) 5,158,249				
22	(456.1) Revenues from Transmission of Electricity of Others	4,312,204	3,288,733				
23	(457.1) Regional Control Service Revenues	250,138	212,421				
24	(457.2) Miscellaneous Revenues	(c) 3,245,203	(f) 2,696,555				
25	Other Miscellaneous Operating Revenues						
26	TOTAL Other Operating Revenues	15,674,263	13,174,264				
27	TOTAL Electric Operating Revenues	507,237,265	453,317,918				
Line12, column (b) includes $ 3,665,427 of unbilled revenues. Line12, column (d) includes (22,153) MWH relating to unbilled revenues							

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: MiscellaneousServiceRevenues		
GOGREEN Monthly Subscriptions	$	(17)
Non-Utility Miscellaneous Revenue	$	144,933
Power Delivery Revenue		26,049
Green Power		88,736
Jobbing and Contract Work		(177,580)
Total	$	82,121
(b) Concept: OtherElectricRevenue		
SAP Correction Accrual	$	—
RSG Revenue - MISO Make Whole	$	5,249,328
Other Electric Revenues		—
Profit Or Loss On Sale Of M&S		1
Data Processing Service		—
Sales & Use Tax Collection Fee		(47,033)
Gross Up-Contr In Aid Of Const		—
Total	$	5,202,296
(c) Concept: MiscellaneousRevenue		
PJM Reactive Rev	$	3,245,203
Total	$	3,245,203
(d) Concept: MiscellaneousServiceRevenues		
GOGREEN Monthly Subscriptions	$	—
Non-Utility Miscellaneous Revenue	$	(71,265)
Power Delivery Revenue		23,972
Green Power		91,266
Jobbing and Contract Work		(98,281)
Total	$	(54,308)
(e) Concept: OtherElectricRevenue		
SAP Correction Accrual	$	—
RSG Revenue - MISO Make Whole	$	5,143,381
Other Electric Revenues		10000
Profit Or Loss On Sale Of M&S		4268
Data Processing Service		0
Sales & Use Tax Collection Fee		600
Gross Up-Contr In Aid Of Const		—
Total	$	5,158,249
(f) Concept: MiscellaneousRevenue		
PJM Reactive Rev	$	2,696,555
Total	$	2,696,555

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)

1. The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.

Line No.	Description of Service (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Scheduling, System Control, and Dispatch	56,917	108,603	189,362	250,138
46	TOTAL	56,917	108,603	189,362	250,138

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Page 310.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Residential SHEET 30 (1)	1,493,522	201,860,505	139,293	10,722	0.1352
2	Residential SHEET 62	1,203	86,289	112	10,741	0.0717
41	TOTAL Billed Residential Sales	1,494,725	201,946,794	139,405	21,463	0.1351
42	TOTAL Unbilled Rev. (See Instr. 6)	(7,422)	(2,006,288)			0.2703
43	TOTAL	1,487,303	199,940,506	139,405	21,463	0.1344

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Page 310.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Commercial Sales SHEET 40 (8)	967,449	120,027,637	8,254	117,210	0.1241
2	Commercial Sales SHEET 41 (13)	538,589	52,632,521	4,596	117,186	0.0977
3	Commercial Sales SHEET 42 (9)	9,901	1,013,469	84	117,869	0.1024
4	Commercial Sales SHEET 43 (10)	2	513	0		0.2565
5	Commercial Sales SHEET 44 (11)	6,076	769,579	52	116,852	0.1267
6	Commercial Sales SHEET 45 (12)	1,447	107,980	12	120,621	0.0746
7	Commercial Sales SHEET 60 (18)	39	4,130	0		0.1059
8	Commercial Sales SHEET 61 (17)	23	1,624	0		0.0706
9	Commercial Sales SHEET 62(15)	4,242	295,349	36	117,833	0.0696
10	Commercial Sales SHEET 69 (15)	0	52	0		
41	TOTAL Billed Small or Commercial	1,527,768	174,852,854	13,034	707,571	0.1144
42	TOTAL Unbilled Rev. Small or Commercial (See Instr. 6)	(2,648)	(103,318)			0.0390
43	TOTAL Small or Commercial	1,525,120	174,749,536	13,034	707,571	0.1146

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Page 310.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Industrial Sales SHEET 40 (8)	73,107	9,091,476	30	2,436,900	0.1244
2	Industrial Sales SHEET 41 (13)	485,733	48,369,859	196	2,478,228	0.0996
3	Industrial Sales SHEET 44 (11)	1	156	0		0.1560
4	Industrial Sales SHEET 45 (12)	2,278	289,468	1	2,277,983	0.1271
5	Industrial Sales SHEET 51 (14)	166,268	13,028,376	67	2,481,612	0.0784
6	Industrial Sales SHEET 62(15)	141	9,830	0		0.0697
41	TOTAL Billed Large (or Ind.) Sales	727,528	70,789,165	294	9,674,723	0.0973
42	TOTAL Unbilled Rev. Large (or Ind.) (See Instr. 6)	(7,258)	(23,829)			0.0033
43	TOTAL Large (or Ind.)	720,270	70,765,336	294	9,674,723	0.0982

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

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3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Sheet 40 (24)					
2	Sheet 60 (25)	7,075	278,575	274	25,821	0.0394
3	Sheet 66 (26)	347	14,504	15	23,133	0.0418
4	Sheet 62	2,539	178,813	98	25,908	0.0704
5	SHEET 68	93	6,439	4	23,250	0.0692
6	SHEET 69 (19)	1,196	33,688	46	26,000	0.0282
7	Sheet 61 (29)	1,432	100,732	55	26,036	0.0703
41	TOTAL Billed Public Street and Highway Lighting	12,682	612,750	492	150,149	0.0483
42	TOTAL Unbilled Rev. (See Instr. 6)		(45,251)			
43	TOTAL	12,682	567,499	492	150,149	0.0447

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

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6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	SHEET 30 (30)					
2	SHEET 40(31)	102,809	13,144,426	372	276,368	0.1279
3	SHEET 42(32)	9,141	922,510	33	277,000	0.1009
4	SHEET 43 (33)	293	46,638	1	293,000	0.1592
5	SHEET 44 (34)	160	20,439	1	160,000	0.1277
6	SHEET 45 (35)	(637)	(12,893)	(2)	318,500	0.0202
7	SHEET 41 (36)	87,408	8,669,936	317	275,735	0.0992
8	SHEET 51 (37)	34,338	2,783,723	124	276,919	0.0811
9	SHEET 65 (38)			0		
10	SHEET 73 (41)			0		
11	SHEET 62 (43)	592	40,995	2	296,000	0.0692
41	TOTAL Billed Other Sales to Public Authorities	234,104	25,615,774	848	2,173,523	0.1094
42	TOTAL Unbilled Rev. (See Instr. 6)	(4,826)	(418,928)			0.0868
43	TOTAL	229,278	25,196,846	848	2,173,523	0.1099

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

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5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Interdepartmental Sales	107	11,125			0.1040
41	TOTAL Billed Interdepartmental Sales	107	11,125			0.1040
42	TOTAL Unbilled Rev. (See Instr. 6)					
43	TOTAL	107	11,125			0.1040

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

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5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1						
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3						
4						
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41	TOTAL Billed Provision For Rate Refunds					
42	TOTAL Unbilled Rev. (See Instr. 6)					
43	TOTAL		(410,259)			

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

SALES OF ELECTRICITY BY RATE SCHEDULES

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4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
41	TOTAL Billed - All Accounts	3,996,914	473,828,462	154,073	12,727,429	0.1185
42	TOTAL Unbilled Rev. (See Instr. 6) - All Accounts	(22,154)	(2,597,614)			0.1173
43	TOTAL - All Accounts	3,974,760	471,230,848	154,073	12,727,429	0.1186

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326).
2. Enter the name of the purchaser in column (a). Do note abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

   RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

   LF - for tong-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.

   IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.

   SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.

   LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.

   IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

   OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

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

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (g) through (k).
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401,line 24.
10. Footnote entries as required and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	ACTUAL DEMAND (MW)		Megawatt Hours Sold (g)	REVENUE			Total ($) (h+i+j) (k)
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)		Demand Charges ($) (h)	Energy Charges ($) (i)	Other Charges ($) (j)	
1	PJM Settlement, Inc.	OS	MBRT1				462,746	153,040	18,402,756		18,555,795

2	PJM Settlement, Inc.	AD	MBRT1				1,035	(87,221)	(19,740)		(106,961)
3	Wells Fargo Securities	OS	NJ						1,576,638		1,576,638
4	CEF - Lordstown	OS	MBRT1					(103,576)			(103,576)
15	Subtotal - RQ										
16	Subtotal-Non-RQ						463,781	(37,758)	19,959,653		19,921,895
17	Total						463,781	(37,758)	19,959,653		19,921,895

FERC FORM NO. 1 (ED. 12-90)

Page 310-311

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c) (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering	2,871,286	2,239,802
5	(501) Fuel	82,996,066	86,740,248
6	(502) Steam Expenses	27,876,147	18,574,589
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses	744,491	656,778
10	(506) Miscellaneous Steam Power Expenses	1,853,465	1,854,935
11	(507) Rents		
12	(509) Allowances	737	
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	116,342,192	110,066,352
14	Maintenance		
15	(510) Maintenance Supervision and Engineering	1,320,774	2,220,714
16	(511) Maintenance of Structures	1,653,880	1,233,960
17	(512) Maintenance of Boiler Plant	4,440,677	12,794,927
18	(513) Maintenance of Electric Plant	923,449	1,812,799
19	(514) Maintenance of Miscellaneous Steam Plant	913,253	2,243,461
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	9,252,033	20,305,861
21	TOTAL Power Production Expenses-Steam Power (Enter Total of Lines 13 & 20)	125,594,225	130,372,213
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		

30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuclear. Power (Enter Total of lines 33 & 40)		
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Mainentance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (Total of Lines 50 & 58)		
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering	192,288	179,320
63	(547) Fuel	13,627,835	7,849,637
64	(548) Generation Expenses	503,639	355,950

64.1	(548.1) Operation of Energy Storage Equipment		
65	(549) Miscellaneous Other Power Generation Expenses	1,074,820	1,158,257
66	(550) Rents		
67	TOTAL Operation (Enter Total of Lines 62 thru 67)	15,398,582	9,543,164
68	Maintenance		
69	(551) Maintenance Supervision and Engineering	122,561	142,984
70	(552) Maintenance of Structures	142,993	197,355
71	(553) Maintenance of Generating and Electric Plant	133,935	920,564
71.1	(553.1) Maintenance of Energy Storage Equipment		
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	357,379	355,206
73	TOTAL Maintenance (Enter Total of Lines 69 thru 72)	756,868	1,616,109
74	TOTAL Power Production Expenses-Other Power (Enter Total of Lines 67 & 73)	16,155,450	11,159,273
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	67,425,663	61,373,449
76.1	(555.1) Power Purchased for Storage Operations		
77	(556) System Control and Load Dispatching	281	(6,777)
78	(557) Other Expenses	8,243,581	5,893,445
79	TOTAL Other Power Supply Exp (Enter Total of Lines 76 thru 78)	75,669,525	67,260,117
80	TOTAL Power Production Expenses (Total of Lines 21, 41, 59, 74 & 79)	217,419,200	208,791,603
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	1,007	1,419
85	(561.1) Load Dispatch-Reliability	74,935	76,720
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	357,650	360,219
87	(561.3) Load Dispatch-Transmission Service and Scheduling	48,161	45,373
88	(561.4) Scheduling, System Control and Dispatch Services	3,439,400	2,693,777
89	(561.5) Reliability, Planning and Standards Development	1,710	12,878
90	(561.6) Transmission Service Studies		
91	(561.7) Generation Interconnection Studies		
92	(561.8) Reliability, Planning and Standards Development Services	2,086,522	1,987,145
93	(562) Station Expenses	38,953	69,187
93.1	(562.1) Operation of Energy Storage Equipment		
94	(563) Overhead Lines Expenses	98,464	78,268
95	(564) Underground Lines Expenses		

96	(565) Transmission of Electricity by Others	24,132,590	22,364,509
97	(566) Miscellaneous Transmission Expenses	105,981	113,989
98	(567) Rents		
99	TOTAL Operation (Enter Total of Lines 83 thru 98)	30,385,373	27,803,484
100	Maintenance		
101	(568) Maintenance Supervision and Engineering		
102	(569) Maintenance of Structures	22,194	17,031
103	(569.1) Maintenance of Computer Hardware	14,487	790
104	(569.2) Maintenance of Computer Software	62,984	63,393
105	(569.3) Maintenance of Communication Equipment		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	198,525	136,516
107.1	(570.1) Maintenance of Energy Storage Equipment		
108	(571) Maintenance of Overhead Lines	563,238	786,506
109	(572) Maintenance of Underground Lines		
110	(573) Maintenance of Miscellaneous Transmission Plant		
111	TOTAL Maintenance (Total of Lines 101 thru 110)	861,428	1,004,236
112	TOTAL Transmission Expenses (Total of Lines 99 and 111)	31,246,801	28,807,720
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation		
117	(575.3) Transmission Rights Market Facilitation		
118	(575.4) Capacity Market Facilitation		
119	(575.5) Ancillary Services Market Facilitation		
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services	2,389,913	2,028,421
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)	2,389,913	2,028,421
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		
127	(576.3) Maintenance of Computer Software		
128	(576.4) Maintenance of Communication Equipment		
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		

130	Total Maintenance (Lines 125 thru 129)		
131	TOTAL Regional Transmission and Market Operation Expenses (Enter Total of Lines 123 and 130)	2,389,913	2,028,421
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering	68,166	100,086
135	(581) Load Dispatching	434,744	460,268
136	(582) Station Expenses	34,849	19,923
137	(583) Overhead Line Expenses	359,088	236,689
138	(584) Underground Line Expenses	629,010	527,015
138.1	(584.1) Operation of Energy Storage Equipment		13
139	(585) Street Lighting and Signal System Expenses		
140	(586) Meter Expenses	383,722	443,261
141	(587) Customer Installations Expenses	587,314	537,178
142	(588) Miscellaneous Expenses	1,251,997	1,585,369
143	(589) Rents	13,641	15,020
144	TOTAL Operation (Enter Total of Lines 134 thru 143)	3,762,531	3,924,822
145	Maintenance		
146	(590) Maintenance Supervision and Engineering	89,337	103,103
147	(591) Maintenance of Structures		
148	(592) Maintenance of Station Equipment	324,855	417,132
148.1	(592.2) Maintenance of Energy Storage Equipment		
149	(593) Maintenance of Overhead Lines	7,341,418	6,561,383
150	(594) Maintenance of Underground Lines	286,150	280,733
151	(595) Maintenance of Line Transformers	3,052	7,026
152	(596) Maintenance of Street Lighting and Signal Systems	270,941	274,881
153	(597) Maintenance of Meters	349,430	400,666
154	(598) Maintenance of Miscellaneous Distribution Plant	158,508	
155	TOTAL Maintenance (Total of Lines 146 thru 154)	8,823,691	8,044,924
156	TOTAL Distribution Expenses (Total of Lines 144 and 155)	12,586,222	11,969,746
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation		
159	(901) Supervision	72,705	54,736
160	(902) Meter Reading Expenses	165,250	188,725
161	(903) Customer Records and Collection Expenses	4,090,929	3,705,060
162	(904) Uncollectible Accounts	582,628	(681,543)
163	(905) Miscellaneous Customer Accounts Expenses	150	128

164	TOTAL Customer Accounts Expenses (Enter Total of Lines 159 thru 163)	4,911,662	3,267,106
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision		
168	(908) Customer Assistance Expenses	17,518	10,394
169	(909) Informational and Instructional Expenses	13,102	10,875
170	(910) Miscellaneous Customer Service and Informational Expenses	1,165,145	1,413,953
171	TOTAL Customer Service and Information Expenses (Total Lines 167 thru 170)	1,195,765	1,435,222
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision		1
175	(912) Demonstrating and Selling Expenses	98,188	163,952
176	(913) Advertising Expenses	2,201	28,391
177	(916) Miscellaneous Sales Expenses		4
178	TOTAL Sales Expenses (Enter Total of Lines 174 thru 177)	100,389	192,348
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	5,571,408	7,949,664
182	(921) Office Supplies and Expenses	4,061,325	3,419,061
183	(Less) (922) Administrative Expenses Transferred-Credit		
184	(923) Outside Services Employed	3,209,967	4,540,605
185	(924) Property Insurance	1,472,642	1,512,071
186	(925) Injuries and Damages	555,934	514,557
187	(926) Employee Pensions and Benefits	4,168,404	4,109,305
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	918,289	743,544
190	(929) (Less) Duplicate Charges-Cr.	1,116,819	878,194
191	(930.1) General Advertising Expenses	179,327	129,198
192	(930.2) Miscellaneous General Expenses	1,844,440	(569,844)
193	(931) Rents	2,898,589	2,559,945
194	TOTAL Operation (Enter Total of Lines 181 thru 193)	23,763,506	24,029,912
195	Maintenance		
196	(935) Maintenance of General Plant	(222)	17,569
197	TOTAL Administrative & General Expenses (Total of Lines 194 and 196)	23,763,284	24,047,481

198	TOTAL Electric Operation and Maintenance Expenses (Total of Lines 80, 112, 131, 156, 164, 171, 178, and 197)	293,613,236	280,539,647

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

PURCHASED POWER (Account 555)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

   RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes pro resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate

   LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category sho service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the cont either buyer or seller can unilaterally get out of the contract.

   IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

   SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

   LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside fr the availability and reliability of the designated unit.

   IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one

   EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settle

   OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

   AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the co rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monnthly (or longer) basis, enter the monthly avera average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all othe (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any der and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent, excluding purchases for energy storage. Report in column (h) the to the respondent for energy storage purchases. Report in columns (i) and (j) the megawatthours of power exchanges received and delivered, used a net exchange.
7. Report demand charges in column (k), energy charges in column (l), and the total of any other types of charges, including out-of-period adjustments, components of the amount shown in column (m). Report in column (n) the total charge shown on bills received as settlement by the respondent. For p the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (m incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in columns (g) through (n) must be totaled on the last line of the schedule. The total amount in columns (g) and (h) must be reported as Purc amount in column (i) must be reported as Exchange Received on Page 401, line 12. The total amount in column (j) must be reported as Exchange De
9. Footnote entries as required and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	Ferc Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)		MegaWatt Hours Purchased (Excluding for Energy Storage) (g)	MegaWatt Hours Purchased for Energy Storage (h)	POWER EXCHANGES		C
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)			MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	Demand Charges ($) (k)
1	L'Oreal	IU	(a) (1)								
2	PJM Settlement, Inc	OS	MBRT1				2,067,361				
3	PJM Settlement, Inc	AD	MBRT1				(2,922)				

4	Wells Fargo Securities	OS	(b) NJ								
15	TOTAL						2,064,439	0	0	0	0

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: RateScheduleTariffNumber

The number "1" notation designates FERC approved Tariff and/or Rate Schedule as on file with the Commission. The tariff is applicable to qualifying cogeneration and small power production facilities.

(b) Concept: RateScheduleTariffNumber

NJ = Non-Jurisdictional Agreement.

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as "whe

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-tr customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or t footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c).
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Netwo Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accoun provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.
5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under whicl provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the subs where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for v the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in colum demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.
9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related t column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all othe including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge sh column (a). If no monetary settlement was made, enter zero (0) in column (n). Provide a footnote explaining the nature of the non-monetary settlemer service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on F
11. Footnote entries and provide explanations following all required data.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	Ferc Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		D C
									Megawatt Hours Received (i)	Megawatt Hours Delivered (j)	
1	PJM			OS							1
35	TOTAL							0	0	0	1

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: OtherChargesRevenueTransmissionOfElectricityForOthers

Response Charge Allocation 271,843.86 MTEP Project Cost Recovery
(3,059,020.78) PJM Financial Transmission Rights (FTRs) 0 Facilities Charges
(20,904.74) RSG Fees
(159,382.71) Total (2,967,464)

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

TRANSMISSION OF ELECTRICITY BY ISO/RTOs

1. Report in Column (a) the Transmission Owner receiving revenue for the transmission of electricity by the ISO/RTO.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in Column (a).
3. In Column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO – Firm Network Service for Others, FNS – Firm Network Transmission Service for Self, LFP – Long-Term Firm Point-to-Point Transmission Service, OLF – Other Long-Term Firm Transmission Service, SFP – Short-Term Firm Point-to-Point Transmission Reservation, NF – Non-Firm Transmission Service, OS – Other Transmission Service and AD- Out-of-Period Adjustments. Use this code for any accounting adjustments or “true-ups” for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.
4. In column (c) identify the FERC Rate Schedule or tariff Number, on separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (b) was provided.
5. In column (d) report the revenue amounts as shown on bills or vouchers.
6. Report in column (e) the total revenues distributed to the entity listed in column (a).

Line No.	Payment Received by (Transmission Owner Name) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Total Revenue by Rate Schedule or Tariff (d)	Total Revenue (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
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35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47					
48					
49					
40	TOTAL				

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to- Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter ""TOTAL"" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			MegaWatt Hours Received (c)	MegaWatt Hours Delivered (d)	Demand Charges ($) (e)	Energy Charges ($) (f)	Other Charges ($) (g)	Total Cost of Transmission ($) (h)
1	Midcontinent ISO	LFP					557,000 [a]	557,000
2	PJM Interconnection	LFP			23,575,590			23,575,590
	TOTAL		0	0	23,575,590	0	557,000	24,132,590

FOOTNOTE DATA

(a) Concept: OtherChargesTransmissionOfElectricityByOthers

Accretion of the MTEP obligation.

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	42,958
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	
4	Pub and Dist Info to Stkhldrs...expn servicing outstanding Securities	
5	Oth Expn greater than or equal to 5,000 show purpose, recipient, amount. Group if less than $5,000	
6	Business and Service Company Support	1,139,032
7	Director's Fees and Expenses	50,204
8	Shareholder's Communications/System	74,540
9	Dues and Subscriptions to Various Organizations	36,394
10	Account Analysis Reconciliation Adjustments	501,312
46	TOTAL	1,844,440

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

Depreciation and Amortization of Electric Plant (Account 403, 404, 405)

1. Report in section A for the year the amounts for: (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
2. Report in Section B the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
   Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.
   In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.
   For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type of mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			3,108,680		3,108,680
2	Steam Production Plant	28,985,915	(1,527)			28,984,388
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	10,867,955				10,867,955
7	Transmission Plant	3,076,481				3,076,481
8	Distribution Plant	18,145,051				18,145,051
9	Regional Transmission and Market Operation					
10	General Plant	1,479,790		1,303,281		2,783,071
11	Common Plant-Electric	668,869		443,920		1,112,789
12	TOTAL	63,224,061	(1,527)	4,855,881		68,078,415

B. Basis for Amortization Charges

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (in Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. Rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	1900 ERLANGER OPERATIONS CENTER	4,529	75 years	(10)	283	R0.5	38 years

13	1900 KENTUCKY SERVICE BUILDING - 19TH AND AUGUSTINE	9,152	75 years	(10)	539	R0.5	19 years
14	1900 MINOR STRUCTURES	124	45 years	(10)	257	R1.5	42 years
15	1910 OFFICE FURNITURE AND EQUIPMENT	789	20 years		500	SQ	15 years
16	1911 ELECTRONIC DATA PROCESSING	5	5 years		1,001	SQ	1 year
17	1940 TOOLS, SHOP AND GARAGE EQUIPMENT	114	25 years		400	SQ	12 years
18	1970 COMMUNICATION EQUIPMENT	6,414	15 years		667	SQ	4 years
19	1980 MISCELLANEOUS EQUIPMENT	95	15 years		667	SQ	10 years
20	3110 STRUCTURES AND IMPROVEMENTS	183,718	85 years	(3)	402	S1	19 years
21	3120 BOILER PLANT EQUIPMENT	545,368	45 years	(3)	270	S0.5	18 years
22	3123 BOILER PLANT EQUIPMENT - SCR CATALYST	7,984	10 years		591	S2.5	6 years
23	3140 TURBOGENERATOR UNITS	109,286	40 years	(3)	289	S0.5	17 years
24	3150 ACCESSORY ELECTRIC EQUIPMENT	48,173	65 years	(3)	172	R2.5	19 years
25	3160 MISCELLANEOUS POWER PLANT EQUIPMENT	23,997	55 years	(3)	308	S0	18 years
26	3410 STRUCTURES AND IMPROVEMENTS	36,379	60 years	(2)	143	R4	18 years
27	3420 FUEL HOLDERS, PRODUCERS AND ACCESSORIES	61,311	45 years	(2)	512	S1.5	18 years
28	3430 PRIME MOVERS	10,341	25 years	(2)	575	S0	15 years
29	3440 GENERATORS	211,248	40 years	(2)	244	S0.5	15 years
30	3450 ACCESSORY ELECTRIC EQUIPMENT	19,859	35 years	(2)	281	S1	14 years
31	3456 CRITTENDEN	638	25 years	(4)	464	S2.5	20 years
32	3456 WALTON	979	25 years	(4)	464	S2.5	20 years
33	3460 MISCELLANEOUS POWER PLANT EQUIPMENT	5,152	45 years	(2)	226	R1.5	17 years

34	3501 RIGHTS OF WAY	1,334	75 years		93	R4	50 years
35	3520 STRUCTURES AND IMPROVEMENTS	5,986	70 years	(15)	169	R2.5	64 years
36	3530 STATION EQUIPMENT	29,941	50 years	(10)	231	R1	43 years
37	3531 STATION EQUIPMENT - STEP UP	9,374	50 years	(10)	252	R3	24 years
38	3532 STATION EQUIPMENT - MAJOR	11,449	60 years	(10)	178	R2.5	50 years
39	3534 STATION EQUIPMENT - STEP UP EQUIPMENT	7,672	40 years	(10)	287	R2.5	29 years
40	3550 POLES AND FIXTURES	15,265	55 years	(30)	257	R1	46 years
41	3560 OVERHEAD CONDUCTORS AND DEVICES	11,048	55 years	(25)	209	R1	46 years
42	3561 OVERHEAD CONDUCTORS AND DEVICES - CLEARING AND RIGHT OF WAY	1,842	65 years		154	R3	62 years
43	3601 RIGHTS OF WAY	4,498	75 years		69	R4	42 years
44	3610 STRUCTURES AND IMPROVEMENTS	1,420	70 years	(15)	188	R2.5	56 years
45	3620 STATION EQUIPMENT	74,310	32 years	(10)	391	R0.5	27 years
46	3622 STATION EQUIPMENT - MAJOR	42,686	60 years	(10)	173	R2.5	49 years
47	3640 POLES, TOWERS AND FIXTURES	74,482	55 years	(50)	238	R0.5	46 years
48	3650 OVERHEAD CONDUCTORS AND DEVICES	144,890	53 years	(40)	251	O1	46 years
49	3651 OVERHEAD CONDUCTORS AND DEVICES - CLEARING AND RIGHT OF WAY	7,178	65 years		150	R3	62 years
50	3660 UNDERGROUND CONDUIT	43,373	75 years	(25)	160	R3	66 years
51	3670 UNDERGROUND CONDUCTORS AND DEVICES	81,871	56 years	(35)	253	R2	44 years
52	3680 LINE TRANSFORMERS	73,742	48 years	(15)	203	R0.5	38 years

53	3682 LINE TRANSFORMERS - CUSTOMER	274	55 years	(15)	53	R1.5	24 years
54	3691 SERVICES - UNDERGROUND	2,766	65 years	(40)	197	R3	57 years
55	3692 SERVICES - OVERHEAD	19,465	60 years	(40)	170	R1	50 years
56	3700 METERS AND METERING EQUIPMENT	2,621	24 years	(2)	460	L1	15 years
57	3702 UoF METERS	25,907	15 years		612	S2.5	13 years
58	3711 INSTALLATIONS ON CUSTOMERS' PREMISES - AREA LIGHTING	1	20 years		457	S0.5	19 years
59	3712 COMPANY-OWNED OUTDOOR LIGHTING	861	11 years	(5)	1,078	R2	8 years
60	3720 LEASED PROPERTY ON CUSTOMERS' PREMISES	10	30 years			L3	0 years
61	3731 STREET LIGHTING - OVERHEAD	2,507	34 years	(15)	125	L0.5	25 years
62	3732 STREET LIGHTING - BOULEVARD	3,368	55 years	(20)	112	R1.5	39 years
63	3733 STREET LIGHTING - CUSTOMER POLES	3,859	25 years	(10)	421	L0	21 years
64	3900 STRUCTURES AND IMPROVEMENTS	165	40 years	(10)	333	S1	24 years
65	3910 OFFICE FURNITURE AND EQUIPMENT	374	20 years		500	SQ	19 years
66	3911 ELECTRONIC DATA PROCESSING	2,794	5 years		2,000	SQ	2 years
67	3920 TRANSPORTATION EQUIPMENT	1,059	12 years		620	S3	11 years
68	3921 TRANSPORTATION EQUIPMENT - TRAILERS	272	20 years	5	193	R2.5	13 years
69	3940 TOOLS, SHOP AND GARAGE EQUIPMENT	3,162	25 years		400	SQ	20 years
70	3960 POWER OPERATED EQUIPMENT	12	15 years		418	L2	6 years
71	3970 COMMUNICATION EQUIPMENT	(a) 9,004	15 years		667	SQ	11 years

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: DepreciablePlantBase

Depreciable Plant Base represents balances from the approved study, and excludes plant related to non-utility, asset retirement obligations, plant held for future use, capital and operating leases, land and intangibles.

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) rela format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previ
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in columns (f), (g), and (h), expenses incurred during the year which were charged currently to income, plant, or other accounts.
5. Minor items (less than $25,000) may be grouped.

						EXPENSES INCURRED DURING YEAR				AMORTIZED DUR	
						CURRENTLY CHARGED TO					
Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)	Department (f)	Account No. (g)	Amount (h)	Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)
1	Kentucky Public Service Commission:										
2	Regulatory Fee - Gas	188,825		188,825		Gas	928	188,825			
3	Regulatory Fee - Electric	619,880		619,880		Electric	928	619,880			
4	[a] Request for Rate Increase - Electric Case No. 2017-00321		72,316	72,316	98,613	Electric	928	72,316			72,316
5	[b] Request for Rate Increase - Gas Case No. 2018-00261		12,757	12,757	12,757	Gas	928	12,757			12,757
6	[c] Request for Rate Increase - Electric Case No. 2019-00271		10,855	10,855	90,445	Electric	928	10,855	41,383		52,237
7	[d] Request for Rate Increase - Gas Case No. 2021-00190		44,939	44,939	135,344	Gas	928	44,939			44,939

8	(e) Request for Rate Increase - Electric Case No. 2022-00372		176,256	176,256	772,390	Electric	928	176,256			176,256
9	Misc. Legal Expenses:										
10	Gas - Other & Transmission		6,100	6,100		Gas	928	6,100			
11	Electric - Transmission		21,110	21,110		Electric	928	21,110			
12	Electric - Other		17,872	17,872		Electric	928	17,872			
46	TOTAL	808,705	362,205	1,170,910	1,109,549			1,170,910	41,383		358,505

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FOOTNOTE DATA

(a) Concept: RegulatoryCommissionDescription
The expenses from the Request for Rate Increase in Case Numbers; 2017-00321, 2018-00261, 2019-00271. 2021-00190, 2022-00372 are deferred in FERC account 186
(b) Concept: RegulatoryCommissionDescription
The expenses from the Request for Rate Increase in Case Numbers; 2017-00321, 2018-00261, 2019-00271. 2021-00190, 2022-00372 are deferred in FERC account 186
(c) Concept: RegulatoryCommissionDescription
The expenses from the Request for Rate Increase in Case Numbers; 2017-00321, 2018-00261, 2019-00271. 2021-00190, 2022-00372 are deferred in FERC account 186
(d) Concept: RegulatoryCommissionDescription
The expenses from the Request for Rate Increase in Case Numbers; 2017-00321, 2018-00261, 2019-00271. 2021-00190, 2022-00372 are deferred in FERC account 186
(e) Concept: RegulatoryCommissionDescription
The expenses from the Request for Rate Increase in Case Numbers; 2017-00321, 2018-00261, 2019-00271. 2021-00190, 2022-00372 are deferred in FERC account 186

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D and D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D and D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).
2. Indicate in column (a) the applicable classification, as shown below:
   Classifications:

   Electric R, D and D Performed Internally:
   - Generation
     - hydroelectric
       - Recreation fish and wildlife
       - Other hydroelectric
     - Fossil-fuel steam
     - Internal combustion or gas turbine
     - Nuclear
     - Unconventional generation
     - Siting and heat rejection
   - Transmission
     - Overhead
     - Underground
   - Distribution
   - Regional Transmission and Market Operation
   - Environment (other than equipment)
   - Other (Classify and include items in excess of $50,000.)
   - Total Cost Incurred

   Electric, R, D and D Performed Externally:
   - Research Support to the electrical Research Council or the Electric Power Research Institute
   - Research Support to Edison Electric Institute
   - Research Support to Nuclear Power Groups
   - Research Support to Others (Classify)
   - Total Cost Incurred
3. Include in column (c) all R, D and D items performed internally and in column (d) those items performed outside the company costing $50,000 or more, briefly describing the specific area of R, D and D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under $50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D and D activity.
4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e).
5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.
6. If costs have not been segregated for R, D and D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by ""Est.""
7. Report separately research and related testing facilities operated by the respondent.

Line No.	Classification (a)	Description (b)	Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)
					Amounts Charged In Current Year: Account (e)	Amounts Charged In Current Year: Amount (f)	
1	A. Electric R, D&D Performed Internally:						
2	Distribution	Research & Development Administration Costs			930.7		
3	TOTAL ELECTRIC R, D&D PERFORMED INTERNALLY						
4	B. Electric R, D&D Performed Externally:						
5	Electric Power Research Institute	Electric Power Research Institute Membership		84,652	Various	84,652	
6		Other (Less than $50K each)					
7	TOTAL ELECTRIC R, D&D PERFORMED EXTERNALLY			84,652		84,652	

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll Charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	8,203,614		
4	Transmission	450,154		
5	Regional Market			
6	Distribution	1,586,747		
7	Customer Accounts	1,914,537		
8	Customer Service and Informational	658,061		
9	Sales			
10	Administrative and General	5,941,545		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	18,754,658		
12	Maintenance			
13	Production	3,285,965		
14	Transmission	216,477		
15	Regional Market			
16	Distribution	1,367,425		
17	Administrative and General			
18	TOTAL Maintenance (Total of lines 13 thru 17)	4,869,867		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	11,489,579		
21	Transmission (Enter Total of lines 4 and 14)	666,631		
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	2,954,172		
24	Customer Accounts (Transcribe from line 7)	1,914,537		
25	Customer Service and Informational (Transcribe from line 8)	658,061		
26	Sales (Transcribe from line 9)			
27	Administrative and General (Enter Total of lines 10 and 17)	5,941,545		

28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	23,624,525	116,309	23,740,834
29	Gas			
30	Operation			
31	Production - Manufactured Gas			
32	Production-Nat. Gas (Including Expl. And Dev.)			
33	Other Gas Supply	461,009		
34	Storage, LNG Terminaling and Processing			
35	Transmission			
36	Distribution	2,761,607		
37	Customer Accounts	1,216,614		
38	Customer Service and Informational	422,536		
39	Sales			
40	Administrative and General	1,436,001		
41	TOTAL Operation (Enter Total of lines 31 thru 40)	6,297,767		
42	Maintenance			
43	Production - Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminaling and Processing			
47	Transmission			
48	Distribution	720,291		
49	Administrative and General	4,095		
50	TOTAL Maint. (Enter Total of lines 43 thru 49)	724,386		
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)	461,009		
55	Storage, LNG Terminaling and Processing (Total of lines 31 thru			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)	3,481,898		
58	Customer Accounts (Line 37)	1,216,614		
59	Customer Service and Informational (Line 38)	422,536		
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)	1,440,096		

62	TOTAL Operation and Maint. (Total of lines 52 thru 61)	7,022,153	8,866	7,031,019
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	30,646,678	125,175	30,771,853
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	16,772,052	1,245,622	18,017,674
69	Gas Plant	8,216,715	359,043	8,575,758
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	24,988,767	1,604,665	26,593,432
72	Plant Removal (By Utility Departments)			
73	Electric Plant	2,204,571		2,204,571
74	Gas Plant	783,544		783,544
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	2,988,115		2,988,115
77	Other Accounts (Specify, provide details in footnote):			
78	Other Accounts (Specify, provide details in footnote):			
79	Projects For Duke's Subsidiaries & Merchandising	14,871		14,871
80	Other Work in Progress	263,838		263,838
81	Other Accounts	504,629		504,629
82				
83				
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	783,338		783,338

96	TOTAL SALARIES AND WAGES	59,406,898	1,729,840	61,136,738

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Electric Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give date of approval by the Commission for use of the common utility plant classification and reference to the order of the Commission or other authorization.

1. COMMON UTILITY PLANT

COMMON PLANT IN SERVICE

Account Title	Beg. Balance	Additions (A)	Retirements	Transfers (B)	End Balance
303 Misc. Intangible Plant	22,425,003	17,693	0	0	22,442,696
370 Common AMI Meters	—	—	—	—	—
389 Land and Land Rights	1,041,678	—	—	—	1,041,678
390 Struct & Improvements	21,083,788	191,163	163,729	—	21,438,680
391 Office Furniture & Equipment	1,529,631	—	—	—	1,529,631
Electronic Data Processing	40,535	—		—	40,535
392 Transportation Equipment	—	—	—	—	—
393 Stores Equipment	—	—	—	—	—
394 Tools, Shop & Garage Equip	113,850	—	(5,371)	—	108,479
395 Laboratory Equipment	—	—	—	—	—
397 Communication Equipment	6,476,478	(288,969)	(145,687)	—	6,041,822
398 Miscellaneous Equipment	95,301	—	—	—	95,301
399 ARO General Plant	1,486,982	—	—	—	1,486,982
Total Common Plt in Service	54,293,246	(80,113)	12,671	—	54,225,804
CWIP	5,396,957	(3,750,992)	—	—	1,645,965
Total Common Utility Plant in Ser.	59,690,203	(3,831,105)	12,671	—	55,871,769

ALLOCATION OF COMMON PLANT TO UTILITY DEPARTMENTS (C)

Summary by Account Estimated as of 12/31/2024

Gas Department	29.60%	16,538,044
Electric Department	70.40%	39,333,726
	100.00%	55,871,770

(A) Classification of Account 106, Completed Construction Not Classified, included in the Additions column.

(B) Represents reclassification between utility departments and primary plant accounts.

(C) The percentages used to allocate Common Plant to utility departments are the weighted averages resulting from the application of allocation factors to the investment based on Gross Plant as of 12/31/2024.

2. ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF COMMON UTILITY PLANT

Balance - Beginning of Year		26,706,727
Depreciation provision for the year charged to:		
(403) Depreciation Expense (1)	931,832	
(404) Amortization-Limited Term Plant	443,920	
(403.1) Depreciation Expense (1)	220,889	
		1,596,641
Net Charges for Plant Retired:		
Book Cost of Plant Retired	12,671	
Cost of Removal	(37,695)	
Salvage (Credit)	165	
		(24,859)
Other Items:		
Transfers & Adjustments	28,994	
		28,994
Balance - End of the Year		28,307,503

ALLOCATION OF ACCUMULATED PROVISION FOR DEPRECIATION TO UTILITY DEPARTMENTS (3)

Summary by Account Estimated as of 12/31/2024

Gas Department	29.60%	8,379,021

Electric Department	70.40%	19,928,482
	100.00%	28,307,503

METHOD OF DETERMINATION OF DEPRECIATION & AMORTIZATION

Common Plant in Service	Rate (4)
Miscellaneous Intangible Plant	Note (2)
Structures and Improvements	1.95%
Office Furniture and Equipment	5.00%
Electronic Data Processing Equipment	20.00%
Tools, Shop & Garage Equipment	4.00%
Transportation & Power Operated Equipment	Note (4)
Communication Equipment	6.67%
Miscellaneous Equipment	6.67%

(1) The Respondent determines its monthly provision for depreciation by the application of rates to the previous month's balance of property capitalized in each primary plant account plus total Account 106 - Completed Construction Not Classified.

(2) The Respondent amortized its investment in Miscellaneous Intangible Plant equally over 60 months for certain projects.

(3) The percentages used to allocate the Common Plant Accumulated Provision for Depreciation balances to utility departments are the weighted averages resulting from the application of allocation factors to the balance of Common Plant Accumulated Provision at 12/31/2024. These factors are based on Gross Plant as of 12/31/2024.

(4) In 1997, the Respondent adopted vintage year accounting for general plant accounts in accordance with FERC Accounting Release No. 15.

(5) The Respondent amortized its investment in Transportation & Power Operated Equipment over the estimated lives of the individual assets.

3. COMMON UTILITY PLANT EXPENSE ACCOUNTS

Common utility plant expense accounts are not maintained, but such expenses are allocated to gas and electric departments principally on one or more of the following bases:

Floor space utilized for buildings and office equipment

General labor - total company

Number of gas and electric customers

IT operations

Numbers of customers

Three factor formula

4. COMMISSION APPROVAL

Prior to establishment of original cost, Messrs. Brenner and Eilers of the respondent and Campbell and Schwartz from Columbia System met with Mr. Smith of the Federal Power Commission to discuss amongst other things, the Federal Power Commission's permission to use the Common Utility Plant accounts. It was pointed out by the representatives of the Respondent that because of the nature of the Respondent's operations it was impossible and impractical to assign certain types of equipment directly to either gas or electric utility plant. Because of the facts presented, Mr. Smith gave the Respondent's respresentatives verbal permission to use the common plant accounts.

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)	11,208,548	29,269,777	48,629,412	68,004,196
2.1	Net Purchases (Account 555.1)				
3	Net Sales (Account 447)	4,793,102	9,910,178	15,618,913	18,047,913
4	Transmission Rights	543,796	2,060,848	3,211,705	4,065,462
5	Ancillary Services				
6	Other Items (list separately)				
7	Ancillary Services (Account 555)	12,301	(350,214)	(627,638)	(1,689,969)
8	Ancillary Services (Account 447)	59,475	168,352	234,862	400,921
46	TOTAL	16,617,222	41,058,941	67,067,254	88,828,523

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.
In columns for usage, report usage-related billing determinant and the unit of measure.

1. On Line 1 columns (b), (c), (d), and (e) report the amount of ancillary services purchased and sold during the year.
2. On Line 2 columns (b), (c), (d), and (e) report the amount of reactive supply and voltage control services purchased and sold during the year.
3. On Line 3 columns (b), (c), (d), and (e) report the amount of regulation and frequency response services purchased and sold during the year.
4. On Line 4 columns (b), (c), (d), and (e) report the amount of energy imbalance services purchased and sold during the year.
5. On Lines 5 and 6, columns (b), (c), (d), and (e) report the amount of operating reserve spinning and supplement services purchased and sold during the period.
6. On Line 7 columns (b), (c), (d), and (e) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

		Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
Line No.	Type of Ancillary Service (a)	Number of Units (b)	Unit of Measure (c)	Dollar (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch			687,994			(a) 250,137
2	Reactive Supply and Voltage			1,277,790			1,881,230
3	Regulation and Frequency Response			942,387			
4	Energy Imbalance						
5	Operating Reserve - Spinning						
6	Operating Reserve - Supplement						
7	Other			939,960			(b) 6,794,204
8	Total (Lines 1 thru 7)			3,848,131			8,925,571

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: AncillaryServicesSoldAmount

Revenues from PJM

(b) Concept: AncillaryServicesSoldAmount

Facilities Charge Revenues from PJM are included in total Other Revenues. ($61,079.20)

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

MONTHLY TRANSMISSION SYSTEM PEAK LOAD

1. Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
2. Report on Column (b) by month the transmission system's peak load.
3. Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
4. Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
	NAME OF SYSTEM: Duke Energy Kentucky									
1	January									
2	February									
3	March									
4	Total for Quarter 1									
5	April									
6	May									
7	June									
8	Total for Quarter 2									
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total									

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

Monthly ISO/RTO Transmission System Peak Load

1. Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
2. Report on Column (b) by month the transmission system's peak load.
3. Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
4. Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).
5. Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Import into ISO/RTO (e)	Exports from ISO/RTO (f)	Through and Out Service (g)	Network Service Usage (h)	Point-to-Point Service Usage (i)	Total Usage (j)
	NAME OF SYSTEM: Enter System									
1	January									
2	February									
3	March									
4	Total for Quarter 1									
5	April									
6	May									
7	June									
8	Total for Quarter 2									
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total Year to Date/Year									

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 2025-04-16	Year/Period of Report End of: 2024/ Q4

ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	3,974,760
3	Steam	2,264,495	23	Requirements Sales for Resale (See instruction 4, page 311.)	
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	463,781
5	Hydro-Conventional		25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	320
7	Other	371,086	27	Total Energy Losses	261,159
8	Less Energy for Pumping		27.1	Total Energy Stored	
9	Net Generation (Enter Total of lines 3 through 8)	2,635,581	28	TOTAL (Enter Total of Lines 22 Through 27.1) MUST EQUAL LINE 20 UNDER SOURCES	4,700,020
10	Purchases (other than for Energy Storage)	2,064,439			
10.1	Purchases for Energy Storage	0			
11	Power Exchanges:				
12	Received	0			
13	Delivered	0			
14	Net Exchanges (Line 12 minus line 13)	0			
15	Transmission For Other (Wheeling)				
16	Received				
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of Lines 9, 10, 10.1, 14, 18 and 19)	4,700,020			

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

MONTHLY PEAKS AND OUTPUT

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirement Sales for Resale & Associated Losses (c)	Monthly Peak - Megawatts (d)	Monthly Peak - Day of Month (e)	Monthly Peak - Hour (f)
	NAME OF SYSTEM: Duke Energy Kentucky					
29	January	394,295	6,231	720	17	8
30	February	324,423	14,681	552	29	8
31	March	417,890	109,400	529	11	8
32	April	321,734	32,885	545	16	17
33	May	347,101	2,055	692	21	17
34	June	477,103	91,949	793	17	16
35	July	443,418	31,314	789	15	17
36	August	442,396	12,447	845	28	15
37	September	460,127	90,917	746	20	16
38	October	318,797	247	601	6	17
39	November	325,014	11,377	553	21	19
40	December	427,720	60,277	648	6	8
41	Total	4,700,018	463,781			

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

Steam Electric Generating Plant Statistics

1. Report data for plant in Service only.
2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants.
3. Indicate by a footnote any plant leased or operated as a joint facility.
4. If net peak demand for 60 minutes is not available, give data which is available, specifying period.
5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant.
6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mcf.
7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20.
8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.
9. Items under Cost of Plant are based on USofA accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses.
10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants.
11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant.
12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Line No.	Item (a)	Plant Name: 0	Plant Name: East Bend	Plant Name: Miami Fort 6	Plant Name: Woodsdale CT
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)		Steam (a)	Steam (b)	Combustion Turbine
2	Type of Constr (Conventional, Outdoor, Boiler, etc)		Conventional	Conventional	Conventional
3	Year Originally Constructed		1981	1960	1992
4	Year Last Unit was Installed		1981	1960	1993
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)		(c)768	(d)168	(e)572
6	Net Peak Demand on Plant - MW (60 minutes)		611		496
7	Plant Hours Connected to Load		5,731		1,476
8	Net Continuous Plant Capability (Megawatts)				
9	When Not Limited by Condenser Water		600		564
10	When Limited by Condenser Water		600		476
11	Average Number of Employees		73		15
12	Net Generation, Exclusive of Plant Use - kWh		2,264,495,000		371,086,000
13	Cost of Plant: Land and Land Rights		7,036,025		2,258,588
14	Structures and Improvements		177,689,676		37,631,494
15	Equipment Costs		784,397,535		325,948,648
16	Asset Retirement Costs		90,893,184		
17	Total cost (total 13 thru 20)		1,060,016,420		365,838,730
18	Cost per KW of Installed Capacity (line 17/5) Including		1,380.2297		639.5782

19	Production Expenses: Oper, Supv, & Engr		2,871,286		192,108
20	Fuel		82,057,784		13,580,665
21	Coolants and Water (Nuclear Plants Only)				
22	Steam Expenses		27,876,148		502,861
23	Steam From Other Sources				
24	Steam Transferred (Cr)				
25	Electric Expenses		744,491		1,003,825
26	Misc Steam (or Nuclear) Power Expenses		1,853,465		
27	Rents				
28	Allowances				
29	Maintenance Supervision and Engineering		1,307,247		131,186
30	Maintenance of Structures		1,653,806		143,068
31	Maintenance of Boiler (or reactor) Plant		4,440,677		
32	Maintenance of Electric Plant		923,450		133,935
33	Maintenance of Misc Steam (or Nuclear) Plant		913,253		357,379
34	Total Production Expenses	0	124,641,607		16,045,027
35	Expenses per Net kWh				

35	**Plant Name**	East Bend	East Bend	Woodsdale CT	Woodsdale CT
36	Fuel Kind	Coal	Oil	Gas	Oil
37	Fuel Unit	T	bbl	Mcf	bbl
38	Quantity (Units) of Fuel Burned	1,117,565	26,593	5,113,453	14,988
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	11,734	139,050	1	138,588
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	71.333	109.969	2.313	102.002
41	Average Cost of Fuel per Unit Burned	70.704	114.352	2.313	117.080
42	Average Cost of Fuel Burned per Million BTU	3.013	19.580	2.250	20.115
43	Average Cost of Fuel Burned per kWh Net Gen	0.035	0.001	0.032	0.005
44	Average BTU per kWh Net Generation	11,582.000	11,582.000	14,401.000	14,401.000

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: PlantKind

Effective 12-30-14, East Bend is owned 100% by Duke Energy Kentucky, Inc. Prior to that, East Bend was commonly owned by Duke Energy Kentucky, Inc. and the Dayton Power and Light Company with undivided interest of 69% and 31% respectively. Fuel expenses were shared on the basis of energy usage and other expenses were shared on an ownership basis.

(b) Concept: PlantKind

Miami Fort U6 retired 2015.

(c) Concept: InstalledCapacityOfPlant

The name plate rating is the actual name plate capacity that is determined by the generator's manufacturer and indicates the maximum output a generator can produce.

(d) Concept: InstalledCapacityOfPlant

The name plate rating is the actual name plate capacity that is determined by the generator's manufacturer and indicates the maximum output a generator can produce. Miami Fort U6 retired 5/31/2015.

(e) Concept: InstalledCapacityOfPlant

The name plate rating is the actual name plate capacity that is determined by the generator's manufacturer and indicates the maximum output a generator can produce.

(f) Concept: FuelSteamPowerGeneration

Excludes coal handling, sale of fly ash, and other miscellaneous costs to fuel expense Account 501 = $938,282 .

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

Hydroelectric Generating Plant Statistics

1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings).
2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.
3. If net peak demand for 60 minutes is not available, give that which is available specifying period.
4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.
5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."
6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.

Line No.	Item (a)	FERC Licensed Project No. Plant Name:	FERC Licensed Project No. Plant Name:	FERC Licensed Project No. Plant Name:	FERC Licensed Project No. Plant Name:	FERC Licensed Project No. Plant Name:
1	Kind of Plant (Run-of-River or Storage)					
2	Plant Construction type (Conventional or Outdoor)					
3	Year Originally Constructed					
4	Year Last Unit was Installed					
5	Total installed cap (Gen name plate Rating in MW)					
6	Net Peak Demand on Plant-Megawatts (60 minutes)					
7	Plant Hours Connect to Load					
8	**Net Plant Capability (in megawatts)**					
9	(a) Under Most Favorable Oper Conditions					
10	(b) Under the Most Adverse Oper Conditions					
11	Average Number of Employees					
12	Net Generation, Exclusive of Plant Use - kWh					
13	**Cost of Plant**					
14	Land and Land Rights					
15	Structures and Improvements					
16	Reservoirs, Dams, and Waterways					
17	Equipment Costs					
18	Roads, Railroads, and Bridges					
19	Asset Retirement Costs					
20	Total cost (total 13 thru 20)					

21	Cost per KW of Installed Capacity (line 20 / 5)					
22	**Production Expenses**					
23	Operation Supervision and Engineering					
24	Water for Power					
25	Hydraulic Expenses					
26	Electric Expenses					
27	Misc Hydraulic Power Generation Expenses					
28	Rents					
29	Maintenance Supervision and Engineering					
30	Maintenance of Structures					
31	Maintenance of Reservoirs, Dams, and Waterways					
32	Maintenance of Electric Plant					
33	Maintenance of Misc Hydraulic Plant					
34	Total Production Expenses (total 23 thru 33)					
35	Expenses per net kWh					

FERC FORM NO. 1 (REV. 12-03)

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

Pumped Storage Generating Plant Statistics

1. Large plants and pumped storage plants of 10,000 Kw or more of installed capacity (name plate ratings).
2. If any plant is leased, operating under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. Give project number.
3. If net peak demand for 60 minutes is not available, give that which is available, specifying period.
4. If a group of employees attends more than one generating plant, report on Line 8 the approximate average number of employees assignable to each plant.
5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."
6. Pumping energy (Line 10) is that energy measured as input to the plant for pumping purposes.
7. Include on Line 36 the cost of energy used in pumping into the storage reservoir. When this item cannot be accurately computed leave Lines 36, 37 and 38 blank and describe at the bottom of the schedule the company's principal sources of pumping power, the estimated amounts of energy from each station or other source that individually provides more than 10 percent of the total energy used for pumping, and production expenses per net MWH as reported herein for each source described. Group together stations and other resources which individually provide less than 10 percent of total pumping energy. If contracts are made with others to purchase power for pumping, give the supplier contract number, and date of contract.

Line No.	Item (a)	FERC Licensed Project No. Plant Name:	FERC Licensed Project No. Plant Name:	FERC Licensed Project No. Plant Name:	FERC Licensed Project No. Plant Name:
1	Type of Plant Construction (Conventional or Outdoor)				
2	Year Originally Constructed				
3	Year Last Unit was Installed				
4	Total installed cap (Gen name plate Rating in MW)				
5	Net Peak Demaind on Plant-Megawatts (60 minutes)				
6	Plant Hours Connect to Load While Generating				
7	Net Plant Capability (in megawatts)				
8	Average Number of Employees				
9	Generation, Exclusive of Plant Use - kWh				
10	Energy Used for Pumping				
11	Net Output for Load (line 9 - line 10) - Kwh				
12	**Cost of Plant**				
13	Land and Land Rights				
14	Structures and Improvements				
15	Reservoirs, Dams, and Waterways				
16	Water Wheels, Turbines, and Generators				
17	Accessory Electric Equipment				
18	Miscellaneous Powerplant Equipment				
19	Roads, Railroads, and Bridges				

20	Asset Retirement Costs				
21	Total cost (total 13 thru 20)				
22	Cost per KW of installed cap (line 21 / 4)				
23	**Production Expenses**				
24	Operation Supervision and Engineering				
25	Water for Power				
26	Pumped Storage Expenses				
27	Electric Expenses				
28	Misc Pumped Storage Power generation Expenses				
29	Rents				
30	Maintenance Supervision and Engineering				
31	Maintenance of Structures				
32	Maintenance of Reservoirs, Dams, and Waterways				
33	Maintenance of Electric Plant				
34	Maintenance of Misc Pumped Storage Plant				
35	Production Exp Before Pumping Exp (24 thru 34)				
36	Pumping Expenses				
37	Total Production Exp (total 35 and 36)				
38	Expenses per kWh (line 37 / 9)				
39	Expenses per KWh of Generation and Pumping (line 37/(line 9 + line 10))				

FERC FORM NO. 1 (REV. 12-03)

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating).
2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.
3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Pag 402.
4. If net peak demand for 60 minutes is not available, give the which is available, specifying period.
5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as on plant.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (MW) (c)	Net Peak Demand MW (60 min) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)	Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents (per Million Btu) (l)	Gener Typ (m
									Fuel Production Expenses (i)	Maintenance Production Expenses (j)			
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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

ENERGY STORAGE OPERATIONS (L

1. Large Plants are plants of 10,000 Kw or more.
2. In columns (a) (b) and (c) report the name of the energy storage project, functional classification (Production, Transmission, Distribution), and locatior
3. In column (d), report Megawatt hours (MWH) purchased, generated, or received in exchange transactions for storage.
4. In columns (e), (f) and (g) report MWHs delivered to the grid to support production, transmission and distribution. The amount reported in column (d) s
5. In columns (h), (i), and (j) report MWHs lost during conversion, storage and discharge of energy.
6. In column (k) report the MWHs sold.
7. In column (l), report revenues from energy storage operations. In a footnote, disclose the revenue accounts and revenue amounts related to the incor
8. In column (m), report the cost of power purchased for storage operations and reported in Account 555.1, Power Purchased for Storage Operations. If fuel costs for storage operations associated with self-generated power included in Account 501 and other costs associated with self-generated power
9. In columns (q), (r) and (s) report the total project plant costs including but not exclusive of land and land rights, structures and improvements, energy purpose is to integrate or tie energy storage assets into the power grid, and any other costs associated with the energy storage project included in the

Line No.	Name of the Energy Storage Project (a)	Functional Classification (b)	Location of the Project (c)	MWHs (d)	MWHs delivered to the grid to support Production (e)	MWHs delivered to the grid to support Transmission (f)	MWHs delivered to the grid to support Distribution (g)	MWHs Lost During Conversion, Storage and Discharge of Energy Production (h)	MWHs Lost During Conversion, Storage and Discharge of Energy Transmission (i)	MWHs Lost During Conversion, Storage and Discharge of Energy Distribution (j)
1										
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31										
32										
33										
34										
35	TOTAL			0	0	0	0	0	0	0

FERC FORM NO. 1 ((NEW 12-12))

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

ENERGY STORAGE OPERATIONS (Small Plants)

1. Small Plants are plants less than 10,000 Kw.
2. In columns (a), (b) and (c) report the name of the energy storage project, functional classification (Production, Transmission, Distribution), and location.
3. In column (d), report project plant cost including but not exclusive of land and land rights, structures and improvements, energy storage equipment and any other costs associated with the energy storage project.
4. In column (e), report operation expenses excluding fuel, (f), maintenance expenses, (g) fuel costs for storage operations and (h) cost of power purchased for storage operations and reported in Account 555.1, Power Purchased for Storage Operations. If power was purchased from an affiliated seller specify how the cost of the power was determined.
5. If any other expenses, report in column (i) and footnote the nature of the item(s).

Line No.	Name of the Energy Storage Project (a)	Functional Classification (b)	Location of the Project (c)	Project Cost (d)	BALANCE AT BEGINNING OF YEAR				
					Operations (Excluding Fuel used in Storage Operations) (e)	Maintenance (f)	Cost of fuel used in storage operations (g)	Account No. 555.1, Power Purchased for Storage Operations (h)	Other Expenses (i)
1									
2									
3									
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5									
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7									
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35									
36	TOTAL								

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilov for each voltage. If required by a State commission to report individual lines for all voltages, do so but do not group totals for each voltage under 132
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report s
3. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
4. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; c supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a line.
5. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footn to such structures are included in the expenses reported for the line designated.
6. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if y transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the oth
7. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, gi transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or sha giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, a affected. Specify whether lessor, co-owner, or other party is an associated company.
8. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determ
9. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Line No.	DESIGNATION		VOLTAGE (KV) - (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure	LENGTH (Pole miles) - (In the case of underground lines report circuit miles)		Number of Circuits	Size of Conductor and Material	COST O Land, La
	From	To	Operating	Designated		On Structure of Line Designated	On Structures of Another Line			Land
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	AERO (306)	OAKBROOK (210)	138.00	138.00	1	1.06			954ACSR45/7	
2	WOODSPOINT (239)	AERO (306)	138.00	138.00	1	1.87			954ACSR45/7	
3	138kV Summary									7,811,641
4	All 69kV Lines		69.00	69.00		102.45	4	14		
5	69kV Summary									1,243,550
6	O&M Summary									
7					TOTAL	105.38	3.77	14		9,055,191
36	TOTAL									

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

TRANSMISSION LINES ADDED DURING YEAR

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions o
2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of competed it is permissible to report in these columns the costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Righ footnote, and costs of Underground Conduit in column (m).
3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other cha

Line No.	LINE DESIGNATION		Line Length in Miles	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE		CONDUCTORS			Voltage KV (Operating)	Land and Land Rights
	From	To		Type	Average Number per Miles	Present	Ultimate	Size	Specification	Configuration and Spacing		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	BEAVER (86)	WILDER (59)	0.02	1		1	1	954	ACSR	1	69	
2	KENTON (9)	WILDER (59)	0.06	1		1	1	954	ACSR	1	69	
3	TAP	LIMABURG (189)	0.05	1		1	1	954	ACSR	1	69	
44	TOTAL		0.13		0	3	3					

FERC FORM NO. 1 (REV. 12-03)

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional char such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattende summarize according to function the capacities reported for the individual stations in column (f).
5. Show in columns (I), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capac
6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole owner any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment o reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Line No.	Name and Location of Substation (a)	Character of Substation		VOLTAGE (In MVa)			Capacity of Substation (In Service) (In MVa) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	Con
		Transmission or Distribution (b)	Attended or Unattended (b-1)	Primary Voltage (In MVa) (c)	Secondary Voltage (In MVa) (d)	Tertiary Voltage (In MVa) (e)				Type Equipm (i)
1	AERO BOONE CO	Transmission		138	13	0	90	4	0	
2	ALEXANDRIA SOUTH-CAMPBELL CO	Distribution		69	13	0	11	1	0	
3	ATLAS-KENTON CO	Distribution		69	13	0	11	1	0	
4	AUGUSTINE-COVINGTON, KY	Distribution		138	13	0	67	3	0	
5	BEAVER-BOONE CO.	Distribution		69	13	0	21	2	0	
6	BELLEVUE-CAMPBELL CO.	Distribution		138	13	0	45	2	0	
7	BLACKWELL-GRANT CO.	Transmission		138	69	0	150	1	0	
8	BUFFINGTON-KENTON CO.	Transmission		345	138	13	1178	7	1	
9	CLARYVILLE-CAMBELL CO.	Distribution		69	13	0	32	3	0	
10	COLD SPRING-CAMPBELL CO.	Distribution		132	13	0	33	2	0	
11	CONSTANCE-KENTON CO.	Distribution		138	13	0	45	2	0	
12	COVINGTON - KENTON CO.	Distribution		69	13	0	45	2	0	
13	CRESCENT-KENTON CO.	Distribution		138	13	0	67	3	0	
14	CRITTENDEN-GRANT CO.	Distribution		69	13	0	21	2	0	

15	DAYTON - CAMPBELL CO.	Distribution		138	13	0	22	1	0	
16	DECOURSEY-KENTON CO.	Distribution		69	13	0	11	1	0	
17	DIXIE FLORENCE CO.	Distribution		69	13	0	67	3	0	
18	DONALDSON ERLANGER CO.	Transmission		138	13	0	90	4	0	
19	DRY RIDGE-GRANT CO.	Distribution		69	13	0	21	2	0	
20	EMPIRE - BOONE CO.	Distribution		69	13	0	25	2	0	
21	FLORENCE-BOONE CO.	Distribution		138	13	0	67	3	0	
22	GRANT-GRANT CO.	Distribution		69	13	0	21	2	0	
23	HANDS-KENTON CO.	Distribution		138	13	0	45	2	0	
24	HEBRON-BOONE CO.	Distribution		138	13	0	45	2	0	
25	KENTON FORT WRIGHT CO.	Transmission		138	66	0	167	3	0	
26	KY. UNIVERSITY-CAMP. CO.	Distribution		138	13	0	45	2	0	
27	LIMABURG FLORENCE CO.	Distribution		69	13	0	31	3	0	
28	LONGBRANCH-BOONE CO.	Distribution		138	13	0	45	2	0	
29	MARSHALL-CAMPBELL CO.	Distribution		69	13	0	11	1	0	
30	MT ZION FLORENCE CO.	Distribution		138	13	0	45	2	0	
31	OAKBROOK - BOONE CO	Distribution		138	69	0	172	2	0	
32	RICHWOOD - BOONE CO.	Distribution		69	13	0	43	3	0	
33	SILVER GROVE - CAMPBELL CO.	Transmission		138	13	0	422	2	0	
34	THOMAS MORE - KENTON CO.	Distribution		69	13	0	22	1	0	
35	VERONA - KENTON CO.	Distribution		69	13	0	21	2	0	
36	VILLA-CRESTVIEW HLS., KY	Distribution		69	13	0	45	2	0	

37	WHITE TOWER-KENTON CO.	Distribution		69	13	0	33	2	0	
38	WILDER-WILDER, KY.	Transmission		138	69	13	502	4	0	
39	YORK-NEWPORT, KY.	Distribution		138	13	0	22	1	0	
40	LITTON BOONE CO	Distribution		138	69	0	22	1	0	
41	TOTAL Transmission Substations						2599	25	1	—
42	TOTAL Distribution Substations						1279	65		—
43	TOTAL Generation Substations									—
44	TOTAL						3878	90	1	0

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
2. The reporting threshold for reporting purposes is $250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Good or Service (a)	Name of Associated/Affiliated Company (b)	Account(s) Charged or Credited (c)	Amount Charged or Credited (d)
1	**Non-power Goods or Services Provided by Affiliated**			
2	(a) Services Provided by Duke Energy Business Services	Duke Energy Business Services, LLC	(b) See Footnote	173,494,091
3	Customer and Market Services	Duke Energy Carolinas, LLC	(c) See Footnote	6,936,988
4	Generation Services	Duke Energy Carolinas, LLC	(d) See Footnote	970,173
5	Other Goods and Services	Duke Energy Carolinas, LLC	(e) See Footnote	982,056
6	Transmission and Distribution Services	Duke Energy Carolinas, LLC	(f) See Footnote	1,406,247
7	Customer and Market Services	Duke Energy Progress, LLC	(g) See Footnote	221,358
8	Generation Services	Duke Energy Progress, LLC	(h) See Footnote	187,121
9	Other Goods and Services	Duke Energy Progress, LLC	(i) See Footnote	445,838
10	Transmission and Distribution Services	Duke Energy Progress, LLC	(j) See Footnote	119,858
11	Customer & Market Services	Duke Energy Florida, LLC	(k) See Footnote	324,737
12	Generation Services	Duke Energy Florida, LLC	(l) See Footnote	35,621
13	Other Goods and Services	Duke Energy Florida, LLC	(m) See Footnote	2,050
14	Transmission and Distribution Services	Duke Energy Florida, LLC	(n) See Footnote	22,927
15	Customer and Market Services	Duke Energy Indiana, LLC	(o) See Footnote	163,097
16	Generation Services	Duke Energy Indiana, LLC	(p) See Footnote	6,651,528
17	Other Goods and Services	Duke Energy Indiana, LLC	(q) See Footnote	1,313,956
18	Transmission and Distribution Services	Duke Energy Indiana, LLC	(r) See Footnote	81,976
19	Customer and Market Services	Duke Energy Ohio, Inc.	(s) See Footnote	1,843,706
20	Gas Distribution Services	Duke Energy Ohio, Inc.	(t) See Footnote	1,470,777
21	Other Goods and Services	Duke Energy Ohio, Inc.	(u) See Footnote	1,446,668
22	Transmission and Distribution Services	Duke Energy Ohio, Inc.	(v) See Footnote	10,651,537

23	Customer & Market Services	Piedmont Natural Gas Company Inc	See Footnote (w)	33,937
24	Gas Distribution Services	Piedmont Natural Gas Company Inc	See Footnote (x)	8,157,373
25	Other Goods and Services	Piedmont Natural Gas Company Inc	See Footnote (y)	732,417
26	Other Goods and Services	Duke Energy Commercial Enterprises	See Footnote (z)	222
19				
20	**Non-power Goods or Services Provided for Affiliated**			
21	Customer and Market Services	Duke Energy Carolinas, LLC	See Footnote (aa)	229
22	Gas Distribution Services	Duke Energy Carolinas, LLC	See Footnote (ab)	614
23	Generation Services	Duke Energy Carolinas, LLC	See Footnote (ac)	9,194
24	Other Goods and Services	Duke Energy Carolinas, LLC		
25	Transmission and Distribution Services	Duke Energy Carolinas, LLC	See Footnote (ad)	381,239
26	Customer and Market Services	Duke Energy Progress, LLC	See Footnote (ae)	580
27	Gas Distribution Services	Duke Energy Progress, LLC		
28	Generation Services	Duke Energy Progress, LLC	See Footnote (af)	6,958
29	Transmission and Distribution Services	Duke Energy Progress, LLC	See Footnote (ag)	94,368
30	Customer and Market Services	Duke Energy Florida, LLC	See Footnote (ah)	302
31	Generation Services	Duke Energy Florida, LLC		
32	Gas Distribution Services	Duke Energy Florida, LLC		
33	Transmission and Distribution Services	Duke Energy Florida, LLC	See Footnote (ai)	389,236
34	Transmission and Distribution Services	Duke Energy Business Services LLC	See Footnote (aj)	28
35	Customer and Market Services	Duke Energy Indiana, LLC	See Footnote (ak)	7
36	Gas Distribution Services	Duke Energy Indiana, LLC		
37	Generation Services	Duke Energy Indiana, LLC	See Footnote (al)	1,564,752
38	Transmission and Distribution Services	Duke Energy Indiana, LLC	See Footnote (am)	204,442
39	Customer and Market Services	Duke Energy Ohio, Inc.	See Footnote (an)	369,586
40	Gas Distribution Services	Duke Energy Ohio, Inc.	See Footnote (ao)	(2,134,311)
41	Other Goods and Services	Duke Energy Ohio, Inc.	See Footnote (ap)	1,833,024
42	Transmission and Distribution Services	Duke Energy Ohio, Inc.	See Footnote (aq)	1,031,502
43	Generation Services	Duke Energy Ohio, Inc.	See Footnote (ar)	(30)
44	Gas Distribution Services	KO Transmission Company		
45	Transmission and Distribution Services	Piedmont Natural Gas Company, Inc.		
46	Gas Distribution Services	Piedmont Natural Gas Company, Inc.		

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/16/2025	Year/Period of Report End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: DescriptionOfNonPowerGoodOrService

When an employee of the Service Company performs services for a Client Company, costs will be directly assigned or distributed or allocated. For allocated services, the allocation method will be on a basis reasonably related to the service performed. The Service Company Utility Service Agreement prescribes 24 Service Company functions and approximately 20 allocation methods. When an employee of an Operating Company performs services for a Client Company, costs will be directly assigned or distributed or allocated. For allocated services, the allocation method will be on a basis reasonably related to the service performed. The Operating Companies Service Agreement utilizes roughly 12 of the 24 Service Company functions and approximately 12 allocation methods.

Service Company Utility Service Agreement Functions and Allocation Methods Implemented:

Information Systems

Number of Central Processing Unit Seconds Ratio/Millions of Instructions per Second

Number of Personal Computer Workstations Ratio

Number of Information Systems Servers Ratio

Number of Employees Ratio

Meters

Number of Customers Ratio

Transportation

Number of Employees Ratio

Three Factor Formula

Electric System Maintenance

Circuit Miles of Electric Transmission Lines Ratio

Circuit Miles of Electric Distribution Lines Ratio

Marketing and Customer Relations and Grid Solutions

Number of Customers Ratio

Electric Transmission & Distribution Engineering & Construction

Electric Transmission Plant's Construction - Expenditures Ratio
Electric Distribution Plant's Construction - Expenditures Ratio
Power Engineering & Construction
Electric Production Plant's Construction - Expenditures Ratio
Human Resources
Number of Employees Ratio
Supply Chain
Procurement Spending Ratio
Inventory Ratio
Facilities
Square Footage Ratio
Accounting
Three Factor Formula
Generating Unit MW Capability Ratio
Power Planning and Operations
Electric Peak Load Ratio
Weighted Avg of the Circuit Miles of Electric Distribution Lines Ratio and the Electric
Peak Load Ratio
Sales Ratio
Weighted Avg of the Circuit Miles of Electric Transmission Lines Ratio and the Electric
Peak Load Ratio
Generating Unit MW Capability Ratio
Public Affairs
Three Factor Formula
Weighted Avg of Number of Customers Ratio and Number of Employees Ratio
Legal
Three Factor Formula
Rates
Sales Ratio
Finance
Three Factor Formula
Rights of Way
Circuit Miles of Electric Transmission Lines Ratio
Circuit Miles of Electric Distribution Lines Ratio
Electric Peak Load Ratio
Internal Auditing
Three Factor Formula
Environmental, Health and Safety
Three Factor Formula
Sales Ratio
Fuels
Sales Ratio
Investor Relations
Three Factor Formula
Planning
Three Factor Formula

Executive
Three Factor Formula
Operating Companies Service Agreement Functions and Allocation Methods Implemented
Electric System Maintenance
Circuit Miles of Electric Transm Lines Ratio
Circuit Miles of Electric Dist. Lines Ratio
Marketing and Customer Relations Grid Solutions
Number of Customers Ratio
Electric Transmission & Distribution Engineering & Construction
(Electric Transmission Plant's) Construction - Expenditures Ratio
(Electric Distribution Plant's) Construction - Expenditures Ratio
Power Engineering & Construction
(Electric Production Plant's) Construction - Expenditures Ratio
Power Planning and Operations
Elec Peak Load Ratio
Weighted Avg of the Circ Miles of ED Lines Ratio and the Elec Peak Load Ratio
Sales Ratio
Weighted Average of the Circ Miles of Elec Transm Lines Ratio and the Elec Peak Load Ratio
Generating Unit MW Capability /MDC Ratio
Environmental, Health and Safety
Sales Ratio
Fuels
Sales Ratio
Nuclear
Generating Unit MW Capability /MDC Ratio
Fossil Hydro
MDC Ratio

(b) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from Duke Energy Business Services LLC to the utility:
105, 106, 107, 108, 121, 163, 182, 183, 185, 186, 403, 408, 415, 416, 417, 419, 421, 426, 428, 431, 451, 454, 457, 480, 481, 482, 489, 500, 501, 502, 506, 510, 511, 512, 513, 514, 520, 528, 541, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 560, 561, 562, 563, 565, 566, 569, 570, 571, 575, 580, 581, 582, 583, 584, 586, 587, 588, 589, 590, 592, 593, 594, 596, 597, 598, 804, 807, 850, 859, 863, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 893, 894, 902, 903, 904, 908, 910, 912, 913, 920, 921, 923, 924, 925, 926, 928, 929, 930, 931, 932, 935

(c) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from affiliates (Duke Energy Business Services LLC not included) to the utility:
105, 107, 108, 121, 154, 163, 183, 185, 186, 408, 416, 417, 426, 451, 500, 501, 506, 510, 511, 512, 513, 514, 524, 528, 530, 531, 546, 547, 548, 549, 551, 552, 553, 554, 557, 560, 561, 562, 566, 569, 570, 571, 582, 583, 586, 587, 588, 590, 592, 593, 594, 596, 597, 807, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 894, 901, 902, 903, 905, 908, 909, 910, 912, 913, 920, 921, 923, 926, 929, 930.2, 931, 932, 935

(d) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from affiliates (Duke Energy Business Services LLC not included) to the utility:
105, 107, 108, 121, 154, 163, 183, 185, 186, 408, 416, 417, 426, 451, 500, 501, 506, 510, 511, 512, 513, 514, 524, 528, 530, 531, 546, 547, 548, 549, 551, 552, 553, 554, 557, 560, 561, 562, 566, 569, 570, 571, 582, 583, 586, 587, 588, 590, 592, 593, 594, 596, 597, 807, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 894, 901, 902, 903, 905, 908, 909, 910, 912, 913, 920, 921, 923, 926, 929, 930.2, 931, 932, 935

(e) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from affiliates (Duke Energy Business Services LLC not included) to the utility:
105, 107, 108, 121, 154, 163, 183, 185, 186, 408, 416, 417, 426, 451, 500, 501, 506, 510, 511, 512, 513, 514, 524, 528, 530, 531, 546, 547, 548, 549, 551, 552, 553, 554, 557, 560, 561, 562, 566, 569, 570, 571, 582, 583, 586, 587, 588, 590, 592, 593, 594, 596, 597, 807, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 894, 901, 902, 903, 905, 908, 909, 910, 912, 913, 920, 921, 923, 926, 929, 930.2, 931, 932, 935

(f) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from affiliates (Duke Energy Business Services LLC not included) to the utility:
105, 107, 108, 121, 154, 163, 183, 185, 186, 408, 416, 417, 426, 451, 500, 501, 506, 510, 511, 512, 513, 514, 524, 528, 530, 531, 546, 547, 548, 549, 551, 552, 553, 554, 557, 560, 561, 562, 566, 569, 570, 571, 582, 583, 586, 587, 588, 590, 592, 593, 594, 596, 597, 807, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 894, 901, 902, 903, 905, 908, 909, 910, 912, 913, 920, 921, 923, 926, 929, 930.2, 931, 932, 935

(g) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from affiliates (Duke Energy Business Services LLC not included) to the utility:
105, 107, 108, 121, 154, 163, 183, 185, 186, 408, 416, 417, 426, 451, 500, 501, 506, 510, 511, 512, 513, 514, 524, 528, 530, 531, 546, 547, 548, 549, 551, 552, 553, 554, 557, 560, 561, 562, 566, 569, 570, 571, 582, 583, 586, 587, 588, 590, 592, 593, 594, 596, 597, 807, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 894, 901, 902, 903, 905, 908, 909, 910, 912, 913, 920, 921, 923, 926, 929, 930.2, 931, 932, 935

(h) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from affiliates (Duke Energy Business Services LLC not included) to the utility:
105, 107, 108, 121, 154, 163, 183, 185, 186, 408, 416, 417, 426, 451, 500, 501, 506, 510, 511, 512, 513, 514, 524, 528, 530, 531, 546, 547, 548, 549, 551, 552, 553, 554, 557, 560, 561, 562, 566, 569, 570, 571, 582, 583, 586, 587, 588, 590, 592, 593, 594, 596, 597, 807, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 894, 901, 902, 903, 905, 908, 909, 910, 912, 913, 920, 921, 923, 926, 929, 930.2, 931, 932, 935

(i) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from affiliates (Duke Energy Business Services LLC not included) to the utility:
105, 107, 108, 121, 154, 163, 183, 185, 186, 408, 416, 417, 426, 451, 500, 501, 506, 510, 511, 512, 513, 514, 524, 528, 530, 531, 546, 547, 548, 549, 551, 552, 553, 554, 557, 560, 561, 562, 566, 569, 570, 571, 582, 583, 586, 587, 588, 590, 592, 593, 594, 596, 597, 807, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 894, 901, 902, 903, 905, 908, 909, 910, 912, 913, 920, 921, 923, 926, 929, 930.2, 931, 932, 935

(j) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from affiliates (Duke Energy Business Services LLC not included) to the utility:
105, 107, 108, 121, 154, 163, 183, 185, 186, 408, 416, 417, 426, 451, 500, 501, 506, 510, 511, 512, 513, 514, 524, 528, 530, 531, 546, 547, 548, 549, 551, 552, 553, 554, 557, 560, 561, 562, 566, 569, 570, 571, 582, 583, 586, 587, 588, 590, 592, 593, 594, 596, 597, 807, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 894, 901, 902, 903, 905, 908, 909, 910, 912, 913, 920, 921, 923, 926, 929, 930.2, 931, 932, 935

(k) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from affiliates (Duke Energy Business Services LLC not included) to the utility:
105, 107, 108, 121, 154, 163, 183, 185, 186, 408, 416, 417, 426, 451, 500, 501, 506, 510, 511, 512, 513, 514, 524, 528, 530, 531, 546, 547, 548, 549, 551, 552, 553, 554, 557, 560, 561, 562, 566, 569, 570, 571, 582, 583, 586, 587, 588, 590, 592, 593, 594, 596, 597, 807, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 894, 901, 902, 903, 905, 908, 909, 910, 912, 913, 920, 921, 923, 926, 929, 930.2, 931, 932, 935

(l) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from affiliates (Duke Energy Business Services LLC not included) to the utility:
105, 107, 108, 121, 154, 163, 183, 185, 186, 408, 416, 417, 426, 451, 500, 501, 506, 510, 511, 512, 513, 514, 524, 528, 530, 531, 546, 547, 548, 549, 551, 552, 553, 554, 557, 560, 561, 562, 566, 569, 570, 571, 582, 583, 586, 587, 588, 590, 592, 593, 594, 596, 597, 807, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 894, 901, 902, 903, 905, 908, 909, 910, 912, 913, 920, 921, 923, 926, 929, 930.2, 931, 932, 935

(m) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

The following FERC Accounts were utilized in transactions from affiliates (Duke Energy Business Services LLC not included) to the utility:
105, 107, 108, 121, 154, 163, 183, 185, 186, 408, 416, 417, 426, 451, 500, 501, 506, 510, 511, 512, 513, 514, 524, 528, 530, 531, 546, 547, 548, 549, 551, 552, 553, 554, 557, 560, 561, 562, 566, 569, 570, 571, 582, 583, 586, 587, 588, 590, 592, 593, 594, 596, 597, 807, 871, 874, 875, 876, 878, 879, 880, 887, 889, 892, 894, 901, 902, 903, 905, 908, 909, 910, 912, 913, 920, 921, 923, 926, 929, 930.2, 931, 932, 935

(n) Concept: AccountsChargedOrCreditedTransactionsWithAssociatedAffiliatedCompanies

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THIS FILING IS
Item 1: ☑ An Initial (Original) Submission OR ☐ Resubmission No.

FERC FINANCIAL REPORT
FERC FORM No. 2: Annual Report of Major Natural Gas Companies and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Natural Gas Act, Sections 10(a), and 16 and 18 CFR Parts 260.1 and 260.300. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of a confidential nature.

Exact Legal Name of Respondent (Company)	Year/Period of Report: End of: 2024/ Q4
Duke Energy Ohio, Inc	

FERC FORM NO. 2 (02-04)

INSTRUCTIONS FOR FILING FERC FORMS 2, 2-A and 3-Q

GENERAL INFORMATION

I. Purpose

FERC Forms 2, 2-A, and 3-Q are designed to collect financial and operational information from natural gas companies subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be a non-confidential public use forms.

II. Who Must Submit

Each natural gas company whose combined gas transported or stored for a fee exceed 50 million dekatherms in each of the previous three years must submit FERC Form 2 and 3-Q.

Each natural gas company not meeting the filing threshold for FERC Form 2, but having total gas sales or volume transactions exceeding 200,000 dekatherms in each of the previous three calendar years must submit FERC Form 2-A and 3-Q.

Newly established entities must use projected data to determine whether they must file the FERC Form 3-Q and FERC Form 2 or 2-A.

III. What and Where to Submit

a. Submit FERC Form Nos. 2, 2-A and 3-Q electronically through the eCollection portal at https://eCollection.ferc.gov, and according to the specifications in the Form 2, 2-A and 3-Q taxonomies..

b. The Corporate Officer Certification must be submitted electronically as part of the FERC Form 2 and 3-Q filings.

c. Submit immediately upon publication, by either eFiling or mailing two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Form 2, Page 3, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared. Unless eFiling the Annual Report to Stockholders, mail these reports to the Secretary of the Commission at:

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

d. For the Annual CPA certification, submit with the original submission of this form, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984) prepared in conformity with the current standards of reporting which will:

i. Contain a paragraph attesting to the conformity, in all material respects, of the schedules listed below with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

ii. be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 158.10-158.12 for specific qualifications.)

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

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

response. The public reporting burden for the Form 3-Q collection of information is estimated to average 167 hours per response.

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

GENERAL INSTRUCTIONS

I. Prepare all reports in conformity with the Uniform System of Accounts (USofA) (18 C.F.R. Part 201). Interpret all accounting words and phrases in accordance with the USofA.

II. Enter in whole numbers (dollars or Dth) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.

III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

IV. For any page(s) that is not applicable to the respondent, indicate whether a schedule has been omitted by entering "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, page 2.

V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions.**

VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.

VII. For any resubmissions, please explain the reason for the resubmission in a footnote to the data field.

VIII. Footnote and further explain accounts or pages as necessary.

IX. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.

X. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

XI. Report all gas volumes in Dth unless the schedule specifically requires the reporting in another unit of measurement.

XII. Schedule specific instructions are found in the applicable taxonomy and on the applicable blank rendered form.

DEFINITIONS

I. Btu per cubic foot – The total heating value, expressed in Btu, produced by the combustion, at constant pressure, of the amount of the gas which would occupy a volume of 1 cubic foot at a temperature of 60°F if saturated with water vapor and under a pressure equivalent to that of 30°F, and under standard gravitational force (980.665 cm. per sec) with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of gas and air when the water formed by combustion is condensed to the liquid state (called gross heating value or total heating value).

II. Commission Authorization -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

III. Dekatherm – A unit of heating value equivalent to 10 therms or 1,000,000 Btu.

IV. Respondent – The person, corporation, licensee, agency, authority, or other legal entity or instrumentality on whose behalf the report is

e. Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. Further instructions are found on the Commission website at https://www.ferc.gov/ferc-online/ferc-online/frequently-asked-questions-faqs-efilingferc-online .

f. Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 2 and 2-A free of charge from: https://www.ferc.gov/industries-data/natural-gas/industry-forms . Copies may also be obtained from the Public Reference and Files Maintenance Branch, Federal Energy Regulatory Commission, 888 First Street, NE. Room 2A, Washington, DC 20426 or by calling (202).502-8371

IV. When to Submit:

FERC Forms 2, 2-A, and 3-Q must be filed by the dates:

a. FERC Form 2 and 2-A --- by April 18th of the following year (18 C.F.R. §§ 260.1 and 260.2)

b. FERC Form 3-Q --- Natural gas companies that file a FERC Form 2 must file the FERC Form 3-Q within 60 days after the reporting quarter (18 C.F.R.§ 260.300), and

c. FERC Form 3-Q --- Natural gas companies that file a FERC Form 2-A must file the FERC Form 3-Q within 70 days after the reporting quarter (18 C.F.R. § 260.300).

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the Form 2 collection of information is estimated to average 1,671.66 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the Form 2A collection of information is estimated to average 295.66 hours per

FERC FORM NO. 2

other legal entity or instrumentality on whose behalf the report is made.

EXCERPTS FROM THE LAW

Natural Gas Act, 15 U.S.C. 717-717w

"Sec. 10(a). Every natural-gas company shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or order prescribe as necessary or appropriate to assist the Commission in the proper administration of this act. The Commission may prescribe the manner and form in which such reports shall be made and require from such natural-gas companies specific answers to all questions upon which the Commission may need information. The Commission may require that such reports include, among other things, full information as to assets and liabilities, capitalization, investment and reduction thereof, gross receipts, interest dues and paid, depreciation, amortization, and other reserves, cost of facilities, costs of maintenance and operation of facilities for the production, transportation, delivery, use, or sale of natural gas, costs of renewal and replacement of such facilities, transportation, delivery, use and sale of natural gas..."

"Section 16. The Commission shall have power to perform all and any acts, and to prescribe, issue, make, amend, and rescind such orders, rules, and regulations as it may find necessary or appropriate to carry out the provisions of this act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this act; and may prescribe the form or forms of all statements declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and time within they shall be filed..."

General Penalties

The Commission may assess up to $1 million per day per violation of its rules and regulations. See NGA § 22(a), 15 U.S.C. §717t-1(a).

FERC FORM NO. 2
REPORT OF MAJOR NATURAL GAS COMPANIES

IDENTIFICATION

01 Exact Legal Name of Respondent Duke Energy Ohio, Inc	02 Year/ Period of Report End of: 2024/ Q4
03 Previous Name and Date of Change (if name changed during year) /	
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) 139 East Fourth Street, Cincinnati, OH 45202	
05 Name of Contact Person Robert Jones	06 Title of Contact Person Accounting Manager I
07 Address of Contact Person (Street, City, State, Zip Code) 525 S Tryon St, Charlotte, NC 28202	

08 Telephone of Contact Person, Including Area Code 0	09 This Report is An Original / A Resubmission (1) ☑ An Original (2) ☐ A Resubmission	10 Date of Report (Mo, Da, Yr) 04/30/2025

Annual Corporate Officer Certification

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

11 Name Cynthia S. Lee	12 Title Senior Vice President, Chief Accounting Officer and Controller
13 Signature Cynthia S. Lee	14 Date Signed 04/30/2025

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

FERC FORM No. 2 (02-04)

Page 1

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

List of Schedules (Natural Gas Company)

Enter in column (d) the terms "none," "not applicable," or "NA" as appropriate, to indicate no information or amounts have been reported for certain pages.

Line No.	Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
	Identification	1	02-04	
	List of Schedules (Natural Gas Company)	2	REV 12-07	
	GENERAL CORPORATE INFORMATION AND FINANCIAL STATEMENTS			
1	General Information	101	12-96	
2	Control Over Respondent	102	12-96	
3	Corporations Controlled by Respondent	103	12-96	
4	Security Holders and Voting Powers	107	12-96	
5	Important Changes During the Year	108	12-96	
6	Comparative Balance Sheet		REV 06-04	
	Comparative Balance Sheet (Assets And Other Debits)	110	REV 06-04	
	Comparative Balance Sheet (Liabilities and Other Credits)	112	REV 06-04	
7	Statement of Income for the Year	114	REV 06-04	
8	Statement of Accumulated Comprehensive Income and Hedging Activities	117	NEW 06-02	
9	Statement of Retained Earnings for the Year	118	REV 06-04	
10	Statement of Cash Flows	120	REV 06-04	
11	Notes to Financial Statements	122.1	REV 12-07	
	BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other Debits)			
12	Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization, and Depletion	200	12-96	
13	Gas Plant in Service	204	12-96	
14	Gas Property and Capacity Leased from Others	212	12-96	N/A
15	Gas Property and Capacity Leased to Others	213	12-96	N/A
16	Gas Plant Held for Future Use	214	12-96	
17	Construction Work in Progress-Gas	216	12-96	
18	Non-Traditional Rate Treatment Afforded New Projects	217	NEW 12-07	N/A
19	General Description of Construction Overhead Procedure	218	REV 12-07	
20	Accumulated Provision for Depreciation of Gas Utility Plant	219	12-96	
21	Gas Stored	220	REV 04-04	
22	Investments	222	12-96	
23	Investments In Subsidiary Companies	224	12-96	
24	Prepayments	230a	12-96	
25	Extraordinary Property Losses	230b	12-96	
26	Unrecovered Plant And Regulatory Study Costs	230c	12-96	
27	Other Regulatory Assets	232	REV 12-07	
28	Miscellaneous Deferred Debits	233	12-96	
29	Accumulated Deferred Income Taxes	234	REV 12-07	
	BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)			
30	Capital Stock	250	12-96	
31	Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252	12-96	N/A
32	Other Paid-In Capital	253	12-96	
33	Discount on Capital Stock	254	12-96	N/A
34	Capital Stock Expense	254	12-96	N/A
35	Securities Issued Or Assumed And Securities Refunded Or Retired During The Year	255.1	12-96	N/A
36	Long-Term Debt	256	12-96	
37	Unamortized Debt Expense, Premium And Discount On Long-Term Debt	258	12-96	
38	Unamortized Loss And Gain On Reacquired Debt	260	12-96	
39	Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes	261	12-96	
40	Taxes Accrued, Prepaid And Charged During Year, Distribution Of Taxes Charged	262	REV 12-07	
41	Miscellaneous Current And Accrued Liabilities	268	12-96	
42	Other Deferred Credits	269	12-96	

43	Accumulated Deferred Income Taxes-Other Property (Account 282)	274	REV 12-07	
44	Accumulated Deferred Income Taxes-Other (Account 283)	276	REV 12-07	
45	Other Regulatory Liabilities	278	REV 12-07	
	INCOME ACCOUNT SUPPORTING SCHEDULES			
46	Monthly Quantity & Revenue Data	299	NEW 12-08	
47	Gas Operating Revenues	300	REV 12-07	
48	Revenues From Transportation Of Gas Of Others Through Gathering Facilities	302	12-96	N/A
49	Revenues From Transportation Of Gas Of Others Through Transmission Facilities	304	12-96	N/A
50	Revenues From Storing Gas Of Others	306	12-96	N/A
51	Other Gas Revenues	308	12-96	
52	Discounted Rate Services And Negotiated Rate Services	313	NEW 12-07	N/A
53	Gas Operation And Maintenance Expenses	317	12-96	
54	Exchange And Imbalance Transactions	328	12-96	
55	Gas Used In Utility Operations	331	12-96	N/A
56	Transmission And Compression Of Gas By Others	332	12-96	N/A
57	Other Gas Supply Expenses	334	12-96	N/A
58	Miscellaneous General Expenses-Gas	335	12-96	
59	Depreciation, Depletion, and Amortization of Gas Plant		12-96	
59	Section A. Summary of Depreciation, Depletion, and Amortization Charges	336	12-96	
59	Section B. Factors Used in Estimating Depreciation Charges	338	12-96	
60	Particulars Concerning Certain Income Deductions And Interest Charges Accounts	340	12-96	
	COMMON SECTION		12-96	
61	Regulatory Commission Expenses	350	12-96	
62	Employee Pensions And Benefits (Account 926)	352	NEW 12-07	
63	Distribution Of Salaries And Wages	354	REVISED	
64	Charges For Outside Professional And Other Consultative Services	357	REVISED	
65	Transactions With Associated (Affiliated) Companies	358	NEW 12-07	
	GAS PLANT STATISTICAL DATA			
66	Compressor Stations	508	REV 12-07	N/A
67	Gas Storage Projects	512	12-96	NA 512, N/A 513
67	Gas Storage Projects	513	12-96	
68	Transmission Lines	514	12-96	N/A
69	Transmission System Peak Deliveries	518	12-96	N/A
70	Auxiliary Peaking Facilities	519	12-96	
71	Gas Account - Natural Gas	520	REV 01-11	
72	Shipper Supplied Gas for the Current Quarter	521	REVISED 02-11	N/A
73	System Maps	522.1	REV. 12-96	N/A
74	Footnote Reference			
75	Footnote Text			
76	Stockholder's Reports (check appropriate box)			
	☐ Four copies will be submitted ☐ No annual report to stockholders is prepared			

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

General Information

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

Cynthia S. Lee

Senior Vice President, Chief Accounting Officer and Controller

525 S Tryon St, Charlotte, NC 28202

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

State of Incorporation: OH

Date of Incorporation: 04/03/1837

Incorporated Under Special Law:

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

(a) Name of Receiver or Trustee Holding Property of the Respondent: N/A

(b) Date Receiver took Possession of Respondent Property:

(c) Authority by which the Receivership or Trusteeship was created: N/A

(d) Date when possession by receiver or trustee ceased:

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

Ohio - Gas and Electric

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

(1) ☐ Yes

(2) ☑ No

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Control Over Respondent

1. Report in column (a) the names of all corporations, partnerships, business trusts, and similar organizations that directly, indirectly, or jointly held control (see page 103 for definition of control) over the respondent at the end of the year. If control is in a holding company organization, report in a footnote the chain of organization.
2. If control is held by trustees, state in a footnote the names of trustees, the names of beneficiaries for whom the trust is maintained, and the purpose of the trust.
3. In column (b) designate type of control over the respondent. Report an "M" if the company is the main parent or controlling company having ultimate control over the respondent. Otherwise, report a "D" for direct, an "I" for indirect, or a "J" for joint control.

Line No.	Company Name (a)	Type of Control (b)	State of Incorporation (c)	Percent Voting Stock Owned (d)
1	Cinergy Corp	M	DE	100%

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Corporations Controlled by Respondent

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

DEFINITIONS
---

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

Line No.	Name of Company Controlled (a)	Type of Control (b)	Kind of Business (c)	Percent Voting Stock Owned (d)	Footnote Reference (e)
1	Duke Energy Beckjord, LLC	I	Public Utility	100%	
2	Duke Energy Kentucky, Inc.	D	Public Utility	100%	
3	Miami Power Corporation	D	Transmission of Electric	100%	
4	Ohio Valley Electric Corporation	J	Owns Generating Facility	9%	
5	Tri-State Improvement Company	D	Real Estate	100%	

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Security Holders and Voting Powers

1. Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes that each could cast on that date if a meeting were held. If any such holder held in trust, give in a footnote the known particulars of the trust (whether voting trust, etc.), duration of trust, and principal holders of beneficiary interests in the trust. If the company did not close the stock book or did not compile a list of stockholders within one year prior to the end of the year, or if since it compiled the previous list of stockholders, some other class of security has become vested with voting rights, then show such 10 security holders as of the close of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest. Show in column (a) the titles of officers and directors included in such list of 10 security holders.
2. If any security other than stock carries voting rights, explain in a supplemental statement how such security became vested with voting rights and give other important details concerning the voting rights of such security. State whether voting rights are actual or contingent; if contingent, describe the contingency.
3. If any class or issue of security has any special privileges in the election of directors, trustees or managers, or in the determination of corporate action by any method, explain briefly in a footnote.
4. Furnish details concerning any options, warrants, or rights outstanding at the end of the year for others to purchase securities of the respondent or any securities or other assets owned by the respondent, including prices, expiration dates, and other material information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets any officer, director, associated company, or any of the 10 largest security holders is entitled to purchase. This instruction is inapplicable to convertible securities or to any securities substantially all of which are outstanding in the hands of the general public where the options, warrants.

1. Give date of the latest closing of the stock book prior to end of year, and, in a footnote, state the purpose of such closing:	2. State the total number of votes cast at the latest general meeting prior to the end of year for election of directors of the respondent and number of such votes cast by proxy. Total: 89,663,086 By Proxy:	3. Give the date and place of such meeting:

Line No.	Name (Title) and Address of Security Holder (a)	VOTING SECURITIES 4. Number of votes as of (date):			
		Total Votes (b)	Common Stock (c)	Preferred Stock (d)	Other (e)
5	TOTAL votes of all voting securities	89,663,086	89,663,086		
6	TOTAL number of security holders	1	1		
7	TOTAL votes of security holders listed below	89,663,086	89,663,086		
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

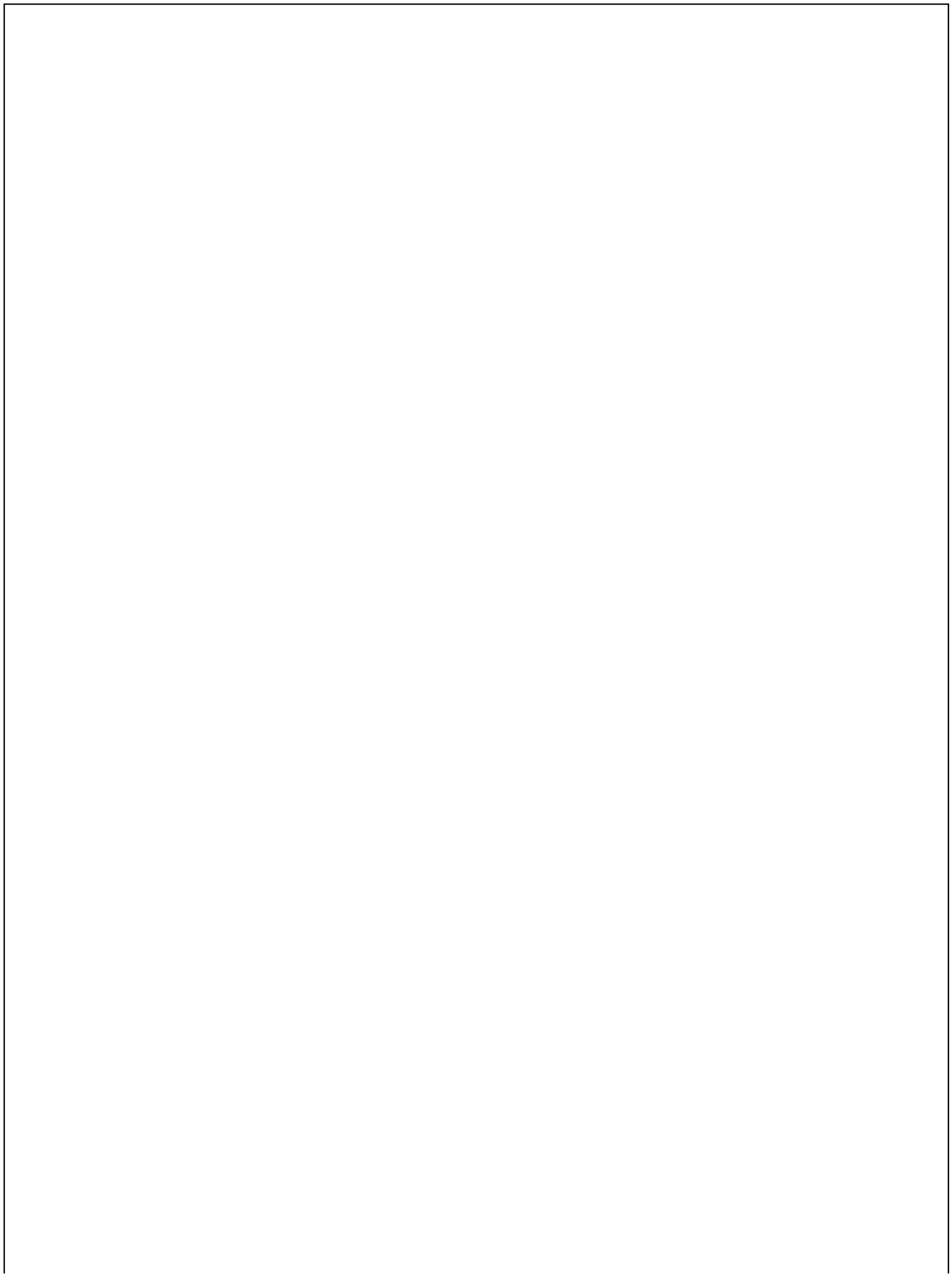
Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Important Changes During the Year

Give details concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsewhere in the report, refer to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration and state from whom the franchise rights were acquired. If the franchise rights were acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Briefly describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other conditions. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and cite Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred or assumed by respondent as guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or not later than one year after date of issue: State on behalf of whom the obligation was assumed and amount of the obligation. Cite Commission authorization if any was required.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. Estimated increase or decrease in annual revenues caused by important rate changes: State effective date and approximate amount of increase or decrease for each revenue classification. State the number of customers affected.
12. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
13. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

None
See Notes to Financial Statements, Note 1, "Summary of Significant Accounting Policies"
See Notes to Financial Statements, Note 4, "Regulatory Matters"
None
None
See Notes to Financial Statements, Note 7, "Debt and Credit Facilities"
None
During 2024, there were no large scale wage changes for Duke Energy Ohio payroll company.
See Notes to Financial Statements, Note 4, "Regulatory Matters" and Note 5, "Commitments and Contingencies"
None
None



There are no changes in major security holders and voting powers of Duke Energy Ohio, Inc that occurred during 2024.
The changes in officers and directors for Duke Energy Ohio, Inc. that occurred during 2024 are as follows:

Resignations effective 12/31/2024	
Retha Hunsicker	Senior Vice President and Customer Experience Design and Solutions
Appointments effective 11/11/2024	
Elizabeth H. Jones	Assistant Corporate Secretary
Appointments effective 11/01/2024	
Kathryn B. Aittola	Senior Vice President, Enterprise Strategy and Chief Risk Officer
Michael P. Callahan	Senior Vice President and Treasurer
Nicholas J. Giaimo	Senior Vice President, Financial Planning and Analysis
Cynthia S. Lee	Senior Vice President, Chief Accounting Officer and Controller
Resignations effective 11/01/2024	
Kathryn B. Aittola	Vice President, Enterprise Strategy and Chief Risk Officer
Christopher R. Bauer	Assistant Treasurer
Nicholas J. Giaimo	Vice President, Financial Planning and Analysis
Cynthia S. Lee	Vice President, Chief Accounting Officer and Controller
Karl W. Newlin	Senior Vice President, Corporate Development and Treasurer
Appointments effective 09/01/2024	
Harry K. Sideris	Executive Vice President
Resignations effective 09/01/2024	
Harry K. Sideris	President, Duke Energy
Resignations effective 08/20/2024	
Robert T. Lucas III	Assistant Corporate Secretary
Appointments effective 08/09/2024	
Regis T. Repko	Senior Vice President, Generation Transition and System Optimization
Resignations effective 08/09/2024	
Regis T. Repko	Senior Vice President, System Planning and Optimization
Resignations effective 06/30/2024	
Donald E. Broadhurst	Regional Senior Vice President Customer Delivery
George T. Hamrick	Senior Vice President Chief Transmission Officer
Jon F. Kerin	Vice President, Transmission Operations Services
Appointments effective 04/01/2024	
Adam Long	Vice President, Chief Operations Officer Natural Gas
Brian V. Powers	Vice President Central Operations Services & Oversight
Louis E. Renjel	Executive Vice President and Chief Corporate Affairs Officer
Harry K. Sideris	President, Duke Energy
Bonnie B. Titone	Senior Vice President and Chief Administrative Officer
Alexander J. Weintraub	Senior Vice President and Chief Customer Officer
Brian R. Weisker	Senior Vice President and President, Natural Gas Business
Resignations effective 04/01/2024	
Louis E. Renjel	Executive Vice President, External Affairs and Communications
Harry K. Sideris	Executive Vice President, Customer Experience, Solutions, and Services
Bonnie B. Titone	Senior Vice President and Chief Information Officer
Bryan P. Walsh	Vice President, Central Services and Organizational Effectiveness
Alexander J. Weintraub	Senior Vice President and President, Natural Gas Business
Brian R. Weisker	Senior Vice President, Chief Operations Officer, Natural Gas
Steven K. Young	Executive Vice President and Chief Commercial Officer
Resignations effective 03/31/2024	
Donna T. Council	Senior Vice President, Corporate Real Estate, Aviation and Business Services
Swati V. Daji	Senior Vice President, Enterprise Strategy and Planning
Melisa B. Johns	Vice President, Renewables Development
Appointments effective 03/01/2024	
Kathryn B. Aittola	Vice President, Enterprise Strategy and Chief Risk Officer
Scott L. Batson	Senior Vice President, Chief Power Grid Officer
Jessica L. Bednarcik	Senior Vice President, Enterprise Safety and Generation Services
Donald E. Broadhurst	Regional Senior Vice President Customer Delivery
Zachary S. Hall	Vice President Environmental, Health and Safety
George T. Hamrick	Senior Vice President Chief Transmission Officer
Ben I. Harrison Jr.	Vice President Grid Operations - Planning and Operations
Cicely M. Hart	Vice President, Region Support
Amelia D. Hunter	Vice President, Audit and Chief Compliance Officer
Rufus S. Jackson	Senior Vice President Grid Operations
Dwight L. Jacobs	Senior Vice President Supply Chain, Real Estate and Chief Procurement Officer
Chris Lange	Regional Senior Vice President Power Grid Operations
V. Nelson Peeler	Senior Vice President Grid Strategy, Planning and Integration

Regis T. Repko	Senior Vice President, System Planning and Optimization
Robert J. Ringel	Vice President, Legal and Assistant Corporate Secretary and Chief Ethics Officer
Matthew G. Stout	Vice President Development
Oscar Suris	Senior Vice President Chief Communications Officer
Julie K. Turner	Vice President Grid Services
John A. Verderame	Vice President Fuels and Systems Optimization
Resignations effective 03/01/2024	
Kathryn B. Aittola	Vice President, Global Risk Management and Insurance and Chief Risk Officer
Scott L. Batson	Senior Vice President and Chief Distribution Officer
Jessica L. Bednarcik	Senior Vice President, Environmental, Health and Safety and Coal Combustion Products
Donald E. Broadhurst	Regional Senior Vice President, Customer Delivery - Midwest
Paul Draovitch	Senior Vice President, Chief Regulated and Renewable Energy Officer
Zachary S. Hall	Vice President, Environmental, Health and Safety Programs
George T. Hamrick	Senior Vice President and Chief Transmission Officer
Cicely M. Hart	Vice President, Region Support - Midwest
Amelia D. Hunter	Vice President, Corporate Audit Services
Rufus S. Jackson	Senior Vice President, Customer Delivery Governance, Programs & Support
Dwight L. Jacobs	Senior Vice President, Supply Chain and Chief Procurement Officer
V. Nelson Peeler	Senior Vice President, Transmission and Fuels Strategy and Policy
Regis T. Repko	Senior Vice President, Generation and Transmission Strategy
Robert J. Ringel	Vice President, Legal and Assistant Corporate Secretary
Oscar Suris	Senior Vice President and Chief Communications Officer
John A. Verderame	Vice President, Fuels and Systems Optimization
Jason S. Williams	Senior Vice President, Transmission Maintenance and Construction
Resignations effective 02/29/2024	
Melissa M. Feldmeier	Vice President and Chief Ethics and Compliance Officer
Ben I. Harrison Jr.	Vice President, Transmission Engineering and Asset Management
Sam Holeman	Vice President, Transmission Systems Planning and Operations
Appointments effective 01/01/2024	
Jessica Brooks Bishop	Senior Vice President and Customer Services Operations
Retha Hunsicker	Senior Vice President and Customer Experience Design and Solutions
Cameron D. McDonald	Senior Vice President and Chief Human Resources Officer
Sharene J. Pierce	Vice President, Chief Diversity and Inclusion Officer and Talent Acquisition
Resignations effective 01/01/2024	
Jessica Brooks Bishop	Vice President, Customer Care
Retha Hunsicker	Vice President, Customer Experience Design and Solutions
Cameron D. McDonald	Vice President, Talent Acquisition and Talent Management
Sharene J. Pierce	Vice President and Chief Diversity and Inclusion Officer

13. N/A

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Comparative Balance Sheet (Assets And Other Debits)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**UTILITY PLANT**			
2	Utility Plant (101-106, 114)	200-201	10,045,837,413	9,484,348,946
3	Construction Work in Progress (107)	200-201	282,528,627	322,945,933
4	TOTAL Utility Plant (Total of lines 2 and 3)	200-201	10,328,366,040	9,807,294,879
5	(Less) Accum. Provision for Depr., Amort., Depl. (108, 111, 115)		2,477,694,759	2,318,753,548
6	Net Utility Plant (Total of line 4 less 5)		7,850,671,281	7,488,541,331
7	Nuclear Fuel (120.1 thru 120.4, and 120.6)			
8	(Less) Accum. Provision for Amort., of Nuclear Fuel Assemblies (120.5)			
9	Nuclear Fuel (Total of line 7 less 8)			
10	Net Utility Plant (Total of lines 6 and 9)		7,850,671,281	7,488,541,331
11	Utility Plant Adjustments (116)	122		
12	Gas Stored-Base Gas (117.1)	220		
13	System Balancing Gas (117.2)	220		
14	Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)	220		
15	Gas Owed to System Gas (117.4)	220		
16	**OTHER PROPERTY AND INVESTMENTS**			
17	Nonutility Property (121)		11,592,158	11,592,148
18	(Less) Accum. Provision for Depreciation and Amortization (122)		2,817,875	2,508,830
19	Investments in Associated Companies (123)	222-223		
20	Investments in Subsidiary Companies (123.1)	224-225	1,302,557,341	1,325,444,373
22	Noncurrent Portion of Allowances			
23	Other Investments (124)	222-223	999,999	1,000,000
24	Sinking Funds (125)			
25	Depreciation Fund (126)			
26	Amortization Fund - Federal (127)			
27	Other Special Funds (128)		56,247,830	57,388,341
28	Long-Term Portion of Derivative Assets (175)			
29	Long-Term Portion of Derivative Assets - Hedges (176)			
30	TOTAL Other Property and Investments (Total of lines 17-20, 22-29)		1,368,579,453	1,392,916,032
31	**CURRENT AND ACCRUED ASSETS**			
32	Cash (131)		18,814,495	21,097,579
33	Special Deposits (132-134)			
34	Working Funds (135)			
35	Temporary Cash Investments (136)	222-223		
36	Notes Receivable (141)			
37	Customer Accounts Receivable (142)		274,481,807	88,622,451
38	Other Accounts Receivable (143)		33,921,204	17,353,222
39	(Less) Accum. Provision for Uncollectible Accounts - Credit (144)		39,084,062	8,266,585
40	Notes Receivable from Associated Companies (145)			116,950,342
41	Accounts Receivable from Associated Companies (146)		39,304,608	39,473,295
42	Fuel Stock (151)			
43	Fuel Stock Expenses Undistributed (152)			
44	Residuals (Elec) and Extracted Products (Gas) (153)			
45	Plant Materials and Operating Supplies (154)		119,276,100	107,854,224
46	Merchandise (155)			
47	Other Materials and Supplies (156)			
48	Nuclear Materials Held for Sale (157)			
49	Allowances (158.1 and 158.2)		1,934,460	1,808,532
50	(Less) Noncurrent Portion of Allowances			
51	Stores Expense Undistributed (163)		6,105,714	4,399,613
52	Gas Stored Underground-Current (164.1)	220		
53	Liquefied Natural Gas Stored and Held for Processing (164.2 thru 164.3)	220		
54	Prepayments (165)	230	392,046	272,640

55	Advances for Gas (166 thru 167)			
56	Interest and Dividends Receivable (171)			
57	Rents Receivable (172)		75,169	60,816
58	Accrued Utility Revenues (173)		93,478,661	2,000
59	Miscellaneous Current and Accrued Assets (174)		16,989,739	20,414,659
60	Derivative Instrument Assets (175)			
61	(Less) Long-Term Portion of Derivative Instrument Assets (175)			
62	Derivative Instrument Assets - Hedges (176)			
63	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)			
64	TOTAL Current and Accrued Assets (Total of lines 32 thru 63)		565,689,941	410,042,788
65	**DEFERRED DEBITS**			
66	Unamortized Debt Expense (181)		17,375,627	14,507,757
67	Extraordinary Property Losses (182.1)	230		
68	Unrecovered Plant and Regulatory Study Costs (182.2)	230		
69	Other Regulatory Assets (182.3)	232	678,132,725	624,322,194
70	Preliminary Survey and Investigation Charges (Electric) (183)		672,984	622,094
71	Preliminary Survey and Investigation Charges (Gas) (183.1 and 183.2)			
72	Clearing Accounts (184)		188	188
73	Temporary Facilities (185)			
74	Miscellaneous Deferred Debits (186)	233	752,811,104	774,004,894
75	Deferred Losses from Disposition of Utility Plant (187)			
76	Research, Development, and Demonstration Expend. (188)			
77	Unamortized Loss on Reacquired Debt (189)		252,176	379,135
78	Accumulated Deferred Income Taxes (190)	234-235	168,576,664	157,004,777
79	Unrecovered Purchased Gas Costs (191)		3,690,873	3,951,838
80	TOTAL Deferred Debits (Total of lines 66 thru 79)		1,621,512,341	1,574,792,877
81	TOTAL Assets and Other Debits (Total of lines 10-15,30,64,and 80)		11,406,453,016	10,866,293,028

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Comparative Balance Sheet (Liabilities and Other Credits)

Line No.	Title of Account (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	**PROPRIETARY CAPITAL**			
2	Common Stock Issued (201)	250-251	762,136,231	762,136,231
3	Preferred Stock Issued (204)	250-251		
4	Capital Stock Subscribed (202, 205)	252		
5	Stock Liability for Conversion (203, 206)	252		
6	Premium on Capital Stock (207)	252		
7	Other Paid-In Capital (208-211)	253	3,119,143,022	3,100,119,297
8	Installments Received on Capital Stock (212)	252		
9	(Less) Discount on Capital Stock (213)	254		
10	(Less) Capital Stock Expense (214)	254		
11	Retained Earnings (215, 215.1, 216)	118-119	760,929,892	381,823,842
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	(a)828,070,104	866,670,956
13	(Less) Reacquired Capital Stock (217)	250-251		
14	Accumulated Other Comprehensive Income (219)	117		
15	TOTAL Proprietary Capital (Total of lines 2 thru 14)		5,470,279,249	5,110,750,326
16	**LONG TERM DEBT**			
17	Bonds (221)	256-257	2,725,000,000	2,300,000,000
18	(Less) Reacquired Bonds (222)	256-257		
19	Advances from Associated Companies (223)	256-257		
20	Other Long-Term Debt (224)	256-257	550,000,000	550,000,000
21	Unamortized Premium on Long-Term Debt (225)	258-259	803,777	1,376,525
22	(Less) Unamortized Discount on Long-Term Debt-Dr (226)	258-259	23,717,386	25,007,388
23	(Less) Current Portion of Long-Term Debt			
24	TOTAL Long-Term Debt (Total of lines 17 thru 23)		3,252,086,391	2,826,369,137
25	**OTHER NONCURRENT LIABILITIES**			
26	Obligations Under Capital Leases-Noncurrent (227)		2,182,464	8,280,298
27	Accumulated Provision for Property Insurance (228.1)			
28	Accumulated Provision for Injuries and Damages (228.2)			
29	Accumulated Provision for Pensions and Benefits (228.3)		59,321,859	62,874,854
30	Accumulated Miscellaneous Operating Provisions (228.4)		110,000	110,000
31	Accumulated Provision for Rate Refunds (229)			
32	Long-Term Portion of Derivative Instrument Liabilities			
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges			
34	Asset Retirement Obligations (230)		51,008,266	48,637,771
35	TOTAL Other Noncurrent Liabilities (Total of lines 26 thru 34)		112,622,589	119,902,923
36	**CURRENT AND ACCRUED LIABILITIES**			
37	Current Portion of Long-Term Debt			
38	Notes Payable (231)			
39	Accounts Payable (232)		248,424,016	260,384,555
40	Notes Payable to Associated Companies (233)		163,959,000	519,944,000
41	Accounts Payable to Associated Companies (234)		52,884,069	48,139,564
42	Customer Deposits (235)		27,788,565	26,029,232
43	Taxes Accrued (236)	262-263	343,073,975	233,271,558
44	Interest Accrued (237)		34,585,992	27,293,911
45	Dividends Declared (238)			
46	Matured Long-Term Debt (239)			
47	Matured Interest (240)			
48	Tax Collections Payable (241)		50,982	59,607
49	Miscellaneous Current and Accrued Liabilities (242)	268	20,341,667	23,267,006
50	Obligations Under Capital Leases-Current (243)		456,667	665,659
51	Derivative Instrument Liabilities (244)			
52	(Less) Long-Term Portion of Derivative Instrument Liabilities			

53	Derivative Instrument Liabilities - Hedges (245)			
54	(Less) Long-Term Portion of Derivative Instrument Liabilities - Hedges			
55	TOTAL Current and Accrued Liabilities (Total of lines 37 thru 54)		891,564,933	1,139,055,092
56	**DEFERRED CREDITS**			
57	Customer Advances for Construction (252)		7,857,317	8,266,258
58	Accumulated Deferred Investment Tax Credits (255)		19,379	20,764
59	Deferred Gains from Disposition of Utility Plant (256)			
60	Other Deferred Credits (253)	269	70,948,356	75,654,502
61	Other Regulatory Liabilities (254)	278	428,140,857	461,558,467
62	Unamortized Gain on Reacquired Debt (257)	260		
63	Accumulated Deferred Income Taxes - Accelerated Amortization (281)			
64	Accumulated Deferred Income Taxes - Other Property (282)		1,043,977,542	1,005,705,668
65	Accumulated Deferred Income Taxes - Other (283)		128,956,403	119,009,891
66	TOTAL Deferred Credits (Total of lines 57 thru 65)		1,679,899,854	1,670,215,550
67	TOTAL Liabilities and Other Credits (Total of lines 15,24,35,55,and 66)		11,406,453,016	10,866,293,028

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: UnappropriatedUndistributedSubsidiaryEarnings

On December 20, 2005, the Federal Energy Regulatory Commission ("FERC") issued an order approving the merger of Cinergy Corp. ("Cinergy"), a holding company and the parent company of Duke Energy Ohio, Inc. ("Duke Ohio"), and Duke Energy Corporation ("Duke Energy"). The merger closed on April 3, 2006 and now Cinergy is wholly owned by Duke Energy and Duke Ohio remains a wholly owned subsidiary of Cinergy. Under generally accepted accounting principles ("GAAP"), mergers resulting in a change of control must be accounted for by using purchase accounting. Purchase accounting treats a business combination, such as the merger of Duke Energy and Cinergy, as an acquisition of one company by another. Consequently, the purchase price paid for the acquired company is allocated to the acquired assets and liabilities based on their fair values. Under purchase accounting, if the acquiring company's purchase price exceeds the fair value of the acquired company's identifiable net assets, the excess is recorded as goodwill on the acquiring company's balance sheets. The goodwill, and any other corresponding adjustments to the values of assets and liabilities of the acquired entity on the acquiring company's balance sheet, must be reviewed to determine whether it must be then assigned or "pushed-down" to the balance sheets of the acquired entity or any of the acquired entity's subsidiaries to the extent those subsidiaries file periodic reports with the Securities and Exchange Commission.

Upon the merger, Duke Energy determined that it needed to apply push-down accounting to Duke Ohio. The application of push-down accounting by Duke Ohio resulted in a one-time adjustment to certain of its assets and liabilities and a resetting of Duke Ohio's retained earnings to zero (immediately prior to the closing, Duke Ohio's retained earnings account was approximately $671 million). This push-down accounting was recorded in Duke Ohio's Uniform System of Accounts balances.

The effects of applying push-down accounting included the recording of approximately $2.9 billion of goodwill and other increases to net assets being pushed down from Duke Energy's balance sheet to the books of Duke Ohio, with offsetting entries to Other Paid-In Capital (accounts 208-211). Since the merger, Duke Ohio has analyzed goodwill for impairment under GAAP, and has written down goodwill on Duke Ohio's books. Moreover, the other increases to net assets added to Duke Ohio's books in purchase accounting have been amortized over time or impaired in accordance with GAAP. These non-cash amortization and impairment charges, in turn, are written off against Duke Ohio's GAAP earnings, thereby decreasing the level of GAAP retained earnings recorded on Duke Ohio's books.

Duke Ohio has received declaratory orders from the FERC (s *ee Cincinnati Gas and Electric Company, d/b/a Duke Energy Ohio* , et al., 115 FERC ¶ 61,250 (2006) and 137 FERC ¶ 61,137 (2011) with certain conditions, that Duke Ohio will not violate Section 305(a) of the FPA if they pay dividends from their equity accounts that are reflective of the amount that they would have had in their retained earnings account had push-down accounting not been in effect. The conditions of the declaratory orders include a commitment from Duke Ohio that equity, adjusted to remove the amounts that remain from the push-down of purchase accounting ("adjusted equity"), will not fall below 30% of total capital. As of December 31, 2024, Duke Ohio's adjusted equity balance represents approximately 50% of total capital (total capital is calculated as adjusted equity plus long-term debt and current maturities of long-term debt of Duke Energy Ohio and its consolidated subsidiaries).

Additionally, Duke Ohio has committed to separately track, in sub-accounts of Account 211-Miscellaneous Paid-in Capital, the amounts subject to these orders. The purpose of the sub-accounts is to ensure that post-merger dividends that have been paid from equity accounts have not exceeded "adjusted retained earnings." Adjusted retained earnings is defined for these purposes as (a) the amount in Duke Ohio's retained earnings account immediately prior to the closing of the merger plus (b) cumulative "adjusted net income," representing cumulative post-merger reported net income excluding the impact of impairments and amortization of push-down accounting net assets and goodwill impairments, less (c) cumulative post-merger dividends.

As of December 31, 2024, the amount in Duke Ohio's equity accounts available to be paid in the form of dividends to its parent, Cinergy, is as follows:

	In Millions
Retained earnings just prior to the April 3, 2006 merger	671
Post merger adjusted net income, cumulative	4,182
Post merger contribution from parent related to divesture of MidWest Commercial Generation	9
Post-merger dividends, cumulative	(1,655)
Retained earnings as of December 31, 2024, adjusted to remove the effects of push-down accounting ("adjusted retained earnings")	3,207

The equity accounts in which the adjusting amounts are tracked are as follows:

	In Millions
Retained earnings as of December 31, 2024 – Sum of Lines 11 and 12 on page 112 (Retained Earnings and Unappropriated Undistributed Subsidiary Earnings)	1,590
Add: Stated capital account, reflecting pre-merger retained earnings less dividends applied to the account - tracked in a sub account of Account 211 – a component of the amount on line 7 on page 112	—
Add: Net after-tax losses attributable to impairments and amortization of pushdown accounting net assets, cumulative – tracked in a sub account of Account 211 – a component of the amount on line 7 on page 112	1,617
Retained earnings as of December 31, 2024, adjusted to remove the effects of push-down accounting ("adjusted retained earnings")	3,207

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Statement of Income

Quarterly

1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.
2. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarte date amounts for other utility function for the current year quarter.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarte date amounts for other utility function for the prior year quarter.
4. If additional columns are needed place them in a footnote.

Annual or Quarterly, if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner t utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be n to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gr revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the ut to retain such revenues or recover amounts paid with respect to power or gas purchases.
11. Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proce affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and exp accounts.
12. If any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, inclu the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)	Elec. Utility Current Year to Date (in dollars) (g)	Elec. Utility Previous Year to Date (in dollars) (h)	Gas Utiity Current Year to Date (in dollars) (i)	Gas Utility Previous Year to Date (in dollars) (j)	Other Utility Current Year to Date (in dollars) (k)	Ot Ut Prev Yea Dat dol
1	UTILITY OPERATING INCOME											
2	Gas Operating Revenues (400)	300-301	1,881,215,036	1,911,597,316			1,369,221,716	1,402,404,285	511,993,320	509,193,031		
3	Operating Expenses											
4	Operation Expenses (401)	317-325	710,518,576	783,283,969			534,831,102	587,028,953	175,687,474	196,255,016		
5	Maintenance Expenses (402)	317-325	65,755,573	65,244,366			57,726,910	57,625,456	8,028,663	7,618,910		
6	Depreciation Expense (403)	336-338	250,379,300	235,115,745			159,101,588	154,962,661	91,277,712	80,153,084		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-338										
8	Amort. & Depl. of Utility Plant (404-405)	336-338	36,449,565	35,401,000			26,344,693	25,544,195	10,104,872	9,856,805		
9	Amortization of Utility Plant Acu. Adjustment (406)	336-338										
10	Amort. of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1)											
11	Amortization of Conversion Expenses (407.2)											
12	Regulatory Debits (407.3)		28,486,607	23,634,732			18,997,150	17,659,557	9,489,457	5,975,175		

13	(Less) Regulatory Credits (407.4)		12,564,600	25,485,597			10,147,588	18,247,252	2,417,012	7,238,345		
14	Taxes Other Than Income Taxes (408.1)	262-263	385,163,291	350,230,165			296,309,188	284,112,121	88,854,103	66,118,044		
15	Income Taxes-Federal (409.1)	262-263	29,725,392	(49,617,562)			16,515,526	8,110,883	13,209,866	(57,728,445)		
16	Income Taxes-Other (409.1)	262-263	438,097	3,558			438,097	(112,832)		116,390		
17	Provision of Deferred Income Taxes (410.1)	234-235	152,348,848	243,266,752			96,737,874	105,205,506	55,610,974	138,061,246		
18	(Less) Provision for Deferred Income Taxes-Credit (411.1)	234-235	150,556,298	147,786,271			94,022,472	83,523,649	56,533,826	64,262,622		
19	Investment Tax Credit Adjustment-Net (411.4)		(1,385)	(754)			(1,385)	(754)				
20	(Less) Gains from Disposition of Utility Plant (411.6)											
21	Losses from Disposition of Utility Plant (411.7)											
22	(Less) Gains from Disposition of Allowances (411.8)		(44,981)				(44,981)					
23	Losses from Disposition of Allowances (411.9)											
24	Accretion Expense (411.10)											
25	TOTAL Utility Operating Expenses (Total of lines 4 thru 24)		1,496,187,947	1,513,290,103			1,102,875,664	1,138,364,845	393,312,283	374,925,258		
26	Net Utility Operating Income (Total of lines 2 less 25)		385,027,089	398,307,213			266,346,052	264,039,440	118,681,037	134,267,773		
28	OTHER INCOME AND DEDUCTIONS											
29	Other Income											
30	Nonutilty Operating Income											
31	Revenues From Merchandising, Jobbing and Contract Work (415)		11,633,439	12,326,239								
32	(Less) Costs and Expense of Merchandising, Job & Contract Work (416)		1,462,712	1,917,645								
33	Revenues From Nonutility Operations (417)		12,487,964	(163,230)								
34	(Less) Expenses of Nonutility Operations (417.1)		278,177	326,786								
35	Nonoperating Rental Income (418)		(309,046)	(212,897)								
36	Equity in Earnings of Subsidiary Companies (418.1)	119	101,399,148	64,844,284								
37	Interest and Dividend Income (419)		4,090,535	20,416,657								

38	Allowance for Other Funds Used During Construction (419.1)		2,025,642	7,920,116								
39	Miscellaneous Nonoperating Income (421)		(542,205)	(642,773)								
40	Gain on Disposition of Property (421.1)		633,279	431,244								
41	TOTAL Other Income (Total of lines 31 thru 40)		129,677,867	102,675,209								
42	Other Income Deductions											
43	Loss on Disposition of Property (421.2)		675,550	179,414								
44	Miscellaneous Amortization (425)											
45	Donations (426.1)	340	1,908,918	1,777,031								
46	Life Insurance (426.2)											
47	Penalties (426.3)		950,120	12,061								
48	Expenditures for Certain Civic, Political and Related Activities (426.4)		2,229,053	1,705,169								
49	Other Deductions (426.5)		7,823,432	29,847,407								
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)	340	13,587,073	33,521,082								
51	Taxes Applic. to Other Income and Deductions											
52	Taxes Other Than Income Taxes (408.2)	262-263										
53	Income Taxes-Federal (409.2)	262-263	(1,587,597)	3,611,830								
54	Income Taxes-Other (409.2)	262-263	4,250	128,737								
55	Provision for Deferred Income Taxes (410.2)	234-235	8,297,812	2,621,903								
56	(Less) Provision for Deferred Income Taxes-Credit (411.2)	234-235	128,181	4,299,215								
57	Investment Tax Credit Adjustments-Net (411.5)											
58	(Less) Investment Tax Credits (420)											
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		6,586,284	2,063,255								
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		109,504,510	67,090,872								
61	INTEREST CHARGES											
62	Interest on Long-Term Debt (427)		144,888,979	128,631,785								
63	Amortization of Debt Disc. and Expense (428)	258-259	3,772,995	3,737,877								

64	Amortization of Loss on Reacquired Debt (428.1)		126,959	278,834								
65	(Less) Amortization of Premium on Debt-Credit (429)	258-259	432,251	463,364								
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)											
67	Interest on Debt to Associated Companies (430)	340	15,562,915	8,797,462								
68	Other Interest Expense (431)	340	6,241,053	6,266,522								
69	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		16,137,736	15,898,221								
70	Net Interest Charges (Total of lines 62 thru 69)		154,022,914	131,350,895								
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		340,508,685	334,047,190								
72	EXTRAORDINARY ITEMS											
73	Extraordinary Income (434)											
74	(Less) Extraordinary Deductions (435)											
75	Net Extraordinary Items (Total of line 73 less line 74)											
76	Income Taxes-Federal and Other (409.3)	262-263										
77	Extraordinary Items after Taxes (line 75 less line 76)											
78	Net Income (Total of line 71 and 77)		340,508,685	334,047,190								

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Statement of Accumulated Comprehensive Income and Hedging Activities

1. Report in columns (b) (c) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

Line No.	Item (a)	Unrealized Gains and Losses on available-for-sale securities (b)	Minimum Pension liabililty Adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Insert Footnote at Line 1 to specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 114, Line 78) (i)	Total Comprehensive Income (j)
1	Balance of Account 219 at Beginning of Preceding Year									
2	Preceding Quarter/Year to Date Reclassifications from Account 219 to Net Income									
3	Preceding Quarter/Year to Date Changes in Fair Value									
4	Total (lines 2 and 3)								334,047,190	334,047,190
5	Balance of Account 219 at End of Preceding Quarter/Year									
6	Balance of Account 219 at Beginning of Current Year									
7	Current Quarter/Year to Date Reclassifications from Account 219 to Net Income									
8	Current Quarter/Year to Date Changes in Fair Value									
9	Total (lines 7 and 8)								340,508,685	340,508,685
10	Balance of Account 219 at End of Current Quarter/Year									

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Statement of Retained Earnings

1. Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.
2. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).
3. State the purpose and amount for each reservation or appropriation of retained earnings.
4. List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.
5. Show dividends for each class and series of capital stock.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS			
1	Balance-Beginning of Period		381,823,842	112,620,936
2	Changes (Identify by prescribed retained earnings accounts)			
3	Adjustments to Retained Earnings (Account 439)			
3.1	TOTAL Credits to Retained Earnings (Account 439) (footnote details)			
3.2	TOTAL Debits to Retained Earnings (Account 439) (footnote details)			
4	Adjustments to Retained Earnings Credit (Debit)			
6	Balance Transferred from Income (Account 433 less Account 418.1)		239,109,537	269,202,906
7	Appropriations of Retained Earnings (Account 436)			
7.1	TOTAL Appropriations of Retained Earnings (Account 436) (footnote details)			
8	Appropriations of Retained Earnings Amount			
9	Dividends Declared-Preferred Stock (Account 437)			
9.1	TOTAL Dividends Declared-Preferred Stock (Account 437) (footnote details)			
10	Dividends Declared-Preferred Stock Amount			
11	Dividends Declared-Common Stock (Account 438)			
11.1	TOTAL Dividends Declared-Common Stock (Account 438) (footnote details)			
12	Dividends Declared-Common Stock Amount			
13	Transfers from Account 216.1, Unappropriated Undistributed Subsidiary Earnings		139,996,513	
14	Balance-End of Period (Total of lines 1, 4, 5, 6, 8, 10, 12, and 13)		760,929,892	381,823,842
15	APPROPRIATED RETAINED EARNINGS (Account 215)			
16	TOTAL Appropriated Retained Earnings (Account 215) (footnote details)			
17	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE, FEDERAL (Account 215.1)			
18	TOTAL Appropriated Retained Earnings-Amortization Reserve, Federal (Account 215.1)			
19	TOTAL Appropriated Retained Earnings (Accounts 215, 215.1) (Total of lines of 16 and 18)			
20	TOTAL Retained Earnings (Accounts 215, 215.1, 216) (Total of lines 14 and 19)		760,929,892	381,823,842
21	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account 216.1)			
	Report only on an Annual Basis no Quarterly			
22	Balance-Beginning of Year (Debit or Credit)		866,670,956	801,826,672
23	Equity in Earnings for Year (Credit) (Account 418.1)		101,399,148	64,844,284
24	(Less) Dividends Received (Debit)		140,000,000	
25	Other Changes (Explain)			
25.1	Other Changes (Explain)			
26	Balance-End of Year		[a]828,070,104	866,670,956

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: UnappropriatedUndistributedSubsidiaryEarnings

On December 20, 2005, the Federal Energy Regulatory Commission ("FERC") issued an order approving the merger of Cinergy Corp. ("Cinergy"), a holding company and the parent company of Duke Energy Ohio, Inc. ("Duke Ohio"), and Duke Energy Corporation ("Duke Energy"). The merger closed on April 3, 2006 and now Cinergy is wholly owned by Duke Energy and Duke Ohio remains a wholly owned subsidiary of Cinergy. Under generally accepted accounting principles ("GAAP"), mergers resulting in a change of control must be accounted for by using purchase accounting. Purchase accounting treats a business combination, such as the merger of Duke Energy and Cinergy, as an acquisition of one company by another. Consequently, the purchase price paid for the acquired company is allocated to the acquired assets and liabilities based on their fair values. Under purchase accounting, if the acquiring company's purchase price exceeds the fair value of the acquired company's identifiable net assets, the excess is recorded as goodwill on the acquiring company's balance sheets. The goodwill, and any other corresponding adjustments to the values of assets and liabilities of the acquired entity on the acquiring company's balance sheet, must be reviewed to determine whether it must be then assigned or "pushed-down" to the balance sheets of the acquired entity or any of the acquired entity's subsidiaries to the extent those subsidiaries file periodic reports with the Securities and Exchange Commission.

Upon the merger, Duke Energy determined that it needed to apply push-down accounting to Duke Ohio. The application of push-down accounting by Duke Ohio resulted in a one-time adjustment to certain of its assets and liabilities and a resetting of Duke Ohio's retained earnings to zero (immediately prior to the closing, Duke Ohio's retained earnings account was approximately $671 million). This push-down accounting was recorded in Duke Ohio's Uniform System of Accounts balances.

The effects of applying push-down accounting included the recording of approximately $2.9 billion of goodwill and other increases to net assets being pushed down from Duke Energy's balance sheet to the books of Duke Ohio, with offsetting entries to Other Paid-In Capital (accounts 208-211). Since the merger, Duke Ohio has analyzed goodwill for impairment under GAAP, and has written down goodwill on Duke Ohio's books. Moreover, the other increases to net assets added to Duke Ohio's books in purchase accounting have been amortized over time or impaired in accordance with GAAP. These non-cash amortization and impairment charges, in turn, are written off against Duke Ohio's GAAP earnings, thereby decreasing the level of GAAP retained earnings recorded on Duke Ohio's books.

Duke Ohio has received declaratory orders from the FERC (s *ee Cincinnati Gas and Electric Company, d/b/a Duke Energy Ohio* , et al., 115 FERC ¶ 61,250 (2006) and 137 FERC ¶ 61,137 (2011) with certain conditions, that Duke Ohio will not violate Section 305(a) of the FPA if they pay dividends from their equity accounts that are reflective of the amount that they would have had in their retained earnings account had push-down accounting not been in effect. The conditions of the declaratory orders include a commitment from Duke Ohio that equity, adjusted to remove the amounts that remain from the push-down of purchase accounting ("adjusted equity"), will not fall below 30% of total capital. As of December 31, 2024, Duke Ohio's adjusted equity balance represents approximately 50% of total capital (total capital is calculated as adjusted equity plus long-term debt and current maturities of long-term debt of Duke Energy Ohio and its consolidated subsidiaries).

Additionally, Duke Ohio has committed to separately track, in sub-accounts of Account 211-Miscellaneous Paid-in Capital, the amounts subject to these orders. The purpose of the sub-accounts is to ensure that post-merger dividends that have been paid from equity accounts have not exceeded "adjusted retained earnings." Adjusted retained earnings is defined for these purposes as (a) the amount in Duke Ohio's retained earnings account immediately prior to the closing of the merger plus (b) cumulative "adjusted net income," representing cumulative post-merger reported net income excluding the impact of impairments and amortization of push-down accounting net assets and goodwill impairments, less (c) cumulative post-merger dividends.

As of December 31, 2024, the amount in Duke Ohio's equity accounts available to be paid in the form of dividends to its parent, Cinergy, is as follows:

	In Millions
Retained earnings just prior to the April 3, 2006 merger	671
Post merger adjusted net income, cumulative	4,182
Post merger contribution from parent related to divesture of MidWest Commercial Generation	9
Post-merger dividends, cumulative	(1,655)
Retained earnings as of December 31, 2024, adjusted to remove the effects of push-down accounting ("adjusted retained earnings")	3,207

The equity accounts in which the adjusting amounts are tracked are as follows:

	In Millions
Retained earnings as of December 31, 2024 – Sum of Lines 11 and 12 on page 112 (Retained Earnings and Unappropriated Undistributed Subsidiary Earnings)	1,590
Add: Stated capital account, reflecting pre-merger retained earnings less dividends applied to the account - tracked in a sub account of Account 211 – a component of the amount on line 7 on page 112	—
Add: Net after-tax losses attributable to impairments and amortization of pushdown accounting net assets, cumulative – tracked in a sub account of Account 211 – a component of the amount on line 7 on page 112	1,617
Retained earnings as of December 31, 2024, adjusted to remove the effects of push-down accounting ("adjusted retained earnings")	3,207

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Statement of Cash Flows

1. Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
2. Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
3. Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
4. Investing Activities: Include at Other (line 27) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instructions for explanation of codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities		
2	Net Income (Line 78(c) on page 114)	340,508,685	334,047,190
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	250,379,300	235,115,745
5	Amortization of (Specify) (footnote details)		
5.1	Amortization of (Specify)		
5.2	Plant Items	36,449,565	38,047,673
5.3	Debt Discount, Premium, Expense, and Loss on Reacquired Debt	3,467,703	3,553,347
6	Deferred Income Taxes (Net)	9,962,181	93,803,169
7	Investment Tax Credit Adjustments (Net)	(1,385)	(754)
8	Net (Increase) Decrease in Receivables	(16,484,809)	(40,756,548)
9	Net (Increase) Decrease in Inventory	(13,127,977)	(26,039,944)
10	Net (Increase) Decrease in Allowances Inventory	(125,928)	34,372
11	Net Increase (Decrease) in Payables and Accrued Expenses	109,123,046	(98,557,422)
12	Net (Increase) Decrease in Other Regulatory Assets	(45,858,861)	(40,538,279)
13	Net Increase (Decrease) in Other Regulatory Liabilities	(1,013,500)	(24,479,729)
14	(Less) Allowance for Other Funds Used During Construction	2,025,642	7,920,116
15	(Less) Undistributed Earnings from Subsidiary Companies	101,399,148	64,844,284
16	Other Adjustments to Cash Flows from Operating Activities		
16.1	Other Adjustments to Cash Flows from Operating Activities		
16.2	Special funds	2,223,092	(7,044,184)
16.3	Prepayments	2,386,631	1,613,791
16.4	Miscellaneous Current and Accrued Assets	17,340,940	25,297,147
16.5	Preliminary Survey and Investigation Charges	(50,890)	(64,293)
16.6	Clearing Accounts		(181)
16.7	Temporary Facilities		
16.8	Miscellaneous Deferred Debits	18,455,346	471,473
16.9	Unrecovered Purchased Gas Costs	(945,685)	8,104,620
16.10	Accumulated Other Comprehensive Income		
16.11	Obligations Under Capital Leases - Noncurrent	(8,376,255)	(1,056,214)
16.12	Accumulated Provisions	(8,513,336)	4,195,788
16.13	Accumulated Provision for Rate Refund		
16.14	Contribution to Pension Plan	(3,928,724)	(3,716,054)
16.15	Customer Advances for Construction	(1,682,874)	2,866,326
16.16	Other Deferred Credits	(13,498,214)	(3,865,223)
16.17	Derivative Instruments		
16.18	Net Utility Plant and Nonutility Property	19,336,105	(6,236,892)
16.19	Investment in Subsidiary Companies (I/C Equitization)	3,306,417	
16.20	Debt Expenses	(4,980,777)	(5,262,108)
16.21	Deferred Income Taxes	177,371	51,909
16.22	Other Investment Write-Off	140,000,000	
18	Net Cash Provided by (Used in) Operating Activities (Total of Lines 2 thru 16)	731,102,377	416,820,325
20	Cash Flows from Investment Activities:		
21	Construction and Acquisition of Plant (including land):		
22	Gross Additions to Utility Plant (less nuclear fuel)	(670,501,421)	(774,739,115)
23	Gross Additions to Nuclear Fuel		
24	Gross Additions to Common Utility Plant	(6,463,757)	(11,458,954)
25	Gross Additions to Nonutility Plant		
26	(Less) Allowance for Other Funds Used During Construction	(2,025,642)	(7,920,116)

27	Other Construction and Acquisition of Plant, Investment Activities		
27.1	Other Construction and Acquisition of Plant, Investment Activities		
28	Cash Outflows for Plant (Total of lines 22 thru 27)	(674,939,536)	(778,277,953)
30	Acquisition of Other Noncurrent Assets (d)		
31	Proceeds from Disposal of Noncurrent Assets (d)		
33	Investments in and Advances to Associated and Subsidiary Companies		(185,000,000)
34	Contributions and Advances from Associated and Subsidiary Companies		
36	Disposition of Investments in (and Advances to) Associated and Subsidiary Companies		74,681,821
38	Purchase of Investment Securities (a)		
39	Proceeds from Sales of Investment Securities (a)		
40	Loan Made or Purchased		
41	Collections on Loans		
43	Net (Increase) Decrease in Receivables	(126,950,342)	28,116,971
44	Net (Increase) Decrease in Inventory		
45	Net (Increase) Decrease in Allowances Held for Speculation		
46	Net Increase (Decrease) in Payables and Accrued Expenses		
47	Other Adjustments to Cash Flows from Investment Activities:		
47.1	Other Adjustments to Cash Flows from Investment Activities:		
47.2	Other Investments		
49	Net Cash Provided by (Used in) Investing Activities (Total of lines 28 thru 47)	(801,889,878)	(860,479,161)
51	Cash Flows from Financing Activities:		
52	Proceeds from Issuance of:		
53	Proceeds from Issuance of Long-Term Debt (b)	425,000,000	750,000,000
54	Proceeds from Issuance of Preferred Stock		
55	Proceeds from Issuance of Common Stock		
56	Net Increase in Debt (Long Term Advances)		
56.1	Net Increase in Debt (Long Term Advances)		
56.2	Notes Payable to Associated Companies	(355,985,000)	104,419,000
56.3	Contribution from Parent		
57	Net Increase in Short-term Debt (c)		
59	Cash Provided by Outside Sources (Total of lines 53 thru 58)	69,015,000	854,419,000
61	Payments for Retirement		
62	Payments for Retirement of Long-Term Debt (b)		(400,000,000)
63	Payments for Retirement of Preferred Stock		
64	Payments for Retirement of Common Stock		
65	Other Retirements		
65.1	Other Retirements		
65.2	Notes Payable to Associated Companies	(510,583)	(325,792)
66	Net Decrease in Short-Term Debt (c)		
67	Other Adjustments to Financing Cash Flows		
67.1	Other Adjustments to Financing Cash Flows		
68	Dividends on Preferred Stock		
69	Dividends on Common Stock		
70	Net Cash Provided by (Used in) Financing Activities (Total of lines 59 thru 69)	68,504,417	454,093,208
73	Net Increase (Decrease) in Cash and Cash Equivalents		
74	(Total of line 18, 49 and 71)	(2,283,084)	10,434,372
76	Cash and Cash Equivalents at Beginning of Period	21,097,579	10,663,207
78	Cash and Cash Equivalents at End of Period	[a]18,814,495	21,097,579

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

FOOTNOTE DATA

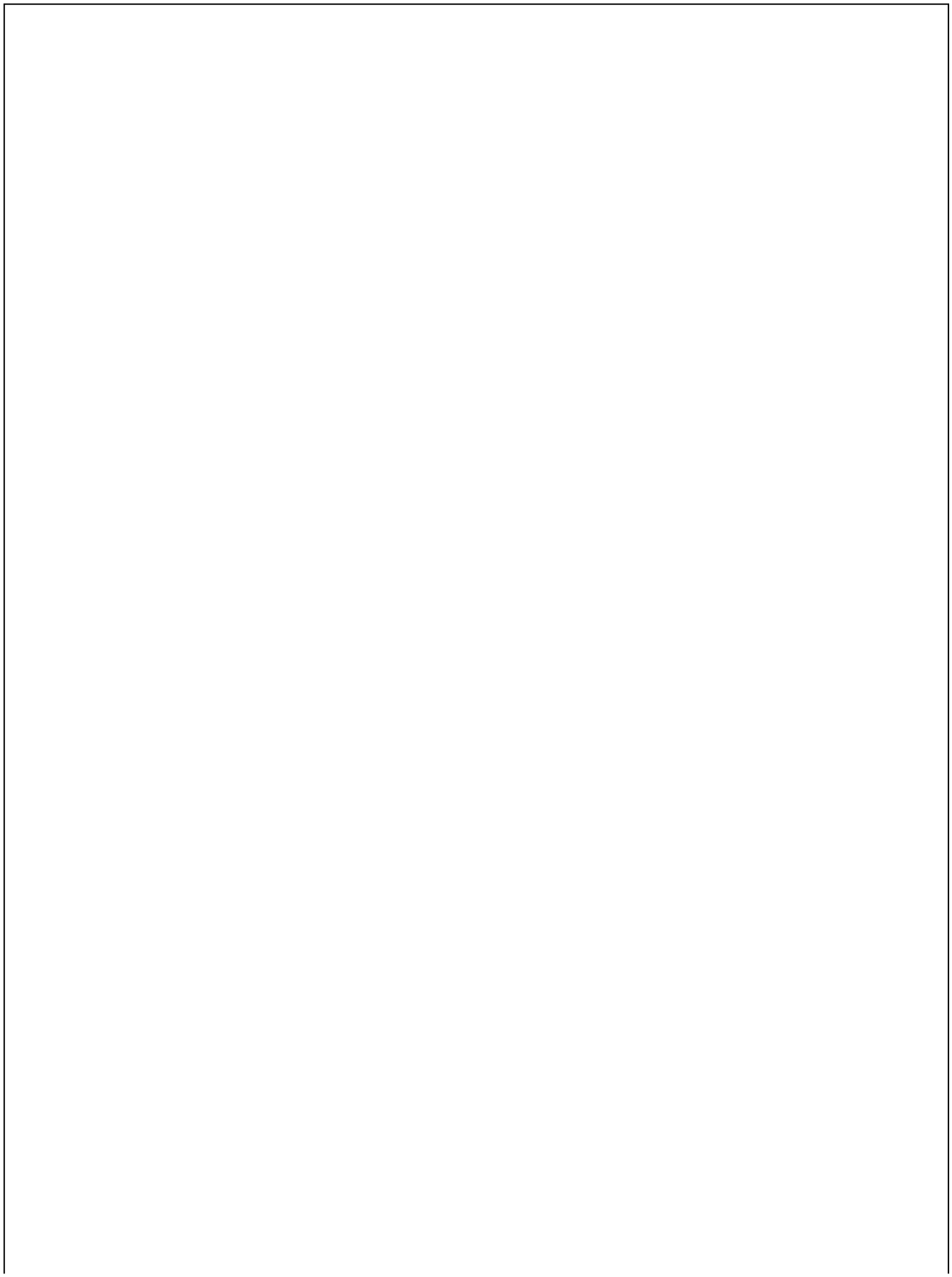
(a) Concept: CashAndCashEquivalents

	YTD Dec-24	YTD Dec-23
Supplemental Disclosures:		
Cash paid for Interest, net of amount capitalized	$ 146,769,543	$ 124,107,475
Cash paid/(refunded) for Income Taxes	$ (72,272,308)	$ 25,740,364
Significant Non Cash Transactions:		
Accrued Capital Expenditures	$63 M	$84 M
Cash and Cash Equivalents at End of Period:		
Cash (131)	$ 18,814,495	$ 21,097,579
Working Fund (135)	$ —	$ —
Temporary Cash Investments (136)	$ —	$ —
	$ 18,814,495	$ 21,097,579

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Notes to Financial Statements

1. Provide important disclosures regarding the Balance Sheet, Statement of Income for the Year, Statement of Retained Earnings for the Year, and Statement of Cash Flow, or any account thereof. Classify the disclosures according to each financial statement, providing a subheading for each statement except where a disclosure is applicable to more than one statement. The disclosures must be on the same subject matters and in the same level of detail that would be required if the respondent issued general purpose financial statements to the public or shareholders.
2. Furnish details as to any significant contingent assets or liabilities existing at year end, and briefly explain any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or a claim for refund of income taxes of a material amount initiated by the utility. Also, briefly explain any dividends in arrears on cumulative preferred stock.
3. Furnish details on the respondent's pension plans, post-retirement benefits other than pensions (PBOP) plans, and post-employment benefit plans as required by instruction no. 1 and, in addition, disclose for each individual plan the current year's cash contributions. Furnish details on the accounting for the plans and any changes in the method of accounting for them. Include details on the accounting for transition obligations or assets, gains or losses, the amounts deferred and the expected recovery periods. Also, disclose any current year's plan or trust curtailments, terminations, transfers, or reversions of assets. Entities that participate in multiemployer postretirement benefit plans (e.g. parent company sponsored pension plans) disclose in addition to the required disclosures for the consolidated plan, (1) the amount of cost recognized in the respondent's financial statements for each plan for the period presented, and (2) the basis for determining the respondent's share of the total plan costs.
4. Furnish details on the respondent's asset retirement obligations (ARO) as required by instruction no. 1 and, in addition, disclose the amounts recovered through rates to settle such obligations. Identify any mechanism or account in which recovered funds are being placed (i.e. trust funds, insurance policies, surety bonds). Furnish details on the accounting for the asset retirement obligations and any changes in the measurement or method of accounting for the obligations. Include details on the accounting for settlement of the obligations and any gains or losses expected or incurred on the settlement.
5. Provide a list of all environmental credits received during the reporting period.
6. Provide a summary of revenues and expenses for each tracked cost and special surcharge.
7. Where Account 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these item. See General Instruction 17 of the Uniform System of Accounts.
8. Explain concisely any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
9. Disclose details on any significant financial changes during the reporting year to the respondent or the respondent's consolidated group that directly affect the respondent's gas pipeline operations, including: sales, transfers or mergers of affiliates, investments in new partnerships, sales of gas pipeline facilities or the sale of ownership interests in the gas pipeline to limited partnerships, investments in related industries (i.e., production, gathering), major pipeline investments, acquisitions by the parent corporation(s), and distributions of capital.
10. Explain concisely unsettled rate proceedings where a contingency exists such that the company may need to refund a material amount to the utility's customers or that the utility may receive a material refund with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects and explain the major factors that affect the rights of the utility to retain such revenues or to recover amounts paid with respect to power and gas purchases.
11. Explain concisely significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and summarize the adjustments made to balance sheet, income, and expense accounts.
12. Explain concisely only those significant changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also give the approximate dollar effect of such changes.
13. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
14. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
15. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.



This Federal Energy Regulatory Commission (FERC) Form 2A has been prepared in conformity with the requirements of the FERC as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than Generally Accepted Accounting Principles in the United States of America (GAAP). The following areas represent the significant differences between the Uniform System of Accounts and GAAP:

- GAAP requires that public business enterprises report certain information about operating segments in complete sets of financial statements of the enterprise and certain information about their products and services, which are not required for FERC reporting purposes.
- GAAP requires that majority-owned subsidiaries be consolidated for financial reporting purposes. FERC requires that majority-owned subsidiaries be separately reported as Investment in Subsidiary Companies, unless an appropriate waiver has been granted by FERC.
- FERC requires that income or losses of an unusual nature and infrequent occurrence, which would significantly distort the current year's income, be recorded as extraordinary income or deductions, respectively.
- GAAP requires that removal and nuclear decommissioning costs for property that does not have an associated legal retirement obligation be presented as a regulatory liability on the Balance Sheet. These costs are presented as accumulated depreciation on the Balance Sheet for FERC reporting purposes.
- GAAP requires the regulatory assets and liabilities resulting from the implementation of ASC 740-10 (formerly SFAS No. 109) be presented as a net amount on the balance sheet. For FERC reporting purposes, these assets and liabilities are presented separately and are included in the Other Regulatory Asset and Other Regulatory Liability line items.
- GAAP requires that the current portion of regulatory assets and regulatory liabilities be reported as current assets and current liabilities, respectively, on the Balance Sheet. FERC requires that the current portion of regulatory assets and liabilities be reported as Regulatory Assets within Deferred Debits and Regulatory Liabilities within Deferred Credits, respectively.
- GAAP requires that any deferred costs associated with a specific debt issuance be presented as a reduction to debt on the Balance Sheet. FERC requires any Unamortized Debt Expense to be separately stated as a Deferred Debit on the Balance Sheet.
- GAAP requires that certain account balances within financial statement line items which are not in the natural position for that line item (e.g. an account within Accounts Receivable with a credit balance) be reclassed to the appropriate side of the Balance Sheet. FERC does not require certain accounts which are not in a natural position for their respective line item to be reclassed, as long as the line item in total is in its natural position.
- GAAP requires that regulated assets that are abandoned or retired early, including the cost of the asset and its associated accumulated depreciation, be reclassified to a separate regulatory asset on the Balance Sheet. For FERC reporting purposes, those assets which have been abandoned but are still operating are maintained in their original balance sheet accounts.
- GAAP requires that the current portion of Asset Retirement Obligations be reported as current liabilities on the Balance Sheet. For FERC reporting purposes, these liabilities are not reported separately and are reflected as Asset Retirement Obligations within the Other Noncurrent Liabilities section of the Balance Sheet.
- GAAP requires service cost related to pensions and Post-Retirement Benefits Other Than Pensions (PBOP) to be reported with other compensation costs arising from services rendered by employees during the period and included in a subtotal of income from operations on the income statement. Non-service cost components are presented separately outside the subtotal of income from operations on the income statement. For FERC reporting purposes, costs related to pensions and PBOP is included in the Net Utility Operating Income of the income statement.

Index to Combined Notes To Consolidated Financial Statements

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations and Basis of Consolidation

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

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

These Consolidated Financial Statements include, after eliminating intercompany transactions and balances, the accounts of the Duke Energy Registrants and subsidiaries or VIEs where the respective Duke Energy Registrants have control. See Note 18 for additional information on VIEs. These Consolidated Financial Statements also reflect the Duke Energy Registrants' proportionate share of certain jointly owned generation and transmission facilities. See Note 9 for additional information on joint ownership. Substantially all of the Subsidiary Registrants' operations qualify for regulatory accounting.

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

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

regulatory agencies listed below.

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

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

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

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

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

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

Other Current Assets and Liabilities

The following table provides a description of amounts included in Other within Current Assets or Current Liabilities that exceed 5% of total Current Assets or Current Liabilities on the Duke Energy Registrants' Consolidated Balance Sheets at either December 31, 2024, or 2023.

		December 31,	
(in millions)	**Location**	**2024**	**2023**
Duke Energy Carolinas			
Accrued compensation	Current Liabilities	**$ 234**	$ 224
Duke Energy Florida			
Tax receivables	Current Assets	**$ 166**	$ 12
Customer deposits/Collateral liabilities	Current Liabilities	**$ 164**	$ 168
Duke Energy Ohio			
Tax receivables	Current Assets	**$ 4**	95
Duke Energy Indiana			
Customer advances	Current Liabilities	**$ 100**	$ 87

Discontinued Operations

Duke Energy has elected to present cash flows of discontinued operations combined with cash flows of continuing operations. Unless otherwise noted, the notes to these consolidated financial statements exclude amounts related to discontinued operations for all periods presented. For the years ended December 31, 2024, 2023 and 2022, the Income (Loss) From Discontinued Operations, net of tax on Duke Energy's Consolidated Statements of Operations includes amounts related to NCI. A portion of NCI on Duke Energy's 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.

Significant Accounting Policies

Use of Estimates

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

Regulatory Accounting

The majority of the Duke Energy Registrants' operations are subject to price regulation for the sale of electricity and natural gas by state utility commissions or FERC. When prices are set on the basis of specific costs of the regulated operations and an effective franchise is in place such that sufficient natural gas or electric services can be sold to recover those costs, the Duke Energy Registrants apply regulatory accounting. Regulatory accounting changes the timing of the recognition of costs or revenues relative to a company that does not apply regulatory accounting. As a result, regulatory assets and regulatory liabilities are recognized on the Consolidated Balance Sheets. Regulatory assets and liabilities are amortized consistent with the treatment of the related cost in the ratemaking process. Regulatory assets are reviewed for recoverability each reporting period. If a regulatory asset is no longer deemed probable of recovery, the deferred cost is charged to earnings. See Note 4 for further information.

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

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

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

Cash, Cash Equivalents and Restricted Cash

All highly liquid investments with maturities of three months or less at the date of acquisition are considered cash equivalents. Duke Energy, Progress Energy and Duke Energy Florida have restricted cash balances related primarily to collateral assets, escrow deposits and VIEs. Duke Energy Carolinas and Duke Energy Progress have restricted cash balances related to VIEs from storm recovery bonds issued. See Note 18 for additional information. Restricted cash amounts are included in Other within Current Assets and Other Noncurrent Assets on the Consolidated Balance Sheets. The following table presents the components of cash, cash equivalents and restricted cash included in the Consolidated Balance Sheets.

	December 31, 2024					December 31, 2023				
(in millions)	**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	**$ 314**	**$ 6**	**$ 73**	**$ 24**	**$ 33**	$ 253	$ 9	$ 59	$ 18	$ 24
Other	**84**	**9**	**76**	**40**	**35**	76	9	67	31	36

Other Noncurrent Assets										
Other	20	1	11	5	7	16	1	9	2	7
Total cash, cash equivalents and restricted cash	$ 418	$ 16	$ 160	$ 69	$ 75	$ 345	$ 19	$ 135	$ 51	$ 67

Inventory

Inventory related to regulated operations is valued at historical cost. Inventory is charged to expense or capitalized to property, plant and equipment when issued, primarily using the average cost method. Excess or obsolete inventory is written down to the lower of cost or net realizable value. Once inventory has been written down, it creates a new cost basis for the inventory that is not subsequently written up. Provisions for inventory write-offs were not material at December 31, 2024, and 2023, respectively. The components of inventory are presented in the tables below.

	December 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	$ 3,387	$ 1,150	$ 1,649	$ 1,074	$ 576	$ 149	$ 389	$ 11
Coal	801	341	241	164	77	23	196	—
Natural gas, oil and other	321	45	196	103	92	11	1	67
Total inventory	$ 4,509	$ 1,536	$ 2,086	$ 1,341	$ 745	$ 183	$ 586	$ 78

	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	364	45	205	110	95	12	2	100
Total inventory	$ 4,292	$ 1,484	$ 1,901	$ 1,227	$ 674	$ 179	$ 582	$ 112

Investments in Debt and Equity Securities

The Duke Energy Registrants classify investments in equity securities as FV-NI and investments in debt securities as AFS. Both categories are recorded at fair value on the Consolidated Balance Sheets. Realized and unrealized gains and losses on securities classified as FV-NI are reported through net income. Unrealized gains and losses for debt securities classified as AFS are included in AOCI until realized, unless it is determined the carrying value of an investment has a credit loss. For certain investments of regulated operations, such as substantially all of the NDTF, realized and unrealized gains and losses (including any credit losses) on debt securities are recorded as a regulatory asset or liability. The credit loss portion of debt securities of nonregulated operations are included in earnings. Investments in debt and equity securities are classified as either current or noncurrent based on management's intent and ability to sell these securities, taking into consideration current market liquidity. See Note 16 for further information.

Goodwill

Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont perform annual goodwill impairment tests as of August 31 each year at the reporting unit level, which is determined to be a business segment or one level below. Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont update these tests between annual tests if events or circumstances occur that would more likely than not reduce the fair value of a reporting unit below its carrying value. See Note 12 for further information.

Intangible Assets

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

RECs are used to measure compliance with renewable energy standards and are held primarily for consumption. See Note 12 for further information.

Long-Lived Asset Impairments

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

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

Property, Plant and Equipment

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

	Years Ended December 31,		
	2024	2023	2022
Duke Energy	3.0 %	2.9 %	3.0 %
Duke Energy Carolinas	3.1 %	2.7 %	2.7 %
Progress Energy	3.3 %	3.3 %	3.2 %
Duke Energy Progress	3.2 %	3.1 %	3.0 %
Duke Energy Florida	3.5 %	3.5 %	3.5 %
Duke Energy Ohio	2.9 %	2.8 %	2.9 %
Duke Energy Indiana	3.6 %	3.6 %	3.6 %
Piedmont	2.2 %	2.1 %	2.1 %

Name of Respondent: Duke Energy Ohio, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of 2024/ Q4

Summary of Utility Plant and Accumulated Provisions for Depreciation, Amortization and Depletion

Line No.	Item (a)	Total Company For the Current Quarter/Year (b)	Electric (c)	Gas (d)	Other (Specify) (e)	Common (f)
1	UTILITY PLANT					
2	In Service					
3	Plant In Service (Classified)	9,474,108,104	5,638,700,905	3,439,350,586		396,056,613
4	Property Under Capital Leases	2,459,918	[a] 2,459,918			
5	Plant Purchased or Sold					
6	Completed Construction not Classified	565,149,073	386,661,093	178,091,540		396,440
7	Experimental Plant Unclassified					
8	TOTAL Utility Plant (Total of lines 3 thru 7)	10,041,717,095	6,027,821,916	3,617,442,126		396,453,053
9	Leased to Others					
10	Held for Future Use	4,120,318	2,318,955	1,801,363		
11	Construction Work in Progress	282,528,627	229,978,411	47,624,727		4,925,489
12	Acquisition Adjustments					
13	TOTAL Utility Plant (Total of lines 8 thru 12)	10,328,366,040	6,260,119,282	3,666,868,216		401,378,542
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	2,477,694,759	1,296,438,645	993,821,325		187,434,789
15	Net Utility Plant (Total of lines 13 and 14)	7,850,671,281	4,963,680,637	2,673,046,891		213,943,753
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
17	In Service:					
18	Depreciation	2,249,183,156	1,183,257,558	931,440,161		134,485,437
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights					
20	Amortization of Underground Storage Land and Land Rights					
21	Amortization of Other Utility Plant	228,511,603	113,181,087	62,381,164		52,949,352
22	TOTAL In Service (Total of lines 18 thru 21)	2,477,694,759	1,296,438,645	993,821,325		187,434,789
23	Leased to Others					
24	Depreciation					
25	Amortization and Depletion					
26	TOTAL Leased to Others (Total of lines 24 and 25)					
27	Held for Future Use					
28	Depreciation					
29	Amortization					
30	TOTAL Held for Future Use (Total of lines 28 and 29)					
31	Abandonment of Leases (Natural Gas)					
32	Amortization of Plant Acquisition Adjustment					
33	TOTAL Accum. Provisions (Should agree with line 14 above)(Total of lines 22, 26, 30, 31, and 32)	2,477,694,759	1,296,438,645	993,821,325		187,434,789

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

When the Duke Energy Registrants sell entire regulated operating units and the energy property, the accumulated depreciation and amortization balances are removed from Property, Plant and Equipment on the Consolidated Balance Sheets. Any gain or loss is recorded to net earnings, unless otherwise required by the applicable regulatory body. See Note 4 for additional information.

Other Noncurrent Assets

Duke Energy, through a wholly-owned 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 contract in Other within Other noncurrent assets on the Consolidated Balance Sheets as of December 31, 2024 and 2023. The asset is recorded at historical cost and is subject to impairment testing should circumstances indicate the carrying value may not be recoverable. In November 2022, Duke Energy committed to a plan to sell the Commercial Renewables business segment, excluding the offshore wind contract for Carolina Long Bay, which was moved to the EU&I segment. See Notes 2 and 3 for further information.

Leases

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

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

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

Nuclear Fuel

Nuclear fuel is classified in Plant, Total of lines 6 on the Consolidated Balance Sheets.

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

Allowance for Funds Used During Construction and Interest Capitalized

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

AFUDC equity is a permanent difference and typically causes the ETR when capitalized and increases the ETR when depreciated or amortized. See Note 24 for additional information.

Asset Retirement Obligations

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

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

Accounts Payable

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 presents the amounts included within Accounts payable on the Consolidated Balance Sheets sold to the financial institution by our suppliers and the supplier invoices sold to the financial institution under the program included within Net cash provided by operating activities on the Consolidated Statements of Cash Flows as of December 31, 2024, and December 31, 2023.

For the Years Ended December 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	228	24	58	22	36	7	—	139
Confirmed invoices paid during the period	(265)	(30)	(74)	(30)	(44)	(12)	—	(160)
Confirmed obligations outstanding at December 31, 2023	$ 50	$ —	$ 3	$ —	$ 3	$ —	$ —	$ 47
Invoices confirmed during the period	156	—	4	—	4	—	—	152
Confirmed invoices paid during the period	(193)	—	(6)	—	(6)	—	—	(187)
Confirmed obligations outstanding at December 31, 2024	$ 13	$ —	$ 1	$ —	$ 1	$ —	$ —	$ 12

Revenue Recognition

Duke Energy recognizes revenue as customers obtain control of promised goods and services in an amount that reflects consideration expected in exchange for those goods or services. Generally, the delivery of electricity and natural gas results in the transfer of control to customers at the time the commodity is delivered and the amount of revenue recognized is equal to the amount billed to each customer, including estimated volumes delivered when billings have not yet occurred. See Note 19 for further information.

Alternative Revenue Programs

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Duke Energy accounts for certain types of programs established by regulators in the states in which it operates, including decoupling mechanisms, as alternative revenue programs. Alternative revenue programs are contracts between an entity and its regulator, not a contract between an entity and a customer. Revenue arising from alternative revenue programs is presented as Regulated electric revenues and Regulated natural gas revenues on the Consolidated Statements of Operations. Revenue from alternative revenue programs is recognized in the period they are earned (i.e. during the period of revenue shortfall or excess due to fluctuations in customer usage or when specific targets are met resulting in the achievement of performance incentives or penalties) and a regulatory asset or liability on the Consolidated Balance Sheets is established, which is subsequently billed or refunded to customers. Duke Energy recognizes revenue as alternative revenue programs for programs that have been authorized for rate recovery, are objectively determinable and probable of recovery, and are expected to be collected within 24 months. See Note 19 for disaggregated revenue information including revenue from contracts with customers and revenues recognized as alternative revenue programs.

Derivatives and Hedging

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

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

See Note 15 for further information.

Captive Insurance Reserves

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

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

Preferred Stock

Preferred stock is reviewed to determine the appropriate balance sheet classification and embedded features, such as call options, are evaluated to determine if they should be bifurcated and accounted for separately. Costs directly related to the issuance of preferred stock are recorded as a reduction of the proceeds received. The liability for the dividend is recognized when declared. The accumulated dividends on the cumulative preferred stock is recognized to net income available to Duke Energy Corporation in the EPS calculation. See Note 20 for further information.

Loss Contingencies and Environmental Liabilities

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

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

See Notes 4 and 5 for further information.

Severance and Special Termination Benefits

Duke Energy maintains severance plans for the general employee population under which, in general, the longer a terminated employee worked prior to termination the greater the amount of severance benefits provided. A liability for involuntary severance is recorded once an involuntary severance plan is committed to by management if involuntary severances are probable and can be reasonably estimated. For involuntary severance benefits incremental to its ongoing severance plan benefits, the fair value of the obligation is expensed at the communication date if there are no future service requirements or over the required future service period. Duke Energy also offers special termination benefits under voluntary severance programs. Special termination benefits are recorded immediately upon employee acceptance absent a significant retention period. Otherwise, the cost is recorded over the remaining service period. Employee acceptance of voluntary severance benefits is determined by management based on the facts and circumstances of the benefits being offered. See Note 21 for further information.

Guarantees

If necessary, liabilities are recognized at the time of issuance or material modification of a guarantee for the estimated fair value of the obligation it assumes. Fair value is estimated using a probability weighted approach. The obligation is reduced over the term of the guarantee or related contract in a systematic and rational method as risk is reduced. Duke Energy recognizes a liability for the best estimate of its loss due to the nonperformance of the guaranteed party. This liability is recognized at the inception of a guarantee and is updated periodically. See Note 8 for further information.

Income Taxes

Duke Energy and its subsidiaries file a consolidated federal income tax return and other state and foreign jurisdictional returns. The Subsidiary Registrants are parties to a tax-sharing agreement with Duke Energy. Income taxes recorded represent amounts the Subsidiary Registrants would incur as separate C-Corporations. Deferred income taxes have been provided for temporary differences between GAAP and tax bases of assets and liabilities because the differences create taxable or tax-deductible amounts for future periods. ITCs associated with regulated operations are deferred and amortized as a reduction of income tax expense over the estimated useful lives of the related properties. PTCs associated with regulated operations reduce income tax expense or are deferred and amortized as a reduction of income tax expense over a period of time that is agreed upon by the regulatory authorities and the Subsidiary Registrants.

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

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

See Note 24 for further information.

Excise Taxes

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

	Years Ended December 31,		
(in millions)	**2024**	**2023**	**2022**
Duke Energy	**$ 423**	$ 458	$ 449
Duke Energy Carolinas	**31**	27	47
Progress Energy	**285**	322	290
Duke Energy Progress	**9**	5	25
Duke Energy Florida	**276**	317	265

(a) Concept: UtilityPlantInServicePropertyUnderCapitalLeases

Property Under Capital Leases, Electric - Net Operating Leases

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FOOTNOTE DATA

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Duke Energy Ohio

Name of Respondent: Duke Energy Ohio, Inc

This report is: (1) ☑ An Original (2) ☐ A Resubmission

Date of Report: 04/30/2025

Year/Period of Report: End of: 2024/ Q4

Dividend Restrictions and Unappropriated Retained Earnings

Duke Energy does not have any current legal, regulatory or other restrictions on paying common stock dividends to shareholders. However, if Duke Energy were to defer dividend payments on the preferred stock, the declaration of common stock dividends would be prohibited. See Note 20 for more information. Additionally, as further described in Note 4, Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio, Duke Energy Indiana and Piedmont have restrictions on paying dividends or otherwise advancing funds to Duke Energy due to conditions established by regulators in conjunction with merger transaction approvals. At December 31, 2024, and 2023, an insignificant amount of Duke Energy's consolidated retained earnings balance represents undistributed earnings of equity method investments.

New Accounting Standards

Other than implementation of the enhanced disclosure requirements for reportable business segments as described in Note 3, no new accounting standards were adopted by any of the Duke Energy Registrants in 2024.

2. DISPOSITIONS

The following table summarizes the Income (Loss) from Discontinued Operations, net of tax recorded on Duke Energy's Consolidated Statements of Operations.

(in millions)	Years Ended December 31, 2024	2023	2022
Commercial Renewables Disposal Groups	$ —	$ (1,457)	$ (1,340)
Other[a]	10	2	17
Income (Loss) from Discontinued Operations, net of tax	$ 10	$ (1,455)	$ (1,323)

(a) Amounts primarily represent income tax adjustments for previously sold businesses not related to the Commercial Renewables Disposal Groups.

Sale of Commercial Renewables Segment

In 2023, Duke Energy completed the sale of substantially all the assets in the Commercial Renewables business segment. Duke Energy closed on the transaction with Brookfield on October 25, 2023, for proceeds of $1.1 billion, with approximately half of the proceeds received at closing and the remainder due 18 months after closing. The balance of the remaining proceeds to be received of $551 million is included in Receivable from sales of Commercial Renewables Disposal Groups, as of December 31, 2024, and $531 million is included in Other, within Other Noncurrent Assets, as of December 31, 2023, on Duke Energy's Consolidated Balance Sheets. The sale of the remaining assets was concluded in January 2025, and net proceeds from the sale are not expected to vary materially.

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)	December 31, 2024	2023
Current Assets Held for Sale		
Other	$ 4	$ 14
Total current assets held for sale	4	14
Noncurrent Assets Held for Sale		
Property, Plant and Equipment		
Cost	109	247
Accumulated depreciation and amortization	(24)	(57)
Net property, plant and equipment	85	190
Operating lease right-of-use assets	4	4
Other	—	3
Total other noncurrent assets held for sale	4	7
Total Assets Held for Sale	$ 93	$ 211
Current Liabilities Associated with Assets Held for Sale		
Accounts payable	$ 19	$ 9
Taxes accrued	1	3
Current maturities of long-term debt	43	5
Unrealized losses on commodity hedges	13	68
Other	4	37
Total current liabilities associated with assets held for sale	80	122
Noncurrent Liabilities Associated with Assets Held for Sale		
Long-Term debt	—	39
Operating lease liabilities	5	5
Asset retirement obligations	5	6
Unrealized losses on commodity hedges	66	94
Other	13	11
Total other noncurrent liabilities associated with assets held for sale	89	157
Total Liabilities Associated with Assets Held for Sale	$ 169	$ 279

As of December 31, 2024, and 2023, the NCI balance was $18 million and $66 million, respectively.

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

	Years Ended December 31,

Gas Plant in Service (Accounts 101, 102, 103, and 106)

1. Report below the original cost of gas plant in service according to the prescribed accounts.
2. In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Sold, Account 103, Experimental Gas Plant Unclassified, and Account 106, Completed Construction Not Classified-Gas.
3. Include in column (c) and (d), as appropriate corrections of additions and retirements for the current or preceding year.
4. Enclose parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.
5. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) reversals of tentative distributions of prior year's unclassified retirements. Include in a footnote, the account distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Account 101 and 106 will avoid serious omissions of respondent's reported amount for plant actually in service at end of year.
6. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. In showing the clearance of Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits to primary account classifications.
7. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirements of these pages.
8. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchaser, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give date of such filing.

Line No.	Account (a)	Balance at Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)
	Assets Held For Sale and Discontinued Operations						
1	INTANGIBLE PLANT						
2	301 Organization						
3	302 Franchise and Consents						
4	303 MiscellaneousIntangiblePlant	96,639,791	7,186,070	14,191			103,811,670
5	Total Intangible Plant (Total of lines 2 thru 4)	96,639,791	7,186,070	14,191			103,811,670
6	PRODUCTION PLANT						
7	Natural Gas Production and Gathering Plant						
8	325.1 Producing Lands						
9	325.2 Producing Leaseholds						
10	325.3 Gas Rights						
11	325.4 Rights-of-Way						
12	325.5 Other Land and Land Rights						
13	326 Gas Well Structures						
14	327 Field Compressor Station Structures						
15	328 Field Measuring and Regulating Station Structures						
16	329 Other Structures						
17	330 Producing Gas Wells-Well Construction						
18	331 Producing Gas Wells-Well Equipment						
19	332 Field Lines						
20	333 Field Compressor Station Equipment						
21	334 Field Measuring and Regulating Station Equipment						
22	335 Drilling and Cleaning Equipment						
23	336 Purification Equipment						
24	337 Other Equipment						
25	338 Unsuccessful Exploration and Development Costs						
26	339 Asset Retirement Costs for Natural Gas Production and Gathering Plant						
27	Total Production and Gathering Plant (Total of lines 8 thru 26)						

(in millions)	2024	2023	2022
Operating Revenues	$ 4	$ 330	$ 465
Operation, maintenance and other	22	302	337
Depreciation and amortization(a)	—	—	201
Property and other taxes	2	45	36
Other income and expenses, net	—	(8)	2
Interest expense	4	65	10
Loss on disposal	14	1,725	1,748
Loss before income taxes	(38)	(1,815)	(1,865)
Income tax benefit	(50)	(358)	(516)
Income (Loss) from discontinued operations	$ 12	$ (1,457)	$ (1,349)
Add: Net (income) loss attributable to noncontrolling interest included in discontinued operations	(3)	64	108
Net income (loss) from discontinued operations attributable to Duke Energy Corporation	$ 9	$ (1,393)	$ (1,241)

(a) Upon meeting the criteria for assets held for sale, beginning in November 2022 depreciation and amortization expense were ceased.

The Commercial Renewables disposal groups' major assets held for sale amounts presented above reflect pretax impairments recorded against property, plant and equipment of approximately $123 million and $278 million as of December 31, 2024 and 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.

	Years Ended December 31,		
(in millions)	2024	2023	2022
Cash flows provided by (used in):			
Operating activities	$ 7	$ 667	$ 213
Investing activities	(13)	122	(802)

Other Sale Related Matters

Duke Energy (Parent) and several Duke Energy renewables project companies, located in the Electric Reliability Council of Texas (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. In May 2024, the remaining claim in the lawsuit was transferred to the buyer in connection with the sale of a portion of the remaining Commercial Renewables assets. 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 regard 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.

Sale of Minority Interest in Duke Energy Indiana Holdco, LLC

On January 28, 2021, Duke Energy executed an agreement providing for an investment by an affiliate of GIC in Duke Energy Indiana in exchange for a 19.9% minority interest issued by Duke Energy Indiana Holdco, LLC, the holding company for Duke Energy Indiana. The transaction was completed following two closings for an aggregate purchase price of approximately $2.05 billion. The first closing, which occurred on September 8, 2021, resulted in Duke Energy Indiana Holdco, LLC issuing 11.05% of its membership interests in exchange for approximately $1.03 billion or 50% of the purchase price. The difference between the cash consideration received, net of transaction costs of approximately $6 million, and the carrying value of the NCI was $545 million and was recorded as an increase to equity. The second closing was completed in December 2022 and resulted in Duke Energy Indiana Holdco, LLC issuing an additional 8.85% of its membership interests in exchange for approximately $1.03 billion. The difference between the cash consideration received, net of transaction costs of approximately $6 million, and the carrying value of the NCI was $492 million and was recorded as an increase to equity. Duke Energy retained indirect control of these assets, and, therefore, no gain or loss was recognized on the Consolidated Statements of Operations for either transaction.

3. BUSINESS SEGMENTS

Reportable segments are based on financial information used by the chief operating decision-maker in deciding how to allocate resources and evaluate the performance of the business. The Duke Energy Registrants' chief operating decision maker (CODM) is the Chief Executive Officer. The CODM evaluates segment performance based on segment income for each of the Duke Energy Registrants' reportable business segments in deciding how to allocate resources and assess the performance of the business. Segment income is defined as income from continuing operations net of income attributable to NCI and preferred stock dividends. Segment income, as discussed below, includes intercompany revenues and expenses that are eliminated on the Consolidated Financial Statements. Certain governance costs are allocated to each segment. In addition, direct interest expense and income taxes are included in segment income.

In November 2023, the FASB issued a pronouncement to enhance annual and interim disclosure requirements for reportable segments, primarily through enhanced disclosures about significant segment expenses that are regularly provided to the CODM and included within each reported measure of segment profit or loss. These updated requirements are reflected in this note disclosure.

Products and services are sold between affiliate companies and reportable segments of Duke Energy at cost. Substantially all assets and revenues from continuing operations for each of the Duke Energy Registrants are within the U.S. Segment assets presented in the tables below exclude all intercompany assets.

Duke Energy

Due to Duke Energy's commitment in the fourth quarter of 2022 to sell the Commercial Renewables business segment, Duke Energy's segment structure now includes the following two segments: EU&I and GU&I. Prior period information has been recast to conform to the current segment structure. See Note 2 for further information on the Commercial Renewables Disposal Groups.

The EU&I segment includes the regulated electric utilities in the Carolinas, Florida and the Midwest. The regulated electric utilities conduct operations through the Subsidiary Registrants that are substantially all regulated and, accordingly, qualify for regulatory accounting treatment. EU&I also includes Duke Energy's electric transmission infrastructure investments and the offshore wind contract for Carolina Long Bay. Refer to Note 2 for further information.

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. GU&I's operations are substantially all regulated and, accordingly, qualify for regulatory accounting treatment.

The remainder of Duke Energy's operations is presented as Other, which is primarily comprised of interest expense on holding company debt, unallocated corporate costs and Duke Energy's wholly owned captive insurance company. Risoh. Other also includes Duke Energy's interest in NMC. See Note 13 for additional information on the investment in NMC.

Business segment information is presented in the following tables.

	Year Ended December 31, 2024		
	Electric	Gas	Total

73	364.3 LNG Processing Terminal Equipment						
74	364.4 LNG Transportation Equipment						
75	364.5 Measuring and Regulating Equipment						
76	364.6 Compressor Station Equipment						
77	364.7 Communications Equipment						
78	364.8 Other Equipment						
79	364.9 Asset Retirement Costs for Base Load Liquefied Natural Gas						
80	Total Base Load Liquified Natural Gas , Terminating and Processing Plant (Total of lines 71 thru 79)						
81	Total Net Gas Storage and Processing Plant (Total of lines 57, 69, and 80)						
82	TRANSMISSION PLANT						
83	365.1 Land and Land Rights						
84	365.2 Rights-of-Way						
85	366 Structures and Improvements						
86	367 Mains						
87	368 Compressor Station Equipment						
88	369 Measuring and Regulating Station Equipment						
89	370 Communication Equipment						
90	371 Other Equipment						
91	372 Asset Retirement Costs for Transmission Plant						
92	Total Transmission Plant (Total of line 81 thru 91)						
93	DISTRIBUTION PLANT						
94	374 Land and Land Rights	67,233,813	2,244,575				69,478,388
95	375 Structures and Improvements	20,111,130	(3,036,150)				17,074,980
96	376 Mains	1,781,420,815	110,555,052	1,725,931			1,890,249,736
97	377 Compressor Station Equipment						
98	378 Measuring and Regulating Station Equipment-General	288,483,603	68,979,552	5,976,903			351,486,252
99	379 Measuring and Regulating Station Equipment-City Gate	69,701,541	1,431,904	26,956			71,106,489
100	380 Services	760,737,518	47,007,166				807,744,684
101	381 Meters	98,243,527	(21,972,113)	2,417,981		(32,016,598)	42,237,235
102	382 Meter Installations	25,939,454					25,939,454
103	383 House Regulators	23,174,807	7,447,188				30,621,995
104	384 House Regulator Installations	16,824,301	(8,492)				16,815,809
105	385 Industrial Measuring and Regulating Station Equipment	3,798,689	247,784				4,046,473
106	386 Other Property on Customers' Premises						
107	387 Other Equipment	1,169,445	72,195				1,241,640
108	388 Asset Retirement Costs for Distribution Plant	24,798,401	108,257	(657,325)			25,563,983
109	Total Distribution Plant (Total of lines 94 thru 108)	3,181,636,845	213,476,917	9,490,046		(32,016,598)	3,353,607,118
110	GENERAL PLANT						
111	389 Land and Land Rights						
112	390 Structures and Improvements	29,965,109	70,705	43,807			29,992,007
113	391 Office Furniture and Equipment	6,012,429	5,391,846	2,308,317			9,095,958
114	392 Transportation Equipment	764,474					764,474
115	393 Stores Equipment						
116	394 Tools, Shop, and Garage Equipment	15,405,760	3,787,051	950,832			18,241,979
117	395 Laboratory Equipment						
118	396 Power Operated Equipment	3,986,756					3,986,756
119	397 Communication Equipment	49,624,352	19,209,392	2,891,920		32,016,598	97,958,422

(in millions)		Utilities and Infrastructure	Utilities and Infrastructure	Reportable Segments	Other	Eliminations	Total
Unaffiliated revenues		$ 28,020	$ 2,299	$ 30,319	$ 38	$ —	$ 30,357
Intersegment revenues		73	91	164	119	(283)	—
Total revenues		$ 28,093	$ 2,390	$ 30,483	$ 157	$ (283)	$ 30,357
Less:							
Fuel used in electric generation and purchased power		$ 9,285	$ —	$ 9,285	$ —	$ (79)	$ 9,206
Cost of natural gas		—	565	565	—	—	565
Operation, maintenance and other		5,185	478	5,663	(79)	(195)	5,389
Depreciation and amortization		5,128	400	5,528	293	(28)	5,793
Property and other taxes		1,305	149	1,454	12	—	1,466
Impairment of assets and other charges		37	—	37	1	—	38
Interest expense		2,006	256	2,262	1,245	(123)	3,384
Income tax expense (benefit)		820	99	919	(329)	—	590
Other Segment Items		71	88	159	1	—	160
Noncontrolling interests		—	(1)	(1)	106	—	105
Preferred dividends		—	—	—	16	—	16
Preferred redemption costs		—	—	—	50	—	50
Add: Equity in (losses) earnings of unconsolidated affiliates		(11)	(48)	(59)	229	(142)	28
Add: Other		542	58	600			600
Segment income (loss)		$ 4,770	$ 454	$ 5,224	$ (829)	$ —	$ 4,395
Discontinued Operations							7
Net income available to Duke Energy Corporation Common Stockholders							$ 4,402
Add back: Net income (loss) attributable to noncontrolling interest							90
Add back: Preferred dividends							106
Add back: Preferred redemption costs							16
Net income							$ 4,614
Capital investments expenditures and acquisitions		$ 10,689	$ 1,313	$ 12,002	$ 261	$ —	$ 12,263
Segment assets		164,010	18,131	182,141	4,202	—	186,343

(a) Net income (loss) attributable to NCI related to continuing operations.

(b) Other for Electric and Gas Utilities includes Gains on sales of other assets and other, net, and Other income and expenses, net.

(c) Electric includes the following in the referenced captions on the Consolidated Statements of Operations:

$42 million recorded within Impairment of assets and other charges, $2 million within Operations, maintenance and other, and an $11 million reduction within Interest Expense related to South Carolina rate case orders. See Note 4 for further information.

$28 million recorded as a reduction of Operating revenues and $4 million as a reduction within Noncontrolling interests related to Duke Energy Indiana regulatory liability associated with certain employee pension retirement benefits. See Note 4 for further information.

$17 million recorded as a reduction of Operating revenues related to nonrecurring customer billing adjustments as a result of implementation of a new customer system.

$15 million recorded within Equity in (losses) earnings of unconsolidated affiliates, primarily related to impairments for certain joint venture electric transmission projects, and $4 million within Gains on sales of other assets and other, net.

(d) Gas includes $1 million recorded within Operation, maintenance and other and $3 million as a charge within Other income and expenses on the Consolidated Statements of Operations related to nonrecurring customer billing adjustments as a result of implementation of a new customer system. Additionally, Gas includes $54 million recorded within Equity in (losses) earnings of unconsolidated affiliates on the Consolidated Statements of Operations related to impairments for certain renewable natural gas investments. See Note 13 for further information.

(e) Other includes $16 million recorded as Preferred Redemption Costs on the Consolidated Statements of Cash Flows related to the redemption of Series B Preferred Stock. See Note 20 for further information. Also includes $23 million recorded within Operation, maintenance and other on the Consolidated Statements of Operations related to an insurance deductible for Hurricane Helene property losses.

		Year Ended December 31, 2023					
(in millions)		Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Total Reportable Segments	Other	Eliminations	Total
Unaffiliated revenues		$ 26,846	$ 2,177	$ 29,023	$ 37	$ —	$ 29,060
Intersegment revenues		75	89	164	97	(261)	—
Total revenues		$ 26,921	$ 2,266	$ 29,187	$ 134	$ (261)	$ 29,060
Less:							
Fuel used in electric generation and purchased power		$ 9,164	$ —	$ 9,164	$ —	$ (78)	$ 9,086
Cost of natural gas		917	1,027	1,944	—	—	1,944
Operation, maintenance and other		5,309	455	5,764	36	(175)	5,625
Depreciation and amortization		4,684	349	5,033	248	(28)	5,253
Property and other taxes		1,326	120	1,446	(49)	—	1,397
Impairment of assets and other charges		75	(4)	71	14	—	85
Interest expense		1,450	216	1,666	1,097	(150)	2,613
Income tax expense (benefit)		742	116	858	(420)	—	438
Other Segment Items		99	(2)	97	—	—	97
Noncontrolling interests		7	40	47	66	—	113
Preferred dividends		—	—	—	106	—	106
Add: Equity in (losses) earnings of unconsolidated affiliates		568	66	604	216	(170)	650
Add: Other		392	2,499	2,891	(616)	32,016,598	97,958,422

120	398 Miscellaneous Equipment	41,970					41,970
121	Subtotal (Total of lines 111 thru 120)	105,800,850	28,458,994	6,194,876		32,016,598	160,081,566
122	399 Other Tangible Property						
123	399.1 Asset Retirement Costs for General Plant						
124	Total General Plant (Total of lines 121, 122, and 123)	$ 105,800,850	$ 28,458,994	$ 6,194,876	$ 995	$ 32,016,598	$ 160,081,566
125	Total (Accounts 101 and 106)	3,384,019,258	249,121,981	15,699,113			3,617,442,126
126	Gas Plant Purchased (See Instruction 8)						
127	(Less) Gas Plant Sold (See Instruction 8)						
128	Experimental gas plant unclassified						
129	Total Gas Plant In Service (Total of lines 125 thru 128)	3,384,019,258	249,121,981	15,699,113			3,617,442,126

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

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(in millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Total Reportable Segments	Other	Eliminations	Total
Unaffiliated revenues	$ 25,990	$ 2,748	$ 28,738	$ 30	$ —	$ 28,768
Intersegment revenues	34	92	126	92	(218)	—
Total revenues	$ 26,024	$ 2,840	$ 28,864	$ 122	$ (218)	$ 28,768
Less:						
Fuel used in electric generation and purchased power	$ 8,862	$ —	$ 8,862	$ —	$ (80)	$ 8,782
Cost of natural gas	—	1,276	1,276	—	—	1,276
Operation, maintenance and other	5,354	532	5,886	(23)	(129)	5,734
Depreciation and amortization	4,550	327	4,877	236	(27)	5,086
Property and other taxes	1,315	138	1,453	13	—	1,466
Impairment of assets and other charges	374	(12)	362	72	—	434
Interest expense	1,565	182	1,747	778	(86)	2,439
Income tax expense (benefit)	536	8	544	(244)	—	300
Other Segment Items						
Noncontrolling interests[a]	13	—	13	—	—	13
Preferred dividends	—	—	—	106	—	106
Add: Equity in earnings of unconsolidated affiliates	7	20	27	86	—	113
Add: Other[b]	467	59	526	(7)	(105)	414
Segment income (loss)[c][d]	$ 3,929	$ 468	$ 4,397	$ (737)	$ (1)	$ 3,659
Discontinued operations						(1,215)
Net income available to Duke Energy Corporation Common Stockholders						$ 2,444
Add back: Net income (loss) attributable to noncontrolling interest						(95)
Add back: Preferred dividends						106
Net income						$ 2,455
Capital investments expenditures and acquisitions[e]	$ 8,985	$ 1,295	$ 10,280	$ 1,139	$ —	$ 11,419
Segment assets[f]	152,104	16,411	168,515	9,571	—	178,086

(a) Net income (loss) attributable to NCI related to continuing operations.

(b) Other for EU&I and GU&I includes Gains on sales of other assets and other, net, and Other income and expenses, net.

(c) EU&I includes $386 million recorded within Impairment of assets and other charges, $46 million as a reduction within Regulated electric revenues and $34 million within Noncontrolling Interests related to the Duke Energy Indiana court rulings on coal ash on the Consolidated Statements of Operations. See Note 4 for additional information.

(d) Other includes $72 million recorded within Impairment of assets and other charges, $71 million within Operations, maintenance and other and a $7 million gain within Gains on sales of other assets related to costs attributable to business transformation, including long-term real estate strategy changes and workforce realignment on the Consolidated Statements of Operations; it also includes $25 million recorded within Operations, maintenance and other related to litigation on the Consolidated Statements of Operations.

(e) Other includes capital investments expenditures and acquisitions related to the Commercial Renewables Disposal Groups.

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

Major Customers

No Subsidiary Registrant has an individual customer representing more than 10% of its revenues for the year ended December 31, 2024.

Products and Services

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

(in millions)	Retail Electric	Wholesale Electric	Retail Natural Gas	Other	Total Revenues
2024					
Electric Utilities and Infrastructure	$ 24,593	$ 2,219	$ —	$ 1,281	$ 28,093
Gas Utilities and Infrastructure	—	—	2,320	70	2,390

Total Reportable Segments	$ 24,593	$ 2,219	$ 2,320	$ 1,351	$ 30,483
2023					
Electric Utilities and Infrastructure	$ 23,484	$ 2,193	$ —	$ 1,244	$ 26,921
Gas Utilities and Infrastructure	—	—	2,199	67	2,266
Total Reportable Segments	$ 23,484	$ 2,193	$ 2,199	$ 1,311	$ 29,187
2022					
Electric Utilities and Infrastructure	$ 22,038	$ 2,882	$ —	$ 1,106	$ 26,024
Gas Utilities and Infrastructure			2,535	305	2,840
Total Reportable Segments	$ 22,036	$ 2,882	$ 2,535	$ 1,411	$ 28,864

This report is:
(1) ☑ An Original
(2) ☐ A Resubmission

Name of Respondent:
Duke Energy Ohio, Inc

Date of Report:
04/30/2025

Year/Period of Report:
End of: 2024/ Q4

Gas Property and Capacity Leased from Others

1. Report below the information called for concerning gas property and capacity leased from others for gas operations.
2. For all leases in which the average annual lease payment over the initial term of the lease exceeds $500,000, describe in column (c), if applicable, the property or capacity leased. Designate associated companies with an asterisk in column (b).

Line No.	Name of Lessor (a)	* (b)	Description of Lease (c)	Lease Payments for Current Year (d)
1				
2				
3				

Duke Energy Carolinas

Duke Energy Carolinas has one reportable segment, EU&I.

EU&I generates, distributes and sells electricity in North Carolina and South Carolina. EU&I conducts operations primarily through Duke Energy Carolinas. The remainder of Duke Energy Carolinas' operations is presented as Other.

	Year Ended December 31, 2024		
(In millions)	Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 9,718	$ —	$ 9,718
Less:			
Fuel used in electric generation and purchased power	$ 3,251	$ —	$ 3,251
Operation, maintenance and other	1,710	30	1,740
Depreciation and amortization	1,768	—	1,768
Property and other taxes	346	—	346
Impairment of assets and other charges	31	—	31
Interest expense	722	—	722
Income tax expense (benefit)	233	(7)	226
Add: Other segment items[a]	252	(3)	249
Segment income (loss) / Net income	$ 1,909	$ (26)	$ 1,883
Capital expenditures	$ 3,966	$ —	$ 3,966
Segment assets	54,782	223	55,005

	Year Ended December 31, 2023		
(In millions)	Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 8,288	$ —	$ 8,288
Less:			
Fuel used in electric generation and purchased power	$ 2,524	$ —	$ 2,524
Operation, maintenance and other	1,689	85	1,774
Depreciation and amortization	1,593	—	1,593
Property and other taxes	320	—	320
Impairment of assets and other charges	44	—	44
Interest expense	686	—	686
Income tax expense (benefit)	162	(21)	141
Add: Other segment items[a]	267	(3)	264
Segment income (loss) / Net income	$ 1,537	$ (67)	$ 1,470
Capital expenditures	$ 3,733	$ —	$ 3,733
Segment assets	51,908	202	52,110

	Year Ended December 31, 2022		
(In millions)	Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 7,857	$ —	$ 7,857
Less:			
Fuel used in electric generation and purchased power	$ 2,015	$ —	$ 2,015
Operation, maintenance and other	1,845	47	1,892
Depreciation and amortization	1,526	—	1,526
Property and other taxes	340	—	340
Impairment of assets and other charges	(18)	44	26
Interest expense	557	—	557
Income tax expense (benefit)	148	(22)	126
Add: Other segment items[a]	228	(3)	225
Segment income (loss) / Net income	$ 1,672	$ (72)	$ 1,600
Capital expenditures	$ 3,304	$ —	$ 3,304

Total

Segment assets		49,956	390	50,346

Name of Respondent: Duke Energy Ohio, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

(a) Other segment items includes Gains on sales of other assets and other, net, and Other income and expenses, net.

Progress Energy

Gas Property and Capacity Leased to Others

Progress Energy has one reportable segment, EU&I.

EU&I generates, distributes and sells electricity in North Carolina, South Carolina and Florida. EU&I conducts operations primarily through its wholly owned subsidiaries, Duke Energy Progress and Duke Energy Florida. The remainder of Progress Energy's operations is presented as Other.

1. For all leases in which the average lease income over the initial term of the lease exceeds $500,000 provide in column (c), a description of each facility or leased capacity that is classified as gas plant in service, and is leased to others for gas operations.
2. In column (d) provide the lease payments received from others.
3. Designate associated companies with an asterisk in column (b).

Line No.	Name of Lessee (a)	* (b)	Description of Lease (c)	Lease Payments for Current Year (d)

Year Ended December 31, 2024

(In millions)	Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 13,612	$ 21	$ 13,633
Less:			
Fuel used in electric generation and purchased power	$ 4,755	$ —	$ 4,755
Operation, maintenance and other	2,413	50	2,463
Depreciation and amortization	2,393	—	2,393
Property and other taxes	617	—	617
Impairment of assets and other charges	6	—	6
Interest expense	949	115	1,064
Income tax expense (benefit)	465	(39)	426
Add: Other segment items[a]	224	38	262
Segment income (loss) / Net income	$ 2,238	$ (67)	$ 2,171
Capital expenditures	$ 5,252	$ —	$ 5,252
Segment assets	67,951	3,685	71,636

Year Ended December 31, 2023

(In millions)	Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 13,524	$ 20	$ 13,544
Less:			
Fuel used in electric generation and purchased power	$ 5,026	$ —	$ 5,026
Operation, maintenance and other	2,554	82	2,636
Depreciation and amortization	2,151	—	2,151
Property and other taxes	644	—	644
Impairment of assets and other charges	28	—	28
Interest expense	840	114	954
Income tax expense (benefit)	426	(49)	377
Add: Other segment items[a]	210	18	228
Segment income (loss) / Net income	$ 2,065	$ (109)	$ 1,956
Capital expenditures	$ 4,917	$ —	$ 4,917
Segment assets	63,182	3,912	67,094

Year Ended December 31, 2022

(In millions)	Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 13,106	$ 19	$ 13,125
Less:			
Fuel used in electric generation and purchased power	$ 5,078	$ —	$ 5,078
Operation, maintenance and other	2,395	63	2,458
Depreciation and amortization	2,142	—	2,142
Property and other taxes	611	(4)	607
Impairment of assets and other charges	5	7	12
Interest expense	716	128	844
Income tax expense (benefit)	396	(48)	348
Add: Other segment items[a]	205	(13)	192
Segment income (loss) / Net income	$ 1,968	$ (140)	$ 1,828
Capital expenditures	$ 4,317	$ —	$ 4,317
Segment assets	62,183	3,896	66,079

(a) Other segment items includes Gains on sales of other assets and other, net, and Other income and expenses, net.

Duke Energy Progress

Duke Energy Progress has one reportable segment, EU&I.

Total

EU&I generates, distributes and sells electricity in North Carolina and South Carolina. EU&I conducts operations primarily through Duke Energy Progress. The remainder of Duke Energy Progress' operations is presented as Other.

Name of Respondent:	This report is:	Date of Report:	Year/Period of Report:
Duke Energy Ohio, Inc	(1) ☑ An Original (2) ☐ A Resubmission	04/30/2025	End of 2024/Q4

Gas Plant Held for Future Use (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of $1,000,000 or more. Group other items of property held for future use.
2. For property having an original cost of $1,000,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and in column (b) the date the original cost was transferred to Account 105.

Line No.	Description and Location of Property (a)	Date Originally Included in this Account (b)	Date Expected to be Used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2	Fairfax Property - Hamilton, OH	02/22/2023	12/31/2026	1,237,790
3	Other Land and Land Rights <$1M Each (47 items)			563,573
4	Total			1,801,363

(in millions)	Year Ended December 31, 2023 Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 6,488	$ —	$ 6,488
Less:			
Fuel used in electric generation and purchased power	$ 2,203	$ —	$ 2,203
Operation, maintenance and other	1,342	37	1,379
Depreciation and amortization	1,266	—	1,266
Property and other taxes	164	—	164
Impairment of assets and other charges	29	—	29
Interest expense	427	—	427
Income tax expense (benefit)	158	(9)	149
Add: Other segment items[a]	128	(1)	127
Segment income (loss) / Net income	$ 1,027	$ (29)	$ 998
Capital expenditures	$ 2,387	$ —	$ 2,387
Segment assets	36,820	104	36,924

(in millions)	Year Ended December 31, 2022 Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 6,753	$ —	$ 6,753
Less:			
Fuel used in electric generation and purchased power	$ 2,492	$ —	$ 2,492
Operation, maintenance and other	1,447	28	1,475
Depreciation and amortization	1,187	—	1,187
Property and other taxes	190	—	190
Impairment of assets and other charges	5	2	7
Interest expense	354	—	354
Income tax expense (benefit)	165	(7)	158
Add: Other segment items[a]	119	(1)	118
Segment income (loss) / Net income	$ 1,032	$ (24)	$ 1,008
Capital expenditures	$ 2,070	$ —	$ 2,070
Segment assets	36,631	121	36,752

(a) Other segment items includes Gains on sales of other assets and other, net, and Other income and expenses, net.

Duke Energy Florida

Duke Energy Florida has one reportable segment, EU&I.

EU&I generates, distributes and sells electricity in Florida. EU&I conducts operations primarily through Duke Energy Florida. The remainder of Duke Energy Florida's operations is presented as Other.

(in millions)	Year Ended December 31, 2024 Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 6,595	$ —	$ 6,595

Name of Respondent: Duke Energy Ohio, Inc.

This report is:
(1) ☑ An Original
(2) ☐ A Resubmission

Date of Report: 04/30/2025

Year/Period of Report: End of: 2024/ Q4

Construction Work in Progress-Gas (Account 107)

1. Report below descriptions and balances at end of year of projects in process of construction (Account 107).
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts).
3. Minor projects (less than $1,000,000) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Gas (Account 107) (b)	Estimated Additional Cost of Project (c)
1	DISTRIBUTUON PLANT		
2	BUTLER CNTY PH II LINE CG07	11,666,456	
3	MAINVILLE MORROW LOOP	2,964,123	
4	LINE V000A - PIPE REPLACEMENTS	1,743,492	
5	LINE EE00-PHASE 2-MAIN REPLACEMENT	1,263,627	
6	STA 953 - TGT TEDIA WAY	1,188,908	
7	LEBANON - PRESSURE IMPROVE - PH 1	1,071,556	
8	STA 958 - ROUNDBOTTOM RD	1,046,181	
9	ROUNDBOTTOM RD - PH 2 -PRESSURE IMP	1,007,494	
10	PROJECTS LESS THAN $1 MILLION	12,675,020	
11	GENERAL PLANT		
12	PROJECTS LESS THAN $1 MILLION	1,330,421	
13	INTANGIBLE PLANT		
14	DEE EAM NEXTGEN GIS	2,495,631	
15	IT DEMAND WORK FUNDING PROJECT	1,399,822	
16	PROJECTS LESS THAN $1 MILLION	2,988,782	
17	PRODUCTION PLANT		
18	PROJECTS LESS THAN $1 MILLION	51,412	
19	TRANSMISSION PLANT		
20	PROJECTS LESS THAN $1 MILLION	731,802	
45	TOTAL	47,624,727	

(in millions)	Electric Utilities and Infrastructure	Eliminations/ Other	Total
	Year Ended December 31, 2023		
Total revenues	$ 7,036	$ —	$ 7,036
Less:			
Fuel used in electric generation and purchased power	$ 2,823	$ —	$ 2,823
Operation, maintenance and other	1,212	27	1,239
Depreciation and amortization	885	—	885
Property and other taxes	480		480
Impairment of assets and other charges	(1)	—	(1)
Interest expense	413	—	413
Income tax expense (benefit)	268	(7)	261
Add: Other segment items[a]	72	(2)	80
Segment income (loss) / Net income	$ 1,038	$ (22)	$ 1,016
Capital expenditures	$ 2,529	$ —	$ 2,529
Segment assets	26,362	239	26,601
	Year Ended December 31, 2022		
(in millions)	Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 6,353	$ —	$ 6,353
Less:			
Fuel used in electric generation and purchased power	$ 2,586	$ —	$ 2,586
Operation, maintenance and other	948	19	967
Depreciation and amortization	955	—	955
Property and other taxes	421	—	421
Impairment of assets and other charges	—	4	4
Interest expense	362	—	362
Income tax expense (benefit)	231	(6)	225
Add: Other segment items[a]	86	(10)	76
Segment income (loss) / Net income	$ 936	$ (27)	$ 909
Capital expenditures	$ 2,247	$ —	$ 2,247
Segment assets	25,552	2	25,554

(a) Other segment items includes Gains on sales of other assets and other, net, and Other income and expenses, net.

Duke Energy Ohio

Duke Energy Ohio has two reportable segments, EU&I and GU&I.

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

(in millions)	Electric Utilities and Infrastructure	Gas Utilities and Infrastructure	Total Reportable Segments	Eliminations/ Other	Total
	Year Ended December 31, 2024				
Total revenues	$ 1,905	$ 640	$ 2,545	—	$ 2,545
Less:					
Fuel used in electric generation and purchased power	$ 538	$ —	$ 538	$ —	$ 538
Cost of natural gas	—	142	142	—	142
Operation, maintenance and other	366	109	475	10	485
Depreciation and amortization	273	131	404	(1)	403
Property and other taxes	306	94	400	—	400
Interest expense	126	68	194	(2)	192

Income tax expense (benefit)	47	18	65	(1)	64
Add: Other segment items[a]	15	5	20	—	20
Segment income (loss) / Net income	$ 264	$ 83	$ 347	$ (6)	$ 341
Capital expenditures	$ 535	$ 280	$ 815	$ —	$ 815
Segment assets	8,211	4,506	12,717	51	12,768

This report is:
(1) ☑ An Original
(2) ☐ A Resubmission

Name of Respondent: Duke Energy Ohio, Inc

Date of Report: 04/30/2025

Year/Period of Report: End of: 2024/ Q4

Non-Traditional Rate Treatment Afforded New Projects

1. The Commission's Certificate Policy Statement provides a threshold requirement for existing pipelines proposing new projects is that the pipeline must be prepared to financially support the project without relying on subsidization from its existing customers. See Certification of New Interstate Natural Gas Pipeline Facilities, 88 FERC P61,227 (1999); order clarifying policy, 90 FERC P61,128 (2000); order clarifying policy, 92 FERC P61,094 (2000) (Policy Statement). In column a, list the name of the facility granted non-traditional rate treatment.
2. In column b, list the CP Docket Number where the Commission authorized the facility.
3. In column c, indicate the type of rate treatment approved by the Commission (e.g. incremental, at risk)
4. In column d, list the amount in Account 101, Gas Plant in Service, associated with the facility.
5. In column e, list the amount in Account 108, Accumulated Provision for Depreciation of Gas Utility Plant, associated with the facility.
6. In column f, list the amount in Account 190, Accumulated Deferred Income Tax; Account 281, Accumulated Deferred Income Taxes – Accelerated Amortization Property; Account 282, Accumulated Deferred Income Taxes – Other Property; Account 283, Accumulated Deferred Income Taxes – Other, associated with the facility.
7. In column g, report the total amount included in the gas operations expense accounts during the year related to the facility (Account 401, Operation Expenses).
8. In column h, report the total amount included in the gas maintenance expense accounts during the year related to the facility.
9. In column i, report the amount of depreciation expense accrued on the facility during the year.
10. In column j, list any other expenses(including taxes) allocated to the facility.
11. In column k, report the incremental revenues associated with the facility.
12. Identify the volumes received and used for any incremental project that has a separate fuel rate for that project.
13. Provide the total amounts for each column.

Line No.	Name of Facility (a)	CP Docket No. (b)	Type of Rate Treatment (c)	Gas Plant in Service (d)	Accumulated Depreciation (e)	Accumulated Deferred Income Taxes (f)	Operating Expense (g)	Maintenance Expense (h)	Depreciation Expense (i)	Other Expenses (including taxes) (j)	Incremental Revenues (k)
							Year Ended December 31, 2022				
1					Electric		Gas	Total			
2					Utilities and		Utilities and	Reportable		Eliminations/	
3	(in millions)				Infrastructure		Infrastructure	Segments		Other	Total
4	Total revenues			$	1,798		$ 716	$ 2,514	$ —	$	$ 2,514
5	Less:										
6	Fuel used in electric generation and purchased power			$	657		$ —	$ 657	$ —	$	$ 657
7	Cost of natural gas				—		261	261	—		261
8	Operation, maintenance and other				345		170	515	8		523
9	Depreciation and amortization				221		103	324	—		324
10	Property and other taxes				288		81	369	—		369
11	Impairment of assets and other charges				1		(12)	(11)	1		(10)
12	Interest expense				86		43	129	—		129
13	Income tax expense (benefit)				24		(43)	(19)	(2)		(21)
14	Add: Other segment items[a]				13		8	21	(1)		20
15	Segment income (loss) / Net income			$	189		$ 121	$ 310	$ (8)	$	$ 302
16	Capital expenditures			$	488		$ 362	$ 850	$ —	$	$ 850
17	Segment assets				7,504		4,164	11,668	(162)		11,506
18											
19	[a] Other segment items for EU&I and GU&I includes Gains on sales of other assets and other, net, and Other income and expenses, net.										
20											
21	**Duke Energy Indiana**										
22											
23	Duke Energy Indiana has one reportable segment, EU&I.										
24											
25	EU&I generates, distributes and sells electricity in Indiana. EU&I conducts operations primarily through Duke Energy Indiana. The remainder of Duke Energy Indiana's operations is presented as Other.										
26							Year Ended December 31, 2024				
27							Electric				
28							Utilities and		Eliminations/		
29	(in millions)						Infrastructure		Other		Total
30	Total revenues						$ 3,040		$ —	$	$ 3,040
31	Less:										
32	Fuel used in electric generation and purchased power						$ 964		$ —	$	$ 964
33	Operation, maintenance and other						666		5		671
34	Depreciation and amortization						676		—		676
35	Property and other taxes						50		—		50
36	Interest expense						228		1		229
37	Income tax expense (benefit)						72		(1)		71
38	Add: Other segment items[a]						62		—		62
39	Segment income (loss) / Net income						$ 446		$ (5)	$	$ 441
40	Capital expenditures						$ 935		$ —	$	$ 935
41	Segment assets						15,726		1		15,727

Gas Plant In Service

Name of Respondent: Duke Energy Ohio, Inc

This report is:
(1) ☑ An Original
(2) ☐ A Resubmission

Date of Report: 04/30/2025

Year/Period of Report: End of: 2024/ Q4

	Year Ended December 31, 2023		
(in millions)	Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 3,399	$ —	$ 3,399
Less:			
Fuel used in electric generation and purchased power	1,217	—	1,217
Operation, maintenance and other	695	18	713
Depreciation and amortization	666	—	666
Property and other taxes	59	—	59
Impairment of assets and other charges	10	1	11
Interest expense	213	—	213
Income tax expense (benefit)	115	(5)	110
Add: Other segment items[a]	77	(1)	76
Segment income (loss) / Net income	$ 512	$ (15)	$ 497
Capital expenditures	$ 961	$ —	$ 961
Segment assets	14,966	(155)	14,811

	Year Ended December 31, 2022		
(in millions)	Electric Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 3,922	$ —	$ 3,922
Less:			
Fuel used in electric generation and purchased power	$ 1,819	$ —	$ 1,819
Operation, maintenance and other	719	10	729
Depreciation and amortization	645	—	645
Property and other taxes	75	—	75
Impairment of assets and other charges	387	1	388
Interest expense	189	—	189
Income tax expense (benefit)	(20)	(4)	(24)
Add: Other segment items[a]	38	(2)	36
Segment income (loss) / Net income	$ 146	$ (9)	$ 137
Capital expenditures	$ 877	$ —	$ 877
Segment assets	14,864	(210)	14,654

[a] Other segment items include gains on sales of other assets and other income and expenses, net.

Piedmont

Piedmont has one reportable segment, GU&I.

GU&I distributes and sells natural gas in North Carolina, South Carolina and Tennessee. GU&I conducts operations primarily through Piedmont. The remainder of Piedmont's operations is presented as Other.

	Year Ended December 31, 2024		
(in millions)	Gas Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 1,729	$ —	$ 1,729
Less:			
Cost of natural gas	$ 423	$ —	$ 423
Operation, maintenance and other	355	4	359
Depreciation and amortization	261	—	261
Property and other taxes	55	—	55
Interest expense	185	—	185
Income tax expense (benefit)	94	1	95
Other Segment Items			
Add: Equity in earnings of unconsolidated affiliates	—	8	8
Add: Other[a]	54	—	54
Segment income (loss) / Net income	$ 410	$ 3	$ 413
Capital expenditures	$ 1,025	$ —	$ 1,025
Segment assets	11,707	92	11,799

	Year Ended December 31, 2023		
(in millions)	Gas Utilities and Infrastructure	Eliminations/ Other	Total
Total revenues	$ 1,628	$ —	$ 1,628

~~General Description of Construction Overhead Procedure~~

1. For each construction overhead explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different rates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether the overhead is directly or indirectly assigned.

2. Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.

3. Where a net-of-tax rate for borrowed funds is used, show the appropriate tax effect adjustment to the computations below in a manner that clearly indicates the amount of reduction in the gross rate for tax effects.

1. CONSTRUCTION OVERHEAD COSTS INCLUDE ENGINEERING AND SUPERVISORY SALARIES, ADMINISTRATIVE AND GENERAL SALARIES AND ASSOCIATED PAYROLL TAXES AND BENEFITS AND EMPLOYEE EXPENSES.

IN GENERAL, IF ENGINEERS, SUPERVISORS, AND CLERICAL EMPLOYEES DEVOTE ALL OR SUBSTANTIALLY ALL OF THEIR TIME TO CAPITAL CONSTRUCTION PROJECTS, THE SALARIES AND RELATED EXPENSES ARE CHARGED DIRECTLY TO THE SPECIFIC CAPITAL CONSTRUCTION PROJECTS.

FOR POWER DELIVERY, CONSTRUCTION OVERHEAD COSTS ARE CHARGED TO THE ALLOCATION POOLS AND FROM THERE TRANSFERRED TO THE SPECIFIC CAPITAL CONSTRUCTION PROJECTS WHERE THE LABOR (INTERNAL AND CONTRACT) WAS CHARGED DURING THE MONTH.

2. ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) IS APPLIED TO THE TOTAL CONSTRUCTION EXPENDITURES, LESS CERTAIN EXCLUSIONS, ON JOBS UNDER CONSTRUCTION. EFFECTIVE JULY 1, 1982, THE RESPONDENT ADOPTED THE PRACTICE OF UPDATING THE AFUDC RATE MONTHLY, AS AUTHORIZED BY THE FEDERAL ENERGY REGULATORY COMMISSION IN A LETTER DATED MAY 27, 1982. THE AVERAGE AFUDC RATE FOR 2022 WAS 4.73%. THE MONTHLY RATE DOES NOT INCLUDE A REDUCTION FOR THE INCOME TAX EFFECT ON THE COST OF DEBT.

COMPUTATION OF ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION RATES

1. For line (5), column (e) below, enter the rate granted in the last rate proceeding. If not available, use the average rate earned during the preceding 3 years.

2. Identify in column (c), the specific entity used as the source for the capital structure figures.

3. Indicate in column (f), if the reported rate of return is one that has been approved in a rate case, black-box settlement rate, or an actual three-year, average rate.

1. Components of Formula (Derived from actual book balances and actual cost rates):

Line No.	Title (a)	Amount (b)	Entity Name (c)	Capitalization Ration (percent) (d)	Cost Rate Percentage (e)	Rate Indicator (f)
		S				
	(1) Average Short-Term Debt	D				
	(2) Short-Term Interest	P			p	
	(3) Long-Term Debt	C			c	
	(4) Preferred Stock					
	(5) Common Equity					
	(6) Total Capitaization					
	(7) Average Construction Work in Progress Balance	W				

2. Gross Rate for Borrowed Funds s(S/W) + d[(D/(D+P+C)) (1-(S/W))]

3. Rate for Other Funds [1-(S/W)] [p(P/(D+P+C)) + c(C/(D+P+C))]

4. Weighted Average Rate Actually Used for the Year:
(a) Rate for Borrowed Funds -
(b) Rate for Other Funds -

Name of Respondent: Duke Energy Ohio, Inc

This report is:
(1) ☑ An Original
(2) ☐ A Resubmission

Date of Report: 04/30/2025

Year/Period of Report: End of: 2024/ Q4

Accumulated Provision for Depreciation of Gas Utility Plant (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, line 12, column (c), and that reported for gas plant in service, page 204, column (d), excluding retirements of nondepreciable property.
3. The provisions of Account 108 in the Uniform System of Accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.
5. At lines 7 and 14, add rows as necessary to report all data. Additional rows should be numbered in sequence, e.g., 7.01, 7.02, etc.

Line No.	Item (a)	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant held for Future Use (d)	Gas Plant Leased to Others (e)
				Year Ended December 31, 2022	
	Section A. BALANCES AND CHANGES DURING YEAR			Gas Utilities and Infrastructure	Eliminations/ Other
1	Balance Beginning of Year	877,244,655	877,244,655		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	91,277,712	91,277,712		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Expense of Gas Plant Leased to Others				
6	Transportation Expenses - Clearing	174,058	174,058		
7	Other Clearing Accounts				
8	Other Clearing (Specify) (footnote details):				
9.1	Other Clearing (Specify) (footnote details):				
9.2	CEP Deferral	2,340,964	2,340,964		
9.3	Common Plant Depreciation	(4,780,669)	(4,780,669)		
9.4	ARO Depreciation deferred	573,439	573,439		
9.5	Depreciation Expense moved to Intangible				
10	TOTAL Deprec. Prov. for Year (Total of lines 3 thru 8)	89,585,504	89,585,504		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	(14,033,930)	(14,033,930)		
13	Cost of Removal	(21,714,687)	(21,714,687)		
14	Salvage (Credit)	21,144	21,144		
15	TOTAL Net Chrgs for Plant Ret. (Total of lines 12 thru 14)	(35,727,473)	(35,727,473)		
16	Other Debit or Credit Items (Describe in footnote details)				
17.1	Other Debit or Credit Items (Describe) (footnote details):				
17.2	Other Cost of Removal/Salvage Activity				
17.3	Gain on sale/disposal of assets	319,849	319,849		
17.4	Transfers				
17.5	Other miscellaneous reserve activity	17,626	17,626		
18	Book Cost of Asset Retirement Costs				
19	Balance End of Year (Total of lines 1, 10, 15,16 and 18)	931,440,161	931,440,161		
	Section B. BALANCES AT END OF YEAR ACCORDING TO FUNCTIONAL CLASSIFICATIONS				
21	Productions-Manufactured Gas	(516,485)	(516,485)		
22	Production and Gathering-Natural Gas				
23	Products Extraction-Natural Gas				
24	Underground Gas Storage				
25	Other Storage Plant				
26	Base Load LNG Terminaling and Processing Plant				
27	Transmission				
28	Distribution	894,625,490	894,625,490		
29	General	37,331,156	37,331,156		
30	TOTAL (Total of lines 21 thru 29)	931,440,161	931,440,161		

(a) Other Clearing Accounts should include only those amounts properly includible in that account, and other, net, and Other income and expenses, net.

4. REGULATORY MATTERS

REGULATORY ASSETS AND LIABILITIES

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

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

(In millions)	Duke Energy December 31, 2024	Duke Energy December 31, 2023	Progress Energy December 31, 2024	Progress Energy December 31, 2023
Regulatory Assets				
AROs - coal ash	$ 3,384	$ 3,214	$ 1,335	$ 1,230
Accrued pension and OPEB	2,524	2,389	828	757
Storm cost deferrals	1,951	407	1,238	298
Storm cost exceeded balance - net	1,023	890	822	682
AROs - nuclear and other	952	1,179	905	1,127
Nuclear deferred costs - net	771	830	771	830
Debt fair value adjustment	719	774	—	—
COR regulatory asset	646	371	571	337
Deferred fuel and purchased power	588	2,486	282	1,173
Hedge costs deferrals	352	749	126	323
FRSCC and deferred operating expenses	331	357	37	42
Retired generation facilities	281	275	202	220
Customer funded projects	257	260	116	125
Grid Deferral	255	210	54	51
Incremental COVID-19 expenses	231	237	89	80
Vacation accrual	228	228	43	43
Deferred asset – Lee and Harris COLA	215	252	10	15
Advanced metering infrastructure (AMI)	204	243	70	92
Demand side management (DSM) / Energy efficiency (EE)	199	201	199	191
CEP deferral	195	193	—	—

NCEMPA deferrals	**179**	172	**179**	172
Decoupling	**162**	115	**32**	15
Nuclear deferral	**134**	131	**53**	42
Deferred pipeline integrity costs	**129**	133	**—**	—
COR settlement	**110**	115	**29**	30
Coal plant securitization	**102**	8	**39**	8
Derivatives – natural gas supply contracts	**94**	147	**—**	—
Deferred coal ash handling system costs	**77**	86	**17**	21
Qualifying facility contract buyouts	**62**	68	**62**	68
Tennessee ARM Deferral	**33**	20	**—**	—
Network Integration Transmission Services deferral	**31**	31	**—**	—
Transmission expansion obligation	**31**	30	**—**	—
East Bend deferrals	**24**	28	**—**	—
Propane caverns	**24**	26	**—**	—
Other	**512**	411	**156**	119
Total regulatory assets	**17,010**	17,266	**8,265**	8,091
Less: Current portion	**2,756**	3,648	**1,647**	1,661
Total noncurrent regulatory assets	**$ 14,254**	$ 13,618	**$ 6,618**	$ 6,430
Regulatory Liabilities				
COR regulatory liability	**$ 5,436**	$ 5,497	**$ 2,984**	$ 2,805
Net regulatory liability related to income taxes	**5,397**	5,901	**1,884**	2,008
AROs – nuclear and other	**2,289**	1,673	**—**	—
Deferred Nuclear PTC	**676**	—	**95**	—
Hedge cost deferrals	**583**	443	**281**	208
Renewable energy credits	**241**	237	**139**	138
Accrued pension and OPEB	**232**	266	**12**	—
Deferred fuel and purchased power	**223**	137	**94**	14
DSM / EE	**58**	89	—	—
DOE Settlement	**—**	32	**—**	32
Other	**984**	1,133	**291**	296
Total regulatory liabilities	**16,119**	15,408	**5,780**	5,501
Less: Current portion	**1,425**	1,369	**522**	418
Total noncurrent regulatory liabilities	**$ 14,694**	$ 14,039	**$ 5,258**	$ 5,083

Descriptions of regulatory assets and liabilities summarized in the tables above and below follow. See tables below for recovery and amortization periods at the separate registrants.

AROs – coal ash. Represents deferred depreciation and accretion related to the legal obligation to close ash basins. The costs are deferred until recovery treatment has been determined. See Notes 1 and 10 for additional information.

AROs – nuclear and other. Represents regulatory assets or liabilities, including deferred depreciation and accretion, related to legal obligations associated with the future retirement of property, plant and equipment, excluding amounts related to coal ash. The AROs relate primarily to decommissioning nuclear power facilities. The amounts also include certain deferred gains and losses on NDTF investments. See Notes 1 and 10 for additional information.

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

Accrued pension and OPEB. Accrued pension and OPEB represent regulatory assets and liabilities related to each of the Duke Energy Registrants' respective shares of unrecognized actuarial gains and losses and unrecognized prior service cost and credit attributable to Duke Energy's pension plans and OPEB plans. The regulatory asset or liability is amortized with the recognition of actuarial gains and losses and prior service cost and credit to net periodic benefit costs for pension and OPEB plans. The accrued pension and OPEB regulatory assets are expected to be recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 23 for additional detail.

Storm cost securitized balance, net. Represents the North Carolina portion of storm restoration expenditures related to Hurricane Florence, Hurricane Michael, Hurricane Dorian and Winter Storm Diego (2018 and 2019 events). The South Carolina portion of storm restoration expenditures are related to 2014 Ice Storms Pax and Ulysses, Hurricane Matthew, Hurricane Florence, Hurricane Michael, Hurricane Dorian, and Winter Storms Izzy and Jasper.

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

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

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

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

COR regulatory asset. Represents the excess of spend over funds received from customers to cover the future removal of property, plant and equipment from retired or abandoned sites as property is retired, net of certain deferred gains on NDTF investments.

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

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

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

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

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

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

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

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Grid deferral. Represents deferred incremental operation and maintenance expense, depreciation and property taxes associated with grid improvement plans.

DSMEE deferral. Represents costs relating to various DSM and EE programs recoverable or refundable as approved by the applicable regulatory body.

CEP deferral. Represents deferred depreciation, PISCC and deferred property tax for Duke Energy Ohio Gas capital assets for the CEP.

FOOTNOTE DATA

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

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

(a) Concept: BookCostOfRetiredPlant

Intangible and General Plant Assets Retirements recorded to 0111100 not reported on FERC Page 219.

Nuclear deferral. Includes amounts related to nuclear plant outage and refueling costs, which are deferred and amortized over the nuclear fuel cycle.

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

Decoupling. Relates primarily to margin and revenue decoupling.

Deferred coal ash handling system costs. Represents deferred depreciation and returns associated with capital assets related to converting the ash handling system from wet to dry.

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

Network Integration Transmission Services deferral. Represents a deferral of costs and return related transmission costs.

Transmission expansion obligation. Represents transmission expansion obligations related to Duke Energy Ohio's withdrawal from MISO.

East Bend deferrals. Represents amounts to be recovered for deferred costs and depreciation related to the East Bend station.

Propane Caverns. Represents amounts for costs related to propane inventory, the net book value of remaining assets and decommissioning costs at Duke Energy Ohio.

Tennessee ARM Deferral. Represents amounts to be recovered for uncollected revenue for 2022 and deferred depreciation and carrying costs on the portion of capital expenditures placed in service but not yet reflected in rates.

Coal Plant Securitization. Represents the North Carolina portion of incremental depreciation and net book value of certain coal-fired plants to be recovered in a future securitization.

Net regulatory liability related to income taxes. Amounts for all registrants include regulatory liabilities related primarily to impacts from the Tax Act. See Note 24 for additional information. Amounts have no immediate impact on rate base as regulatory assets are offset by deferred tax liabilities.

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

DOE Settlement. Represents litigation settlement funds received resulting from the DOE's failure to accept spent nuclear fuel and other radioactive waste from the Crystal River Unit 3 during 2014-2018 as required under the Nuclear Waste Policy Act.

Deferred Nuclear PTC. Represents the net realizable value of nuclear PTCs that will be passed back to customers over time.

Renewable Energy Credits. Represents certificates for the environmental benefits of renewable energy that will be returned to customers in a future period.

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

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

Duke Energy Progress and Duke Energy Florida also have restrictions imposed by their first mortgage bond indentures, which in certain circumstances, limit their ability to make cash dividends or distributions on common stock. Amounts restricted as a result of these provisions were not material at December 31, 2024.

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

The restrictions discussed below were not a material amount of Duke Energy's and Progress Energy's net assets at December 31, 2024.

Duke Energy Carolinas

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

Duke Energy Progress

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

Duke Energy Ohio

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

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

Duke Energy Indiana

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

Piedmont

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

RATE-RELATED INFORMATION

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

As discussed further below, the Subsidiary Registrants were impacted by significant storms in 2024:

- In August 2024, Hurricane Debby made landfall in Florida as a Category 1 storm, impacting primarily the Duke Energy Florida territory as well as the Duke Energy Carolinas and Duke Energy Progress territories in North Carolina and South Carolina. Approximately 700,000 customers were impacted across Duke Energy's system.
- In September 2024, Hurricane Helene made landfall in Florida as a Category 4 storm and subsequently impacted all of Duke Energy's service territories as the storm moved inland, with the most severe damage occurring

in the Duke Energy Florida territory and the Duke Energy Carolinas and Duke Energy Progress territories in North Carolina and South Carolina. Approximately 3.5 million customers were impacted across Duke Energy's

- In October 2024, Hurricane Milton made landfall in Florida as a Category 3 storm, impacting more than 1 million customers in the Duke Energy Florida territory.

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Each Subsidiary Registrant is responsible for the restoration of service within its respective service territory and the recovery of related storm costs, including financing costs and, as applicable, the replenishment of storm-related reserves. The Subsidiary Registrants are pursuing all available avenues to recover storm-related costs, including insurance recovery and the securitization for certain costs, where applicable. Total estimated costs for storm restoration and rebuilding of infrastructure, including capital expenditures, for hurricanes Debby, Helene and Milton, net of expected insurance recoveries, are estimated to be approximately $2.8 billion, of which approximately $2.6 billion had been incurred as of December 31, 2024, with $0.2 billion estimated to be incurred for rebuilding in 2025. The following shows the total cost estimates for the registrants that were primarily impacted:

(in millions)	Cost Estimate[a]
Duke Energy Carolinas	$ 1,150
Duke Energy Progress	40
Duke Energy Florida	1,150

(a) These estimates could change as the rebuilding of infrastructure is finalized. Duke Energy Florida was the only jurisdiction materially impacted by Hurricane Milton.

Duke Energy Carolinas and Duke Energy Progress

Hurricanes Ian, Debby and Helene

In 2022, Hurricane Ian inflicted severe damage to the Duke Energy Carolinas and Duke Energy Progress territories in North Carolina and South Carolina. Total operation and maintenance expenses incurred for restoration efforts were approximately $95 million, with an additional $4 million in capital investments. Approximately $87 million of the operation and maintenance expenses were deferred in Regulatory assets within Other Noncurrent Assets on the Consolidated Balance Sheets as of December 31, 2023 ($32 million and $55 million for Duke Energy Carolinas and Duke Energy Progress, respectively). As of December 31, 2024, $34 million for Duke Energy Carolinas and $47 million for Duke Energy Progress were deferred in Regulatory assets within Other Noncurrent Assets on the Consolidated Balance Sheets.

In 2024, Hurricanes Debby and Helene significantly impacted the Duke Energy Carolinas and Duke Energy Progress territories in North Carolina and South Carolina. As of December 31, 2024, total operation and maintenance expenses incurred for restoration and rebuilding of infrastructure, were approximately $860 million ($612 million and $248 million for Duke Energy Carolinas and Duke Energy Progress, respectively), with an additional $548 million in capital investments ($402 million and $146 million for Duke Energy Carolinas and Duke Energy Progress, respectively). Approximately $802 million of the operation and maintenance expenses are deferred in Regulatory assets within Other Noncurrent Assets on the Consolidated Balance Sheets as of December 31, 2024 ($583 million and $219 million for Duke Energy Carolinas and Duke Energy Progress, respectively). These amounts are net of expected insurance recoveries and could change going forward as the rebuilding of infrastructure is finalized.

Gas Stored (Accounts 117.1, 117.2, 117.3, 117.4, 164.1, 164.2, and 164.3)

1. If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), (g), and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.
2. Report in (e) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c), and gas property recordable in the plant accounts.
3. State in a footnote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e., fixed asset method or inventory method).

Line No.	Description (a)	Noncurrent (Account 117.1) (b)	Noncurrent (Account 117.2) (c)	Noncurrent (Account 117.3) (d)	Noncurrent (Account 117.4) (e)	Current (Account 164.1) (f)	LNG (Account 164.2) (g)	LNG (Account 164.3) (h)	Total (i)
1	Balance at Beginning of Year								
2	Gas Delivered to Storage								
3	Gas Withdrawn from Storage								
4	Other Debits and Credits								
5	Balance at End of Year								
6	Dth								
7	Amount Per Dth								

Duke Energy Carolinas and Duke Energy Progress have regulatory tools to recover storm costs including deferral and securitization. In December 2024, Duke Energy Carolinas and Duke Energy Progress filed their joint petition for review and approval of storm recovery costs (Phase 1) with the NCUC to securitize the North Carolina-retail allocable share of storm costs associated with Hurricanes Helene, Debby and Ian, as well as Hurricane Zeta and Winter Storm Izzy, and the establishment of storm reserves for $200 million at Duke Energy Carolinas and $100 million at Duke Energy Progress. On February 3, 2025, Duke Energy Carolinas and Duke Energy Progress filed their joint petition for financing orders (Phase 2). In February 2025, Duke Energy Carolinas and Duke Energy Progress reached a settlement agreement with the North Carolina Public Staff and other intervening parties that resolves all issues between the parties in the Phase 1 proceeding and removes the establishment of storm reserves from the securitization proceeding. Further, the settlement outlines agreement on certain issues in the Phase 2 proceeding. The evidentiary hearing was held on February 13, 2025. Orders from the NCUC are expected by April 2025 in the Phase 1 proceeding and by June 2025 in the Phase 2 proceeding. Subject to NCUC approvals, Duke Energy Carolinas and Duke Energy Progress expect to securitize the North Carolina-retail allocable share of storm costs by the end of 2025.

On February 17, 2025, Duke Energy Carolinas and Duke Energy Progress filed with the PSCSC notice of intent to file a Joint Petition for Financing Orders no earlier than 30 days from the date of the notice, seeking authority to recover the South Carolina-retail allocable share of storm costs associated with Hurricane Helene through securitization. Such petition is contingent upon the resolution of South Carolina legislative provisions relevant to storm recovery financing.

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.

In December 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. In February 2023, the Advisory Committee on Reactor Safeguards issued a report to the NRC on the safety aspects of the Oconee SLR application, which concluded that the established programs and commitments made by Duke Energy Carolinas to manage age-related degradation provide confidence that Oconee 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 Oconee should be approved.

In December 2022, the NRC published a notice in the Federal Register that the NRC would conduct a limited scoping process to gather additional information necessary to prepare an environmental impact statement (EIS) to evaluate the environmental impacts at Oconee during the SLR period. The NRC received comments from the Sierra Club and Beyond Nuclear (Petitioners) and the EPA identifying 18 potential impacts that should be considered by the NRC in the EIS, including climate change and flooding, environmental justice, severe accidents and external events. In February 2024, the NRC issued the Oconee site-specific draft EIS. In April 2024, the Petitioners filed a Hearing Request, which proposed three contentions and in June 2024, the Atomic Safety and Licensing Board (ASLB) convened a pre-hearing conference. On January 17, 2025, the ASLB issued a decision on contention admissibility denying the Petitioners' hearing request. In January 2025, the NRC issued the final EIS and on February 17, 2025, the EPA issued a Notice of Availability for the final EIS. A decision on the SLR for ONS is anticipated from the NRC in the first half of 2025.

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.

Duke Energy Carolinas

Regulatory Assets and Liabilities

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

(in millions)	December 31, 2024	December 31, 2023	Earns/Pays a Return	Recovery/Refund Period Ends
Regulatory Assets[a]				
AROs – coal ash	$ 1,481	$ 1,559	(g)	(b)
Storm cost deferrals	691	97	Yes	(b)
Accrued pension and OPEB	668	671		(h)
Deferred fuel and purchased power	298	1,293	(e)	2026
Deferred asset – Lee COLA	205	237		(b)
Hedge costs deferrals	202	405		(b)
Storm cost securitized balance, net	201	208	Yes	2041
Grid Deferral[c]	201	159	Yes	(b)
Incremental COVID-19 expenses	137	152	Yes	(b)
AMI[c]	114	125	Yes	(b)
Vacation accrual	86	87		2025
Nuclear deferral	81	89		2026

COR settlement[c]	81	85	Yes	(b)	
Nuclear deferrals	63	65	Yes	(b)	
Deferred coal ash handling system costs[c]	60	65	Yes	(b)	
Customer connect project[c]	54	58	Yes	(b)	
Retired generation facilities[c]	24	26	Yes	(b)	
PISCC and deferred operating expenses	42	48	Yes	(b)	
Decoupling	24	—	Yes	(b)	
Other	141	116		(b)	
Total regulatory assets	4,784	5,021			
Less: Current portion	685	1,105			
Total noncurrent regulatory assets	$ 4,199	$ 3,916			
Regulatory liabilities[a]					
AROs – cost of removal[c]	2,249	1,974		(d)	
Net regulatory liability related to income taxes[d]	1,991	2,206	Yes	(b)	
COR regulatory liability[c]	1,479	1,641	Yes	(f)	
Deferred nuclear PPC	581	—	Yes	2030	
Hedges of Commitments	99	40		(b)	
Deferred credit for excess ADIT	108	85	(e)	2026	
Renewable energy credits	102	99	Yes	(b)	
DSM / EE[c]	53	87	Yes	(i)	
Accrued asset removal costs	35	106		(h)	
Other	413	528		(b)	
Total regulatory liabilities	7,210	6,577			
Less: Current portion	618	587			
Total noncurrent regulatory liabilities	$ 6,592	$ 5,990			

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise stated.
(b) The amortization or refund period varies or has not been determined.
(c) Included in rate base.
(d) Includes regulatory liabilities related to the change in the federal tax rate as a result of the Tax Cuts and Jobs Act and the change in the North Carolina tax rate. Portions are included in rate base.
(e) Pays interest on over-recovered costs in North Carolina. Includes certain purchased power capacity costs in North Carolina and South Carolina and costs of distributed energy in South Carolina. The asset balance principally relates to North Carolina costs while the liability balance relates to South Carolina.
(f) Recovered over the life of the associated assets.
(g) Earns a debt and equity return on coal ash expenditures for North Carolina and South Carolina retail customers as permitted by various regulatory orders.
(h) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 23 for additional detail.
(i) Includes incentives on DSM/EE investments and is recovered or refunded through an annual rider mechanism.

Name of Respondent: Duke Energy Ohio, Inc.
This report is: (1) ☑ An Original (2) ☐ A Resubmission
Date of Report: 04/30/2025
Year/Period of Report: End of: 2024/ Q4

Investments (Account 123, 124, and 136)

1. Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cash Investments. List Account number in column (a).
2. Provide a subheading for each account and list thereunder the information called for: (a) Investment in Securities-List and describe each security owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Board of Directors, and included in Account 124, Other Investments) state number of shares, class, and series of stock. Minor investments may be grouped by classes. Investments included in Account 136, Temporary Cash Investments, also may be grouped by classes. (b) Investment Advances-Report separately for each person or company the amounts of loans or investment advances that are properly includable in Account 123. Include advances subject to current repayment in Account 145 and 146. With respect to each advance, show whether the advance is a note or open account. List each note, giving date of issuance, maturity date, and specifying whether note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.
3. Designate with an asterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote state the name of pledges and purpose of the pledge.
4. Commission approval was required for any advance made or security acquired, designate such fact in a footnote and cite Commission, date of authorization, and case or docket number.
5. Report in column (k) interest and dividend revenues from investments including such revenues from securities disposed of during the year.
6. In column (l) report for each investment disposed of during the year the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost) and the selling price thereof, not including any dividend or interest adjustment includible in column (k).

Line No.	Description of Investment (a)	(b)	Date Acquired (c)	Date Matured (d)	Book Cost at Beginning of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (e)	Purchases or Additions During the Year (f)	Sales or Other Dispositions During Year (g)	Principal Amount (h)	No. of Shares at End of Year (i)	Book Cost at End of Year (If book cost is different from cost to respondent, give cost to respondent in a footnote and explain difference) (j)	Revenues for Year (k)	Gain or Loss from Investment Disposed of (l)
1	***2023 North Carolina Rate Case***											
2												
3	In January 2023, Duke Energy Carolinas filed a PBR application with the NCUC to request an increase in base rate retail revenues. The PBR application 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 Performance Incentive Mechanisms (PIMS) as required by HB 951.											
4	In August 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 be placed in service during 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 IRA, through a stand-alone rider that would provide the benefits to customers. This stand-alone rider was effective in rates beginning January 1, 2025.											
1	124 Middletown Moving Forward											
2	124 Port Greater Cincinatti Development Authority				1,000,000					999,999		
3	124 Cincinatti New Market Funds											
4	Total Other Investments				1,000,000					999,999		
	On December 14, 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. As a result of the partial settlements and the order, Duke Energy Carolinas recognized pretax charges of $29 million within Impairment of assets and other charges, and $8 million within Operations, maintenance and other, for the year ended December 31, 2023, on the Consolidated Statements of Operations. Duke Energy Carolinas implemented interim rates on September 1, 2023. New revised Year 1 rates and the residential decoupling were implemented on January 15, 2024.											
1												
2	In February 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. In July 2024, the Supreme Court of North Carolina consolidated these appeals with the parallel appeal of the NCUC's order regarding the Duke Energy Progress PBR application. Briefing is complete and oral argument occurred on February 13, 2025. Duke Energy Carolinas anticipates a decision in the fourth quarter of 2025.											
3												
4	Total Temporary Cash Investments											
4	Total Investments				1,000,000					999,999		
	2024 South Carolina Rate Case											
	In February 2024, Duke Energy Carolinas filed a rate case with the PSCSC to request an increase in base rate retail revenues. In May 2024, Duke Energy Carolinas and the Office of Regulatory Staff, as well as other consumer, environmental, and industrial intervening parties, filed an Agreement and Stipulation of Settlement resolving all issues in the base rate proceeding. The major components of the settlement include a $240 million annual customer rate increase, prior to a reduction from the accelerated return to customers of federal unprotected Property, Plant and Equipment related EDIT of $84 million annually over the first two years. The stipulation includes an ROE of 9.94% with an equity ratio of 51.21% and resolves recovery of the Company's continued investments in the grid, its new corporate headquarters and environmental compliance costs. The PSCSC held a hearing in May 2024, to consider evidence supporting the stipulation. On July 3, 2024, the PSCSC issued its final order approving an increase in base rates and approving nearly all components of the Agreement and Stipulation of Settlement. The order revised recovery of certain environmental compliance costs, the only provision of the settlement agreement not fully approved by the PSCSC. As a result, Duke Energy Carolinas recognized pretax charges of $33 million within Impairment of assets and other charges, $2 million within Operations, maintenance and other, partially offset by an $11 million reduction in Interest expense, for the year ended December 31, 2024, on the Consolidated Statements of Operations. Based upon the order, after accelerating the EDIT giveback to customers, the net rate increase is $150 million annually for the first two years. Revised customer rates were effective August 1, 2024, and are based upon a South Carolina retail rate base of $7.4 billion.											
	Marshall Combustion Turbines CPCN											
	In March 2024, Duke Energy Carolinas filed with the NCUC an application to construct and operate two hydrogen-capable advanced-class simple-cycle 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. The expert witness hearing concluded in August 2024. On December 2, 2024, the NCUC issued its order granting the CPCN authorizing the construction of the CTs. Additionally, on December 19, 2024, the NCDEQ issued final air permits for the CTs.

Name of Respondent: Duke Energy Ohio, Inc Duke Energy Progress	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Regulatory Assets and Liabilities

Investments in Subsidiary Companies (Account 123.1)

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

1. Report below investments in Account 123.1, Investments in Subsidiary Companies.
2. Provide a subheading for each company and list thereunder the information called for below. Sub-total by company and give a total in columns (e), (f), (g) and (h). (a) Investment in Securities-List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate. (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The total in column (e) should equal the amount entered for Account 418.1.
4. Designate in a footnote, any securities, notes, or accounts that were pledged, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report in column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if different from cost), and the selling price thereof, not including interest adjustments includible in column (f).
8. Report on Line 40, column (a) the total cost of Account 123.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)	Equity in Subsidiary earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)
1	MIAMI POWER COMPANY	09/30/1945		70,786	16,482		87,268	
2	Subtotal Miami Power Company			70,786	16,482	Yes	87,268	(b)
3	DUKE ENERGY KENTUCKY, INC	09/30/1945		891,514,260	15	Yes	891,514,260	(b)
4				412,119,814	101,445,306	124,286,180	389,278,940	(b)
5	Subtotal Duke Energy Kentucky			1,303,634,074	101,445,306	124,286,180	1,280,793,200	(b)
6	TRI-STATE IMPROVEMENT COMPANY	01/14/1964		(1,943,540)	(15,852)		(1,959,392)	
7	Subtotal Tri-State Improvement Company			$ (1,943,540)	$ (15,852)		(1,959,392)	
8	KO TRANSMISSION COMPANY	04/11/1994		$ (360,760)	(8,602)		(369,362)	(i)
9	Subtotal KO Transmission Company			(360,760)	(8,602)	Yes	(369,362)	(b)
10	BECKJORD	05/01/2014		278,379	(38,185)		240,194	(b)
11	Subtotal Beckjord			278,379	(38,185)	Yes	240,194	(b)
12	DUKE ENERGY COMMERCIAL ASSET MANAGEMENT	04/01/2011		23,765,434	—		23,765,434	(j)
13	Subtotal DUKE ENERGY COMMERCIAL ASSET MANAGEMENT			23,765,434			23,765,434	
40	TOTAL Cost of Account 123.1 $		Total	1,325,444,373	$ 101,399,148	124,286,180	1,302,557,341	

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

(in millions)	December 31, 2024	December 31, 2023	Earns/Pays a Return	Recovery/Refund Period Ends
Regulatory Assets(k)				
AROs – coal ash	$ 1,322	$ 1,218	(g)	(b)
AROs – nuclear and other	900	1,110		(c)
Storm cost securitized balance, net	822	682	Yes	(b)
Accrued pension and OPEB	439	498		(j)
Deferred fuel and purchased power	277	579	(e)	2026
Storm cost deferrals	276	226	Yes	(b)
DSM/EE(f)	188	182	Yes	(h)
NCEMPA deferrals(f)	179	172	(f)	2042
Retired coal facilities(a)	108	126	Yes	(b)
Incremental COVID-19 expenses	89	80		(b)
Hedge costs deferrals	85	260		(b)
AMI(d)	54	68		(b)
Grid Deferral(d)	54	51	Yes	(b)
Nuclear deferral	53	42		2026
Customer connect project(d)	45	49	Yes	(b)
Vacation accrual	43	42		2025
Coal plant securitization	39	9	Yes	(b)
PISCC and deferred operating expenses	37	42	Yes	2054
Decoupling	32	15	Yes	(b)
COR settlement(d)	29	30	Yes	(b)
Deferred coal ash handling system costs(d)	17	21	Yes	(b)
Deferred asset - Harris COLA	10	13		(b)
Other	83	59		(b)
Total regulatory assets	5,181	5,068		
Less: Current portion	626	942		
Total noncurrent regulatory assets	$ 4,555	$ 4,126		
Regulatory Liabilities(k)				
COR reg liability	$ 2,984	2,805		(i)
Net regulatory liability related to Tax Act(k)	$ 1,320	$ 1,420	Yes	(b)
Hedge costs deferrals	151	87		(b)
Renewable energy credits	139	130	Yes	(b)
Deferred Nuclear PTC	95	38	Yes	(b)
Accrued pension and OPEB	12	—		(j)
Deferred fuel and purchased power	10	14	(e)	2026
Other	207	211		(b)
Total regulatory liabilities	4,918	4,675		
Less: Current portion	348	300		
Total noncurrent regulatory liabilities	$ 4,570	$ 4,375		

2022 North Carolina Rate Case

In October 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.

In April 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 $2.5 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

capital projects and related costs to be included in the three year MYRP, including $5.8 billion (North Carolina retail allocation) projected to go in service over the MYRP period. The order established an ROE of 9.5% based upon an equity ratio of 53% equity 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 allows for certain revenue requested under the PBR Application and approved by the partial settlements. As a result of the order, Duke Energy Progress recognized pretax charges of $53 million related to impairment of assets and other savings, and regulatory assets of certain COVID-19 deferred costs, and $8 million within Operations, maintenance and other, for the year ended December 31, 2023, on the Consolidated Statements of Operations. Duke Energy Progress implemented interim rates on June 1, 2023, and implemented rates for the residential decoupling on October 1, 2023.

In October 2023, Blue Ridge Electric Membership Corporation each filed a Notice of Appeal of the August 10, 2023 NCUC Order. Both parties were 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 Customer Assistance Program. Separately, 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. In July 2024, the Supreme Court of North Carolina consolidated the appeals with the cross-appeal heard as the NCUC's order regarding the Duke Energy Carolinas PBR application. Briefing is complete and oral arguments occurred on February 13, 2025. Duke Energy Progress anticipates a decision to be issued no later than the fourth quarter of 2025.

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: Fay, 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 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 in April 2024 and storm recovery charges were effective May 1, 2024. See Notes 7 and 18 for more information.

2022 South Carolina Rate Case

On September 1, 2022, Duke Energy Progress filed an application with the PSCSC to request an increase in base rate retail revenues. On January 12, 2023, Duke Energy Progress and the ORS, as well as other consumer, environmental, and industrial intervening parties, filed a comprehensive Agreement and Stipulation of Settlement resolving all issues in the base rate proceeding. The major components of the stipulation include an ROE of 9.6% based upon an equity ratio of 52.43% along with the establishment of a storm reserve to help offset the costs of major storms. The stipulation provided for a $52 million annual customer rate increase prior to the reduction from the accelerated return to customers of federal unprotected Property, Plant and Equipment related EDIT; after extending the remaining EDIT giveback to customers to 33 months, the net annual retail rate increase is approximately $36 million. It also allowed continuation of deferral treatment of coal ash basin closure costs and supports an amortization period for remaining coal ash closure costs in this rate case of seven years. Duke Energy Progress agreed not to seek recovery of approximately $50 million of deferred coal ash expenditures related to retired sites in this rate case (South Carolina retail allocation). The 2021 Depreciation Study was accepted as proposed in this case, as adjusted for certain recommendations from ORS and includes accelerated retirement dates for certain coal units as originally proposed. The PSCSC held a hearing in January 2023 and a final written order was issued on March 8, 2023. New rates went into effect April 1, 2023.

Person County Combined Cycle CPCNs

In March 2024, Duke Energy Progress filed with the NCUC its application to construct and operate a 1,360-MW hydrogen-capable, advanced-class CC generating facility 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. The expert witness hearing concluded in August 2024. On December 6, 2024, the NCUC issued its order granting the CPCN authorizing the construction of the CC. Additionally, on December 19, 2024, the NCDEQ issued a final air permit for the CC.

On February 7, 2025, Duke Energy Progress filed with the NCUC its application to construct and operate a second 1,360-MW hydrogen-capable, advanced-class CC unit in Person County at the Roxboro Plant. NCEMC has also notified Duke Energy Progress of NCEMC's intent to co-own approximately 225 MW of the second CC and Duke Energy Progress and NCEMC plan to begin negotiations on the contractual arrangement in the second quarter of 2025. Pending regulatory approvals, construction of the second CC is planned to start in 2026 with the unit targeted to be placed in service by the end of 2029. 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 2030 North Carolina retail revenue requirement for the proposed facility is estimated to be $113 million, representing an approximate average retail rate increase of 2.6% across all classes. The air permit issued by the NCDEQ on December 19, 2024, also pertains to the second CC.

Duke Energy Florida

Regulatory Assets and Liabilities

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

	December 31,		Earns/Pays	Recovery/Refund
(in millions)	**2024**	**2023**	**a Return**	**Period Ends**
Regulatory Assets[a]				
Storm cost deferrals[c]	$ **962**	70	(e)	(b)
Nuclear asset securitized balance, net	**771**	830		2036
COR regulatory asset	**571**	337	(d)	(b)
Accrued pension and OPEB[c]	**389**	349	Yes	(f)
Retired generation facilities[c]	**94**	94	Yes	2044
Customer connect project[c]	**71**	76	Yes	2037
Qualifying facility contract buyouts[c]	**62**	68	Yes	2034
Hedge costs deferrals[c]	**41**	63	Yes	2038
AMI[c]	**16**	24	Yes	2032
AROs – coal ash	**13**	$ 12		(b)
AROs – nuclear and other	**5**	17		(b)
Deferred fuel and purchased power	**5**	594	(e)	2025
Other	**86**	69	(d)	(b)
Total regulatory assets	**3,086**	2,603		
Less: Current portion	**1,022**	720		
Total noncurrent regulatory assets	$ **2,064**	$ 1,883		
Regulatory Liabilities[a]				
Net regulatory liability related to income taxes[c]	$ **564**	$ 588		(b)
Hedge cost deferrals[c]	**130**	121	Yes	(b)
DOE Settlement	**—**	32		
Deferred fuel and purchased power[c]	**84**	—	(e)	2025

This report is:	Date of Report:	Year/Period of Report:
Name of Respondent: Duke Energy Ohio, Inc	(1) ☑ An Original (2) ☐ A Resubmission	04/30/2025	End of 2024/ Q4

PREPAYMENTS (ACCOUNT 165)

Report below the particulars (details) on each prepayment.

Line No.	Nature of Payment (a)	Balance at End of Year (in dollars) (b)
1	Prepaid Insurance	
2	Prepaid Rents	
3	Prepaid Taxes	
4	Prepaid Interest	
5	Miscellaneous Prepayments	392,046
6	TOTAL	392,046

Other		84	85	(d)	(b)
Total regulatory liabilities		862	826		
Less: Current portion		174	118		
Total noncurrent regulatory liabilities		$ 688	$ 708		

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.
(b) The expected recovery or refund period varies or has not been determined.
(c) Included in rate base.
(d) Certain costs earn/pay a return.
(e) Earns commercial paper rate.
(f) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 23 for additional detail.

2021 Settlement Agreement

In January 2021, Duke Energy Florida filed 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 9.85% 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 in August 2022, to increase the ROE effective August 2022 with a base rate increase effective January 1, 2023. The FPSC approved the settlement on October 4, 2022. The 2021 Settlement Agreement also provided that Duke Energy Florida would be able to retain $173 million of the expected 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 was 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 authorized Duke Energy Florida to collect the difference between the $154 million and $173 million as a regulatory asset, a portion of the amount received through the capacity cost recovery clause. As of December 31, 2024, Duke Energy Florida has recognized $173 million (pretax) into earnings, including $32 million and $141 million recognized during the year ended December 31, 2024, and 2023, respectively.

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 in August 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 in October 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. See Note 24 for additional information on the IRA.

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

In July 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 749 MW. The FPSC approved the program in January 2021, allowing 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 10 new solar generation facilities were completed and all of the remaining sites were in-service by the end of 2024 at a cost of approximately $1.1 billion. These investments are included in base rates, offset by the revenue from the subscription fees, with credits included in the fuel cost recovery clause.

In February 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 in February 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. In September 2022, the FPSC issued a revised order and submitted it 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 in February 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

At least every three years, Duke Energy Florida must file a Storm Protection Plan (SPP) with the FPSC. Each plan covers a 10-year period and includes investments in transmission and distribution meant to strengthen infrastructure, reduce outage times associated with extreme weather events, reduce restoration costs and improve overall service reliability. In April 2022, Duke Energy Florida filed an SPP for approval with the FPSC for the 2023-2032 time frame. The plan reflected approximately $7 billion of capital investment in transmission and distribution. The evidentiary hearing began in August 2022. In October 2022, the FPSC approved 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. In December 2022, the OPC filed a notice of appeal of this order to the Florida Supreme Court and briefs were filed by the OPC and Duke Energy Florida during 2023. On November 14, 2024, the Florida Supreme Court issued an order upholding the FPSC's approval of Duke Energy Florida's plan.

On January 15, 2025, Duke Energy Florida filed an SPP for approval with the FPSC for the 2026-2035 time frame reflecting approximately $7 billion of capital investment in transmission and distribution. The FPSC must approve, with modification, or deny the plan no later than 180 days after filing. A hearing has been scheduled to begin May 20, 2025.

Hurricanes Ian and Idalia

In September 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 in January 2023, seeking recovery of $442 million, for recovery over 12 months beginning with the first billing cycle in April 2023. In March 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 in September 2023. The FPSC approved the prudence of these costs in May 2024.

In August 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. In October 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. In December 2023, 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. Duke Energy Florida filed documentation evidencing its total Idalia actual storm costs of $98 million in September 2024.

2024 Florida Rate Case

In April 2024, Duke Energy Florida filed a formal request for new base rates with the FPSC. Duke Energy Florida 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.

In July 2024, Duke Energy Florida filed a settlement agreement with the FPSC. The parties to the settlement include Duke Energy Florida, the Office of Public Counsel and other intervening parties. Pursuant to the settlement, the parties agreed to a base rate stay-out provision that expires year-end 2027; however, Duke Energy Florida is allowed an increase to its base rates in 2025 and 2026, as well as utilization of certain tax benefits in lieu of a revenue increase in 2027. Additionally, revenue increases related to solar investments will be recovered via the Solar Base Rate Adjustment mechanism. The parties also agreed to an ROE band of 9.3% to 11.3% with a midpoint of 10.3% and an equity ratio of 53%. The agreement provides for $203 million and $59 million in base rate increases in 2025 and 2026, respectively, as well as increases associated with investments in 12 new solar facilities as they come on line. In August 2024, the FPSC approved the settlement agreement without modification and a final order was issued on November 12, 2024. New rates were effective January 1, 2025.

Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2) (continued)

EXTRAORDINARY PROPERTY LOSSES (ACCOUNT 182.1)

1. Include the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr)].
2. Add rows as necessary to report all data. Number rows in sequence beginning with the next row number after the last row number used for extraordinary property losses.

Line No.	Description of Extraordinary Loss [include the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr)] Add rows as necessary to report all data. (a)	Balance at Beginning of Year (b)	Total Amount of Loss (c)	Losses Recognized During Year (d)	Written-off During Year Account Charged (e)	Written off During Year Amount (f)	Balance at End of Year (g)
1	Not Applicable						
15	TOTAL						

Name of Respondent: Duke Energy Ohio, Inc.

This report is: (1) ☑ An Original (2) ☐ A Resubmission

Date of Report: 04/30/2025

Year/Period of Report: End of: 2024/ Q4

Prepayments (Acct 165), Extraordinary Property Losses (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2) (continued)

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (ACCOUNT 182.2)

1. Include in the description of costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr, to mo, yr).
2. Add rows as necessary to report all data. Number rows in sequence beginning with the next row number after the last row number used for extraordinary property losses.

Hurricanes Debby, Helene and Milton

In August 2024, Hurricane Debby made landfall in Florida as a Category 1 storm. In September 2024, Hurricane Helene made landfall in Florida as a Category 4 storm, which caused significant damage. In October 2024, Hurricane Milton made landfall in Florida as a Category 3 storm, impacting roughly half of the customers Duke Energy Florida serves in the state. Duke Energy Florida has certain existing storm reserve regulatory liability amounts, which will be applied to recovery of the 2024 storm costs. After depleting any existing storm reserves, which were approximately $63 million as of July 31, 2024, before hurricanes Debby, Helene and Milton, Duke Energy Florida is permitted to utilize the AFUDC formula to defer additional incremental costs. Duke Energy Florida filed its petition for cost recovery for all three storms, including incremental costs and replenishment of storm reserves, with the FPSC in February 2025 with a requested recovery over 12 months beginning with the first billing cycle in March 2025. Approximately $936 million of the operation and maintenance expenses are deferred in Regulatory assets within Current assets as of December 31, 2024. Approximately $69 million of capital related to these storms will be sought for recovery in future base rate case filings. On February 4, 2025, the FPSC voted to approve Duke Energy Florida's request for recovery of these storm costs as filed.

Duke Energy Ohio

Regulatory Assets and Liabilities

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

(in millions)	December 31, 2024	December 31, 2023	Earns/Pays a Return	Recovery/Refund Period Ends
Regulatory Assets[a]				
Fuel deferral	195	193	Yes	(b)
Accrued pension and OPEB	130	165		(d)
COR regulatory asset	75	34		(b)
Customer connect project	44	49		(b)
Network upgrade for Transmission Enhancement	31	31	Yes	(b)
Transmission expansion obligations	31	30		(b)
Decoupling	29	25		(b)
Deferred pipeline integrity costs	28	30	Yes	(b)
East Bend deferrals[c]	24	28	Yes	(b)
Propane caverns	24	26		(b)
PISCC and deferred operating expenses[c]	15	15	Yes	2083
AROs – coal ash	14	$ 17	Yes	(b)
Deferred fuel and purchased gas costs	8	20		2025
AMI	8	13		(b)
Storm cost deferrals	5	12		2025
Other	131	103		(b)
Total regulatory assets	793	749		
Less: Current portion	88	73		
Total noncurrent regulatory assets	$ 705	$ 676		
Regulatory Liabilities[a]				
Net regulatory liability related to income taxes	$ 432	$ 466		(b)
Accrued pension and OPEB	14	17		(d)
Deferred fuel and purchased gas costs	—	15		2025
Other	53	55		(b)
Total regulatory liabilities	499	553		
Less: Current portion	34	56		
Total noncurrent regulatory liabilities	$ 465	$ 497		

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.
(b) The expected recovery or refund period varies or has not been determined.
(c) Included in rate base.
(d) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 23 for additional detail.

Duke Energy Ohio Electric Base Rate Case

In October 2021, Duke Energy Ohio filed an electric distribution base rate case application with the PUCO. In September 2022, Duke Energy Ohio filed a Stipulation and Recommendation with the PUCO, which included 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 was among all but one party to the proceeding. The PUCO issued an order on December 14, 2022, approving the Stipulation without material modification and new rates went into effect on January 3, 2023. The Ohio Consumers' Counsel (OCC) filed an application for rehearing in January 2023, arguing the Stipulation was unreasonable, discriminatory and denied OCC due process. In March 2024, the PUCO denied OCC's rehearing application. The deadline for OCC to seek an appeal has expired and the matter is now closed.

Energy Efficiency Cost Recovery

In response to changes in Ohio law that eliminated Ohio's energy efficiency mandates, the PUCO issued an order on February 26, 2020, directing utilities to wind down their demand-side management programs by September 30, 2020, and to terminate the programs by December 31, 2020. In March 2020, Duke Energy Ohio filed an application for rehearing seeking clarification on the final true up and reconciliation process after 2020. Effective January 1, 2021, Duke Energy Ohio suspended its energy efficiency programs. In August 2023, the PUCO issued its decision approving the Company's request for recovery and final true up of energy efficiency program costs, lost distribution revenues and performance incentives from calendar years 2018 through 2020, resulting in $14 million of Regulated electric revenue on the Consolidated Statements of Operations for the year ended December 31, 2023, and resolving all outstanding issues in these proceedings. Revised rates were effective September 1, 2023.

Duke Energy Ohio Natural Gas Base Rate Case

In June 2022, Duke Energy Ohio filed a natural gas base rate case application with the PUCO. 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. In April 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 in May 2023. On November 1, 2023, PUCO issued an order approving the stipulation as filed and new rates went into effect November 1, 2023. In December 2023, the OCC filed an application for rehearing and the PUCO granted OCC's application for rehearing for further consideration of issues raised. As a result of a Supreme Court of Ohio decision regarding procedural issues related to applications for rehearing, PUCO denied OCC's rehearing request. In October 2024, the OCC filed its Notice of Appeal with the Ohio Supreme Court. OCC's initial brief was filed January 27, 2025.

Duke Energy Ohio Electric Security Plan

In April 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-

Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission authorization to use Account 182.2 and period of amortization (mo, yr, to mo, yr)] Add rows as necessary to report all data. Number rows in sequence beginning with the next row number after the last row number used for extraordinary property losses. (a)

Line No.

16 Not Applicable
26 TOTAL

Balance at Beginning of Year (b)

Total Amount of Charges (c)

Costs Recognized During Year (d)

Written off During Year Account Charged (e)

Written off During Year Amount (f)

Balance at End of Year (g)

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 limited to solar for all investments for low-income and disadvantaged communities, low-income senior citizen rate assistance, and energy efficiency and maintained peak management programs.

In November 2024, Duke Energy Ohio filed a stipulation with majority of the intervenors signed as either signatory or non-opposing parties. The stipulation includes the continuation of market-based customer rates through competitive procurement auctions and the continuation of all existing riders. It further establishes new caps for certain riders. Duke Energy Ohio has also agreed to withdraw its proposals for an infrastructure modernization rider, battery storage projects and electric vehicle programs. The stipulation includes a residential DR program with provisions for low-income customers. The evidentiary hearing concluded January 23, 2025. A briefing schedule has been ordered with final reply briefs due March 14, 2025.

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Other Regulatory Assets (Account 182.3)

1. Report below the details called for concerning other regulatory assets which are created through the ratemaking actions of regulatory agencies (and not includable in other accounts).
2. For regulatory assets being amortized, show period of amortization in column (b).
3. Minor items (5% of the Balance at End of Year for Account 182.3 or amounts less than $250,000, whichever is less) may be grouped by classes.
4. Report separately any "Deferred Regulatory Commission Expenses" that are also reported on pages 350-351, Regulatory Commission Expenses.
5. Provide in column (a) for each line item, the regulatory citation where authorization for the regulatory asset has been granted (e.g. Commission Order, State Commission Order, court decision).

Line No	Description and Purpose of Other Regulatory Assets (a)	Amortization Period (b)	Regulatory Citation (c)	Balance at Beginning of Current Quarter/Year (d)	Debits (e)	Written off During Quarter/Year Account Charged (f)	Written off During Period Amount Recovered (g)	Written off During Period Amount Deemed Unrecoverable (h)	Balance at End of Current Quarter/Year (i)
	MGP Cost Recovery								
	In an order issued in 2013, the PUCO approved Duke Energy Ohio's deferral and recovery of costs related to environmental remediation at two sites (East End and West End) that housed former MGP operations. Duke Energy Ohio made annual applications with the PUCO to recover its incremental remediation costs consistent with the PUCO's directive in Duke Energy Ohio's 2012 natural gas base rate case.								
	A Stipulation and Recommendation was filed in March 2022 in Duke Energy Ohio's natural gas base rate case proceeding. The Stipulation and Recommendation provided for the recovery of environmental remediation costs at MGP sites along the Ohio River, if necessary, subject to specific conditions. In June 2022, the PUCO granted rehearing requests by Interstate Gas Supply, Inc. (IGS) and The Retail Energy Supply Association (RESA) for further consideration. As a result of a Supreme Court of Ohio decision regarding procedural issues related to applications for rehearing, PUCO denied the rehearing requests. On October 23, 2024, RESA and IGS filed an appeal with the Supreme Court of Ohio. On January 10, 2025, RESA and IGS withdrew their appeal and the Supreme Court of Ohio dismissed the appeal on January 14, 2025. This matter is now resolved.								
	Tax Act – Ohio								
1	Income Taxes			37,276,057	560,619				37,836,676
	In December 2018, Duke Energy Ohio filed an application to change its base rate tariffs and establish a rider to implement the benefits of the Tax Act for natural gas customers. The rider would flow through to customers the benefit of the reduction in the statutory federal tax rate from 35% to 21% since January 1, 2018, all future benefits of the lower tax rates and a full refund of deferred income taxes collected at the higher tax rates in prior years. Deferred income taxes subject to normalization rules would be refunded consistent with federal law and deferred income taxes not subject to normalization rules would be refunded over a 10-year period. An evidentiary hearing occurred in August 2019. The Stipulation and Recommendation filed in August 2021, and approved on April 20, 2022, disclosed in the MGP Cost Recovery matter above, resolved the outstanding issues in this proceeding by providing customers a one-time bill credit for the reduction in the statutory federal tax rate from 35% to 21% since January 1, 2018, through June 1, 2022, and reducing base rates going forward. Deferred income taxes not subject to normalization rules were written off. Deferred income taxes subject to normalization rules are refunded consistent with federal law through a rider. The commission granted the rehearing requests of IGS and RESA for further consideration. As a result of a Supreme Court of Ohio decision regarding procedural issues related to applications for rehearing, PUCO denied these rehearing requests. On October 23, 2024, RESA and IGS filed an appeal with the Supreme Court of Ohio. On January 10, 2025, RESA and IGS withdrew their appeal and the Supreme Court of Ohio dismissed the appeal on January 14, 2025. This matter is now resolved.								
	Duke Energy Kentucky 2022 Electric Base Rate Case								
	In December 2022, Duke Energy Kentucky filed a gas rate case with the KPSC driven by capital investments to strengthen the electricity generation and delivery systems along with requested depreciation rates for the East Bend and Woodsdale 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 that 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 denied the request to align the depreciation rates of Woodsdale CT with a 2041 retirement date and denied the voluntary community-based renewable subscription program and two electric vehicle charging programs.								
	In November 2023, Duke Energy Kentucky filed for rehearing requesting certain matters be reconsidered by the KPSC and the KPSC granted in part and denied in part the Company's request for rehearing. On July 1, 2024, the KPSC issued its final order on rehearing ruling in Duke Energy Kentucky's favor on nearly all issues. However, the KPSC ordered Duke Energy Kentucky to refund alleged over collections since the KPSC's October 12, 2023, order. On July 10, 2024, the KPSC issued an order correcting the base fuel rate used to calculate new base rates in its July 1, 2024, order and its calculation of Duke Energy Kentucky's Street Lighting Rate. New rates were implemented in August 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. Duke Energy Kentucky and Appellee briefs were filed in 2024.								
	Duke Energy Kentucky 2024 Electric Base Rate Case								
	On December 27, 2024, Duke Energy Kentucky filed a base rate case with the KPSC requesting an annualized increase in electric base rates of approximately $70 million, and an ROE of 10.85% with an equity ratio of 52.728%. This is an overall increase of approximately 14.7%. The request for the rate increase is driven by capital investments to strengthen the electricity generation and delivery systems. New rates are anticipated to go into effect around July 2, 2025. An evidentiary hearing is scheduled to begin on May 7, 2025.								
	Duke Energy Indiana								
	Regulatory Assets and Liabilities								
9	The following table reflects the regulatory assets and liabilities recorded on Duke Energy Indiana's Consolidated Balance Sheets.								
				December 31,			Earns/Pays a Return		Recovery/Refund Period Ends
	(in millions)			2024	2023				
10	**Regulatory Assets**								
	AROs - coal ash			$ 554	$ 408		Yes		(b)
	PISCC and deferred operating expenses[c]			237	241		Yes		(b)
11	Accrued pension and OPEB			212	208	407.3	13,482		(e) 472,221
	Retired generation facilities[c]			25	29		Yes		2030
	Hedge costs deferrals			23	19				(b)
	Customer programs deferrals			19	19	407.3	4,957		(b) 64,778
12	Storm cost deferrals			17	11				(b)
	AMI			12	13				2031
	Other			54	48				(b)
13	Total regulatory assets			1,153	996	407.3	847		39,084
	Less: Current portion			113	102				
	Total noncurrent regulatory assets			$ 1,040	$ 894				
14	**Regulatory Liabilities**[a]					407.3	17,793		642,761
	Net regulatory liability related to income taxes			$ 725	$ 794				(b)
	COR reg. liability			434	496				(d)
	Accrued asset removal costs			139	109				(e)
15	Hedge cost deferrals			103	77	407.3	5,658		78,245 (b)
	Deferred fuel and purchased power			21	23				2025
	Other			105	100				(b)

Other					165		169		(b)
Total regulatory liabilities					1,587		1,668		
Less: Current portion					183		209		
Total noncurrent regulatory liabilities					$ 1,404	$ 1,459			
16	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	720 Mths Beginning May 2007	01-1228-GA-AIR	101,962		407.3	2,114		99,848
17	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	600 Mths Beginning May 2007	01-1228-GA-AIR	831,719		407.3	21,759		809,960
18	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	504 Mths Beginning May 2007	01-1228-GA-AIR	64,289		407.3	4,123		60,166
19	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	720 Mths Beginning May 2008	01-1228-GA-AIR	135,782		407.3	2,748		133,034
20	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	600 Mths Beginning May 2008	01-1228-GA-AIR	1,098,561		407.3	27,870		1,070,691
21	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	384 Mths Beginning May 2008	01-1228-GA-AIR	74,131		407.3	4,516		69,615
22	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	780 Mths Beginning May 2009	01-1228-GA-AIR	89,738		407.3	1,783		87,955
23	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	660 Mths Beginning May 2009	01-1228-GA-AIR	483,743		407.3	11,994		471,749
24	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	384 Mths Beginning May 2009	01-1228-GA-AIR	103,711		407.3	5,983		97,728
25	Accelerated Gas Main Replacement Program Post in Service Carrying Costs-#2	384 Mths Beginning May 2009	01-1228-GA-AIR	8,671		407.3	500		8,171
26	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	780 Mths Beginning May 2010	01-1228-GA-AIR	222,450		407.3	7,437		215,013
27	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	660 Mths Beginning May 2010	01-1228-GA-AIR	741,741		407.3	17,945		723,796
28	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	384 Mths Beginning May 2010	01-1228-GA-AIR	91,852		407.3	5,010		86,842
29	Accelerated Gas Main Replacement Program Post in Service Carrying Costs -#2	384 Mths Beginning May 2010	01-1228-GA-AIR	96,480		407.3	5,262		91,218
30	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	780 Mths Beginning May 2011	01-1228-GA-AIR	16,117		407.3	308		15,809
31	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	660 Mths Beginning May 2011	01-1228-GA-AIR	796,098		407.3	18,805		777,293
32	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	384 Mths Beginning May 2011	01-1228-GA-AIR	296,336		407.3	15,328		281,008
33	Accelerated Gas Main Replacement Program Post in Service Carrying Costs -#2	384 Mths Beginning May 2011	01-1228-GA-AIR	281,795		407.3	14,576		267,219
34	Accelerated Gas Main Replacement Program Post in Service Carrying Costs	780 Mths Beginning May 2012	01-1228-GA-AIR	19,042		407.3	357		18,685

(a) Regulatory assets and liabilities are excluded from rate base unless otherwise noted.
(b) The expected recovery or refund period varies or has not been determined.
(c) Included in rate base.
(d) Remainder is over the life of the associated assets.
(e) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 23 for additional detail.

2019 Indiana Rate Case

In July 2019, Duke Energy Indiana filed a general rate case with the IURC for a rate increase for retail customers. On June 29, 2020, the IURC issued an order in the rate case approving a revenue increase of $146 million before certain adjustments and tracking refinements. The order approved Duke Energy Indiana's requested forecasted rate base of $10.2 billion as of December 31, 2020, including the Edwardsport Integrated Gasification Combined Cycle (IGCC) plant. The IURC reduced Duke Energy Indiana's request by slightly more than $200 million, when accounting for the utility receipts tax and other adjustments. Step one rates were estimated to be approximately 75% of the total rate increase and became effective on July 30, 2020. Step two rates estimated to be the remaining 25% of the total rate increase were approved on July 28, 2021, and implemented in August 2021.

Several groups appealed the IURC order to the Indiana Court of Appeals. The Indiana Court of Appeals affirmed the IURC decision on May 13, 2021. However, upon appeal by the Indiana Office of Utility Consumer Counselor (OUCC) and the Duke Industrial Group in March 2022, the Indiana Supreme Court found the IURC erred in allowing Duke Energy Indiana to recover coal ash costs incurred before the IURC's rate case order in June 2019. The Indiana Supreme Court found that allowing Duke Energy Indiana to recover coal ash costs incurred between rate cases that exceeded the amount built into base rates violated the prohibition against retroactive ratemaking. The IURC's order was remanded to the IURC for additional proceedings consistent with the Indiana Supreme Court's opinion. As a result of the court's opinion, Duke Energy Indiana recognized pretax charges of approximately $211 million to Impairment of assets and other charges and $146 million to Operating revenues in the Consolidated Statements of Operations for the year ended December 31, 2022. Duke Energy Indiana filed a request for rehearing in the Supreme Court in April 2022, which the Supreme Court denied in January 2023. Duke Energy Indiana filed a settlement agreement reached with the OUCC and Duke Industrial Group which includes an agreed amount of approximately $70 million of refunds to be paid to customers. The IURC approved this settlement agreement in its entirety on April 12, 2023. In June 2023, Duke Energy Indiana commenced refunding the approximate $70 million to customers in accordance with the settlement agreement, which was completed in May 2024.

Indiana Rate Adjustment

In Duke Energy Indiana's 2019 rate case, the IURC also opened a subdocket for post-2018 coal ash related expenditures. Duke Energy Indiana filed testimony in April 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 an opinion on August 2, 2023, reversing the IURC 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. As a result of the Indiana Court of Appeals' opinion, Duke Energy Indiana recognized a pretax charge of approximately $175 million to Impairment of assets and other charges for the year ended December 31, 2022.

In the second quarter of 2023, Duke Energy Indiana filed a 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 established a single retrieval of the refunds of 97.7%, beginning from when the costs were initially recovered from customers. Duke Energy Indiana included a request 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.

On August 30, 2023, 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 filed in April 2020. An evidentiary hearing was held in January 2024. On May 8, 2024, the IURC issued a CPCN and approved these coal ash related compliance projects as federally mandated compliance projects. In June 2024, the Citizens Action Coalition of Indiana (CAC) filed a motion to appeal the IURC order granting the coal ash CPCN proceeding and approving the coal ash related compliance projects. Briefing was completed January 24, 2025.

TDSIC 2.0

In November 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 that includes approximately $2.8 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 systems and encourage economic development. In July 2022, the OUCC filed a notice of appeal to the Indiana Court of Appeals in Duke Energy Indiana's TDSIC 2.0 proceeding. The Indiana Court of Appeals issued its opinion on October 2, 2024, affirming the IURC's order in its entirety. The Duke Industrial Group filed a petition to transfer to the Indiana Supreme Court. On December 19, 2024, the Indiana Supreme Court affirmed the Indiana Court of Appeals' decision and found substantial evidence that the IURC's conclusion was reasonable and the TDSIC 2.0 plan met the statutory requirements. On January 21, 2025, the Duke Industrial Group filed a motion for rehearing.

2024 Indiana Rate Case

In April 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 12.2% 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 was completed in September 2024, with briefing continuing until October 31, 2024.

In connection with this rate case, a $23 million regulatory liability related to Duke Energy Indiana's pension and post-retirement benefits was recorded in December 2024. An order for the rate case was issued by the IURC on January 29, 2025, and revised February 3, 2025, which authorized an ROE of 9.75%, an equity ratio of 53% and an annual revenue increase of $296 million. Based on review of these orders, Duke Energy Indiana identified an inconsistency in the calculation of operating revenues before the effect of trackers. On February 7, 2025, Duke Energy Indiana made a compliance filing in accordance with the IURC's findings in its order and addressing the identified inconsistency. This compliance filing concluded the annual revenue increase was approximately $385 million. Additionally, on February 18, 2025, one industrial customer submitted a filing requesting the IURC to clarify its revenue allocation in these proceedings. On February 25, 2025, the IURC approved Duke Energy Indiana's compliance filing subject to refund, pending the outcome of the petitions for rehearing. New rates, subject to refund, were implemented February 27, 2025.

Cayuga Combined Cycle CPCN

On February 13, 2025, Duke Energy Indiana filed a joint CPCN seeking approval to construct a 1,211 MW natural gas-fueled plant with a combined winter rating of 1,376 MW. The Cayuga CC Project is proposed to be constructed at the same site as the retiring Cayuga coal-fired generating units with a winter rating of 1,005 MW. The Cayuga CC Project will result in an incremental 471 MW for the Duke Energy Indiana system and will allow Duke Energy Indiana to avoid expected maintenance and environmental compliance costs needed for the coal units to continue operating. The estimated cost of the Cayuga CC project is $2.97 billion, plus AFUDC and project reserves. Duke Energy Indiana has proposed recovery of certain costs of the facility during construction, including AFUDC, through construction work in progress ratemaking through a proposed generation cost adjustment tracker mechanism and estimates a weighted average cost of capital of approximately 5.4% during construction. Duke Energy Indiana expects CC 1 to be placed in service in 2029 and CC 2 to be placed in service in 2030. An evidentiary hearing is expected in June 2025.

Piedmont

Regulatory Assets and Liabilities

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

(in millions)	December 31, 2024	2023	Earns/Pays a Return	Recovery/Refund Period Ends
Regulatory assets[a]				
Accrued pension and OPEB[c]	144	129		(g)
Deferred pipeline integrity costs[c]	101	103		2034

Derivatives, at fair value, net - gas contracts[f]				94		147				
Decoupling				77		75	(b)		(b)	
Tennessee ARM Deferral				33		20	(e)		(b)	
AROs - nuclear and other				29	$	26			(d)	
Customer connect project[c]				24		9			2030	
Vacation accrual				14		13			2025	
Pipeline Integrity Management – Transmission/Distribution				14		—			(b)	
Other				49		49	(e)		(b)	
Total regulatory assets				579		571				
Less: Current portion				158		161				
Total non-current regulatory assets				$ 421	$	410				
Regulatory liabilities:										
COR regulatory liability[c]				$ 539		555			(d)	
Net regulatory liability related to income taxes				405	$	433			(b)	
Other				80		98	(e)		(b)	
Total regulatory liabilities				1,024		1,086				
Less: Current portion				68		98				
Total non-current regulatory liabilities				$ 956	$	988				

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

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

(c) Included in rate base.

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

(e) Certain costs earn/pay a return.

(f) Balance will fluctuate with changes in the market. Current contracts extend into 2031.

(g) Recovered primarily over the average remaining service periods or life expectancies of employees covered by the benefit plans. See Note 23 for additional detail.

2024 North Carolina Rate Case

In April 2024, Piedmont filed an application with the NCUC for a rate increase for retail customers. In September 2024, Piedmont, the Public Staff and other intervening parties filed an Agreement and Stipulation of Settlement with the NCUC resolving all issues in the general rate case. The major components of the settlement include an overall average effective increase in net annual retail revenues of $88 million in the first year and $10 million of additional revenues in the second year. The settlement includes an ROE of 9.8% with an equity ratio of 52.1% and the addition of a rider mechanism for recovery of pipeline integrity management operations and maintenance expenses. The settlement was subject to the review and approval of the NCUC. The evidentiary hearing concluded in September 2024, and Piedmont implemented revised rates November 1, 2024. The NCUC issued its order approving the settlement dated on January 7, 2025.

OTHER REGULATORY MATTERS

Potential Coal Plant Retirements

The Subsidiary Registrants periodically file IRPs with their state regulatory commissions. The IRPs provide a view of forecasted energy needs over a long term (10 to 20 years) and resources proposed to meet those needs. The IRPs also include planning assumptions around expected retirement dates of aging coal-fired generating facilities.

Duke Energy Carolinas and Duke Energy Progress received an NCUC order on the 2022 Carbon Plan that concluded the projected retirement dates for their coal-fired generating facilities were reasonable for planning purposes and further directed that appropriate steps be taken to optimally retire the coal fleet according to such schedule. In August 2023, Duke Energy Carolinas and Duke Energy Progress filed their 2023 systemwide Carolinas Resource Plan with the NCUC and PSCSC. Subsequently, the Carolinas Resource Plan was updated with a supplemental filing in January 2024 that demonstrated a need for additional resources beyond the set of resources identified by the companies in their initial plan. The NCUC and PSCSC issued orders approving the Carolinas Resource Plan. See the "Other Matters" section of Item 7 Management's Discussion and Analysis for further details on resource plans.

Duke Energy continues to evaluate the retirement date assumptions for all coal-fired generating facilities as changes in energy usage and/or growth and availability of replacement generation could result in different retirement dates of units than their current estimated useful lives. Except as previously discussed related to Duke Energy Kentucky's East Bend plant, rate cases recently filed or approved across all jurisdictions included proposed depreciation rates that approximate earlier retirement dates as outlined in the Base IRPs. Duke Energy plans to seek regulatory recovery for amounts that would not be otherwise recovered when any of these assets are retired.

5. COMMITMENTS AND CONTINGENCIES

INSURANCE

General Insurance

The Duke Energy Registrants have liability insurance and reinsurance coverage either directly or through indemnification from Duke Energy's captive insurance company, Bison, and its affiliates, consistent with companies engaged in similar businesses and owning similar type properties. The Duke Energy Registrants' coverage includes (i) commercial general liability coverage for liabilities arising to third parties for bodily injury and property damage; (ii) workers' compensation; (iii) automobile liability coverage; and (iv) property coverage for all real and personal property damage. Real and personal property damage coverage excludes electric transmission and distribution lines, but includes coverages arising from boiler and machinery breakdowns, earthquakes, flood damage and extra expense, but not outage or replacement power coverage. All coverage is subject to certain deductibles or retentions, sublimits, exclusions and other terms and conditions common for companies with similar types of operations. The Duke Energy Registrants self-insure their electric transmission and distribution lines against loss due to storm damage and other natural disasters. As discussed further in Note 4, Duke Energy Florida maintains a storm damage reserve and has a regulatory mechanism to recover the cost of named storms on an expedited basis.

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

Nuclear Insurance

Duke Energy Carolinas owns and operates McGuire and Oconee and operates on behalf of and has joint ownership interest in Catawba. McGuire and Catawba each have two reactors. Oconee has three reactors. The other joint owners of Catawba reimburse Duke Energy Carolinas for certain expenses associated with owning, fueling and operating the Catawba joint owner agreements.

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

Duke Energy Florida owns Crystal River Unit 3, which permanently ceased operations in 2009 and achieved a SAFSTOR condition in July 2019. On October 1, 2020, Crystal River Unit 3 changed decommissioning strategies from SAFSTOR to DECON.

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

Nuclear Liability Coverage

55	SmartGrid 2012 PISCC	748 Mths Beginning December 2013	09-543-GE-UNC, 08-920-EL-SSO	3,703,364	42,289	407.3	437,798		3,307,855
56	SmartGrid 2013 PISCC	732 Mths Beginning April 2015	09-543-GE-UNC, 08-920-EL-SSO	4,924,725		407.3	527,407		4,397,318
57	SmartGrid 2014 PISCC	732 Mths Beginning April 2016	09-543-GE-UNC, 08-920-EL-SSO	4,534,415		407.3	445,922		4,088,493
58	SmartGrid 2015 PISCC	732 Months, Beginning April 2017	09-543-GE-UNC, 08-920-EL-SSO	2,829,336		407.3	273,534		2,555,802
59	SmartGrid 2015 Other Deferred O&M Costs		09-543-GE-UNC, 08-920-EL-SSO						
60	SmartGrid 2016 PISCC	732 Months, Beginning April 2017	09-543-GE-UNC, 08-920-EL-SSO	1,162,274		407.3	55,275		1,106,999
61	SmartGrid 2017 Deferred O&M Costs		09-543-GE-UNC, 08-920-EL-SSO						
62	SmartGrid 2017 Deferred Depreciation		09-543-GE-UNC, 08-920-EL-SSO						
63	SmartGrid 2018 Deferred O&M Costs		09-543-GE-UNC, 08-920-EL-SSO						
64	2018 SmartGrid Deferred Depreciation		09-543-GE-UNC, 08-920-EL-SSO						
65	2019 SmartGrid Other Def O&M Costs		09-543-GE-UNC, 08-920-EL-SSO						
66	2020 SmartGrid Other Def O&M Costs		09-543-GE-UNC, 08-920-EL-SSO						
67	Smartgrid 2021 Rate Case		19-664-GA-RDR	198,112			18,447		179,665
68	DEO Gas Construction Expenditures Program PISCC 2014	533 Mths Beginning May 2021	19-791-GA-ALT	269,865	4,185	407.3, 408	9,316		264,734
69	DEO Gas Construction Expenditures Program Property Tax 2014	533 Mths Beginning May 2021	19-791-GA-ALT	176,167		407.3, 408	6,385		169,782
70	DEO Gas Construction Expenditures Program Deferred Depreciation 2014	533 Mths Beginning May 2021	19-791-GA-ALT	167,683	2,614	407.3, 408	5,787		164,510
71	DEO Gas Construction Expenditures Program PISCC 2015	533 Mths Beginning May 2021	19-791-GA-ALT	709,325		407.3, 408	16,979		692,346
72	DEO Gas Construction Expenditures Program Property Tax 2015	533 Mths Beginning May 2021	19-791-GA-ALT	284,486		407.3, 408	6,810		277,676
73	DEO Gas Construction Expenditures Program Deferred Depreciation 2015	533 Mths Beginning May 2021	19-791-GA-ALT	444,465		407.3, 408	10,639		433,826
74	DEO Gas Construction Expenditures Program PISCC 2016	533 Mths Beginning May 2021	19-791-GA-ALT	3,501,970		407.3, 408	83,824		3,418,146
75	DEO Gas Construction Expenditures Program Property Tax 2016	533 Mths Beginning May 2021	19-791-GA-ALT	1,403,653		407.3, 408	33,598		1,370,055
76	DEO Gas Construction Expenditures Program Deferred Depreciation 2016	533 Mths Beginning May 2021	19-791-GA-ALT	2,264,812		407.3, 408	54,211		2,210,601
77	DEO Gas Construction Expenditures Program PISCC 2017	533 Mths Beginning May 2021	19-791-GA-ALT	5,722,864		407.3, 408	136,985		5,585,879
78	DEO Gas Construction Expenditures Program Property Tax 2017	533 Mths Beginning May 2021	19-791-GA-ALT	2,718,360		407.3, 408	65,067		2,653,293
79	DEO Gas Construction Expenditures Program Deferred Depreciation 2017	533 Mths Beginning May 2021	19-791-GA-ALT	4,279,492		407.3, 408	102,435		4,177,057
80	DEO Gas Construction Expenditures Program PISCC 2018	533 Mths Beginning May 2021	19-791-GA-ALT	8,969,001		407.3, 408	214,694		8,754,307
81	DEO Gas Construction Expenditures Program Property Tax 2018	533 Mths Beginning May 2021	19-791-GA-ALT	4,381,959		407.3, 408	104,892		4,277,067

The Price-Anderson Act requires owners of nuclear reactors to provide for public liability protection per nuclear incident up to a maximum total financial protection liability. The maximum total financial protection liability, which is approximately $16.2 billion, is subject to change every five years for inflation and the number of licensed reactors. Total nuclear liability coverage consists of a combination of private primary nuclear liability insurance coverage and a mandatory industry risk-sharing program to provide for excess nuclear liability coverage above the maximum reasonably available private primary coverage. The U.S. Congress could impose revenue-raising measures on the nuclear industry to pay claims.

Primary Liability Insurance

Duke Energy Carolinas and Duke Energy Progress have purchased the maximum reasonably available private primary nuclear liability insurance as required by law, which is $500 million per station. Duke Energy Florida has purchased $100 million primary nuclear liability insurance for Crystal River in accordance with the law.

Excess Liability Program

This program provides $43.0 billion of coverage per incident through the Price-Anderson statutory industrywide excess secondary financial protection program of risk pooling. This amount is the product of potential cumulative retrospective premium assessments of $166 million times the current 95 licensed commercial nuclear reactors in the U.S. Under this program, operating unit licensees could be assessed retrospective premiums to compensate for public nonproliferability damages in the event of a nuclear incident at any licensed facility in the U.S. Retrospective premiums may be assessed at a rate not to exceed $24.7 million per year per licensed reactor for each incident. The assessment is subject to state premium taxes.

Nuclear Property and Accidental Outage Coverage

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

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

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

Each nuclear station has property damage, nuclear accident decontamination and premature decommissioning liability insurance from NEIL with limits of $1.5 billion, except for Crystal River Unit 3. Crystal River Unit 3's limit is $50 million and is on an actual cash value basis. All nuclear facilities except the Catawba and Crystal River Unit 3 also share an additional $1.25 billion nuclear accident insurance limit above their dedicated underlying limit. This shared $2000 is secondary to, and subject to reinstatement in the event of a loss. Catawba has dedicated $1.25 billion of additional nuclear accident insurance limit above its dedicated underlying limit. Catawba and Oconee also have an additional $1.5 billion of non-nuclear accident property damage limit. All coverages are subject to sublimits and significant deductibles.

NEIL's accidental outage policy provides some coverage, similar to business interruption coverage, for losses in the event of a major accident property damage outage of a nuclear unit. Coverage is provided on a weekly limit basis, after a significant waiting period deductible and at 100% of the applicable weekly limits for 52 weeks and 80% of the applicable weekly limits for up to the next 110 weeks. Coverage is provided until these applicable weekly periods are met, where the accidental outage policy limit will not exceed $490 million for each nuclear plant. NEIL sublimits the accidental outage recovery up to the first 104 weeks of coverage not to exceed $291 million from non-nuclear accidental property damage. Coverage amounts could increase during the event if more than one unit at a station is out of service due to a common accident. All coverages are subject to sublimits and significant deductibles.

Potential Retroactive Premium Assessments

In the event of NEIL losses, NEIL's board of directors may assess member companies' retroactive premiums of amounts up to 10 times their annual premiums for up to six years after a loss. NEIL has never exercised this assessment. The aggregate current year policies' annual retrospective premium obligations for Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida are $162 million, $99 million and $1 million, respectively. Duke Energy Florida's maximum assessment amount includes 100% of potential obligations to NEIL for jointly owned reactors. Duke Energy Carolinas would seek reimbursement from the joint owners for their portion of these assessments.

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 increasingly stringent requirements on the Duke Energy Registrants. The following environmental matters impact all or certain Duke Energy Registrants.

Remediation Activities

In addition to normal operations, a number of various environmental laws and regulations require the Duke Energy Registrants are responsible for environmental remediation at various sites. These include certain properties that are part of ongoing operations sites, former sites sold 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, the timing of remediation activities varies based upon site conditions and location, remediation requirements, complexity and sharing of responsibility. If remediation activities involve joint and several liability provisions, strict liability, or cost recovery or contribution actions, the Duke Energy Registrants could potentially be held responsible for environmental impacts caused by other potentially responsible parties and may also benefit from insurance policies or contractual indemnifications that may cover all or a portion of certain costs. Liabilities are recorded when losses become probable and are reasonably estimable. The total costs that may be incurred cannot be estimated because the extent of environmental impact, allocation among potentially responsible parties, remediation alternatives and/or regulatory decisions have not yet been determined at all sites. Additional costs associated with remediation activities are likely to be incurred in the future and could be significant. Costs are typically expensed as Operation, maintenance and other in the Consolidated Statements of Operations unless regulatory recovery of the costs is deemed probable.

The following 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 Consolidated Balance Sheets.

(in millions)	December 31, 2024	December 31, 2025
Reserves for Environmental Remediation		
Duke Energy	$ 73	$ 88
Duke Energy Carolinas	14	20
Progress Energy	19	19
Duke Energy Progress	9	9
Duke Energy Florida	10	10
Duke Energy Ohio	21	36
Duke Energy Indiana	2	2
Piedmont	7	7

Additional losses in excess of recorded reserves 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 Severe Storm Litigation

Duke Energy, Piedmont, 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 sought 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 entities owned by Duke Energy at the time, transmission

	and distribution companies (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.								
82	DEO Gas Construction Expenditures Program Deferred Depreciation 2018	533 Mths Beginning May 2022	19-791-GA-ALT	6,915,578		407.3, 408	165,540		6,750,038
	In the cases against the generators, the plaintiffs dismissed the claims against Duke Energy (Parent). 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. In May 2024, the remaining project company claim in the lawsuit was transferred to the buyer in connection with the sale of a portion of the remaining Commercial Renewables assets.								
83	DEO Gas Construction Expenditures Program PISCC 2019	533 Mths Beginning May 2022	19-791-GA-ALT; 21-618-GA-RDR	15,093,763		407.3, 408	350,791		14,742,972
	With the transfer of the remaining project company lawsuits now complete, the remaining closed suit relates to the Duke Energy Registrants. See Note 2 for more information related to the sale of the Commercial Renewables Disposal Groups.								
	Mooresville Coal Ash Class Action Litigation								
84	DEO Gas Construction Expenditures Program Property Tax 2019	533 Mths Beginning May 2022	19-791-GA-ALT; 21-618-GA-RDR	7,109,392		407.3, 408	165,228		6,944,164
	On December 20, 2024, the plaintiffs filed a lawsuit in Iredell County, North Carolina against Duke Energy (Parent), Duke Energy Carolinas and Duke Energy Progress (collectively "Duke Energy") on behalf of a putative class alleging past and ongoing environmental contamination in the Mooresville area of North Carolina. The lawsuit alleges that Duke Energy disposed of and sold coal ash as structural fill resulting in the contamination of soil, groundwater and surface water. The complaint claim that Duke Energy failed to properly remediate the contamination and continues to pollute, and they assert that the contamination has negatively impacted property values and led to elevated health and safety risks to residents. The complaint asserts claims for negligence, nuisance, violations of the North Carolina Unfair and Deceptive Trade Practices Act, strict liability for ultra-hazardous activities and trespass. The plaintiffs are seeking unspecified compensatory and punitive damages, injunctive relief to stop further contamination, remediation of contaminated areas and attorneys' fees and costs. The Company is evaluating the complaint and will respond by the court's deadline in March 2025.								
85	DEO Gas Construction Expenditures Program Deferred Depreciation 2019	533 Mths Beginning May 2022	19-791-GA-ALT; 21-618-GA-RDR	11,163,481		407.3, 408	259,448		10,904,033
	Duke Energy Carolinas								
86	DEO Gas Construction Expenditures Program PISCC 2020	533 Mths Beginning May 2022	19-791-GA-ALT; 21-618-GA-RDR	19,702,093		407.3, 408	457,892		19,244,201
	NTE Carolinas II, LLC Litigation								
87	DEO Gas Construction Expenditures Program Property Tax 2020	533 Mths Beginning May 2022	19-791-GA-ALT; 21-618-GA-RDR	9,816,319		407.3, 408	228,139		9,588,180
	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. In September 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.								
88	DEO Gas Construction Expenditures Program Deferred Depreciation 2020	533 Mths Beginning May 2022	19-791-GA-ALT; 21-618-GA-RDR	14,777,004		407.3, 408	343,429		14,433,575
	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 ultimately 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' termination matters pertaining to the LGIA. In April 2023, Duke Energy Carolinas received notice from the FERC Office of Enforcement that they had closed their non-public investigation with no further action recommended.								
89	DEO Gas Construction Expenditures Program Deferred Depreciation 2021	533 Mths Beginning May 2022	19-791-GA-ALT; 21-618-GA-RDR	11,916,859		407.3, 408	274,412		11,642,447
	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 a 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. In October 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.								
90	DEO Gas Construction Expenditures Program PISCC 2021	533 Mths Beginning May 2022	13-2417-GA-UNC	16,807,643		407.3, 408	386,875		16,420,768
	In November 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 in June 2023 and oral argument took place in May 2024. On August 5, 2024, the U.S. Court of Appeals for the Fourth Circuit reversed the district court's grant of summary judgment and remanded the case back to the district court for further proceedings. In August 2024, Duke Energy Carolinas filed a petition for rehearing, which was denied on November 26, 2024. On February 21, 2025, Duke Energy Carolinas filed a petition seeking review by the United States Supreme Court.								
91	DEO Gas Construction Expenditures Program Property Tax 2021	533 Mths Beginning May 2022	13-2417-GA-UNC	8,414,134		407.3, 408	193,678		8,220,456
92	DEO Gas Construction Expenditures Program Deferred Depreciation 2022	533 Mths Beginning May 2022	13-2417-GA-UNC	7,956,224		407.3, 408	179,689		7,776,535
	Asbestos-related Injuries and Damages Claims								
93	DEO Gas Construction Expenditures Program - PISCC 2022	533 Mths Beginning May 2022	13-2417-GA-UNC	12,728,028		407.3, 408	287,459		12,440,569
	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.								
94	DEO Gas Construction Expenditures Program Property Tax 2022	533 Mths Beginning May 2022	13-2417-GA-UNC	4,784,922		407.3, 408	107,998		4,676,924
	Duke Energy Carolinas has recognized asbestos-related reserves of $396 million and $423 million at December 31, 2024, and 2023, respectively. These reserves are classified in Other within Other Noncurrent Liabilities and Other within Current Liabilities on the Consolidated Balance Sheets. These reserves are based upon Duke Energy Carolinas' best estimate for current and future asbestos claims through 2044 and are recorded on an undiscounted basis. Although Duke Energy Carolinas' estimated reserves are its best estimate of reasonably anticipated indemnity and medical costs to be incurred through 2044 related to such potential claims, it is possible Duke Energy Carolinas may incur asbestos liabilities in excess of the recorded reserves.								
95	DEO Gas Construction Expenditures Program - 2023 - Order #19-791-GA-ALT	533 Mths Beginning May 2022	13-2417-GA-UNC	2,600,084	103,477		5,079		2,698,482
	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 $539 million and $572 million at December 31, 2024, and 2023, respectively. These amounts are classified in Other within Other Noncurrent Assets and Receivables within Current Assets on the 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.								
96	DEO Gas Construction Expenditures Program - PISCC 2023 - Order #19-791-GA-ALT	533 Mths Beginning May 2022	13-2417-GA-UNC	5,420,016	(85,472)		10,021		5,324,523
	The reserve for credit losses for insurance receivables for the asbestos-related injuries and damages is $9 million as of December 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 policy's deductible or defense given credit agencies.								
	Duke Energy Indiana								
97	DEO Gas Construction Expenditures Program - Property Tax 2023 - Order #19-791-GA-ALT	533 Mths Beginning May 2022	13-2417-GA-UNC	2,804,665	(72,427)		5,133		2,727,105
	Coal Ash Insurance Coverage Litigation								
	In June 2021 Duke Energy Indiana filed a civil action in Indiana Superior Court against various insurance companies seeking declaratory relief with respect to insurance coverage for CCR-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) that take place during the policy period.								
98	DEO Gas CEP - Def Depr 2024 Order # 24-0618-GA-RDR				2,232,409				2,232,409
	In June 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. In July 2023, Duke Energy Indiana has also reached confidential settlements with other various insurance companies, the results of which were not material. In June 2024, Duke Energy Indiana filed an amended complaint adding several additional insurance companies as defendants to the litigation. The litigation is currently stayed until February 28, 2025, while Duke Energy continues to negotiate with the remaining insurance company defendants.								
99	DEO Gas CEP - PISCC 2024 Order # 24-0618-GA-RDR				2,786,906				2,786,906
	Other Litigation and Legal Proceedings								
100	DEO Gas CEP - Prop Tax 2024 Order # 24-0618-GA-RDR				1,122,288				1,122,288
	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 Consolidated Balance Sheets in Other within Other Noncurrent Liabilities and Other within Current Liabilities.								
101	MISO Hillcrest Project		11-2642-EL-RDR	3,261,000					3,261,000
102	MISO Transmission Expansion Projects		11-2642-EL-RDR	26,853,170	4,557,021	561	4,033,343		27,376,848
	OTHER COMMITMENTS AND CONTINGENCIES								
	General								
103	Alternative Energy Recovery Rider		11-3549-EL-SSO		136,836				136,836
	As part of their normal business, the Duke Energy Registrants are party to various financial guarantees, performance guarantees and other contractual commitments to extend guarantees of credit and other assistance to various subsidiaries, investees and other third parties. These guarantees involve elements of performance and credit risk, which are not fully recognized on the Consolidated Balance Sheets and have uncapped maximum potential payments. 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. See Notes 2 and 8 for more information.								
104	Manufactured Gas Plant Reg Asset		09-712-GA-AAM						
105	Manufactured Gas Plant Reg Asset - #2		09-712-GA-AAM						
	Purchase Obligations								
106	ARO Other Regulatory Asset			1,213,369	107,759				1,321,128
	Purchased Power								

107	Gas ARO Other Regulatory Asset			30,273,848	2,742,432					33,016,280
108	Base Transmission Rider	Amortized in Accordance with rider revenue	11-2641-EL-RDR							
109	Interest Rate Hedges	Amortized over the life of various instruments	06-573-GA-AAM	565,250		427	59,500			505,750
110	Ohio Electric Choice Supplier Website	Amortized 01/19 - 12/23	11-3549-EL-SSO	12	—	—	—	—		45
111	NITS Deferral		11-2641-EL-RDR	31,303,882	103,683					31,407,565
112	Bill Format CRES Logo Deferral	Amortized 01/19 - 12/23	15-0855-EL-AAM							
113	Vegetation Management Rider 2019		19-1771-EL-AM	5,600,000		407.3	1,400,000			4,200,000
114	Vegetation Management Rider 2021	Amortized in accordance with rider revenue	17-32-EL-AIR	1,926,847	2,542,770					4,469,617
115	Deferred PIP Uncollectible-Gas			43,471	(43,471)					
116	Legacy Generation Rider	Amortized in accordance with rider revenue	17-32-EL-AIR	23,213,990	6,429,041					29,643,031
117	Opt Out IT Modification	Amortized 01/19 - 12/23	14-1160-EL-UNC							
118	Deferred Gas Integrity Costs	Amortized 01/19 - 12/23	16-0387-GA-AAM	27,932,652	(1,508,527)					26,424,125
119	COVID-19 Deferral		20-1011-GE-AAM	328,495	(136,873)	928	218,997			(27,375)
120	DCI Deferred Asset	Amortized 04/21 - 06/21	17-1263-EL-SSO	85,148	14,117,928		91,133			14,111,943
121	Accrued Pension Post Retire Purchase Accounting	Amortization varies based on actuarial projection	06-573-GA-AAM	19,786,458		128, 228.3, 926	849,948			18,936,510
122	Other Regulatory Assets	Amortization varies based on actuarial projection	06-573-GA-AAM	67,173,044	9,053,397	128, 228.3, 926	1,076,551			75,151,890
123	Pension Post Retire Purchase Accounting	Amortization varies based on actuarial projection	06-573-GA-AAM	363,751	29,398	926	2,724			390,425
124	Pension Post Retire Purchase Accounting - #2	Amortization varies based on actuarial projection	06-573-GA-AAM	7,150,778		128, 254, 926	819,456			6,331,322
125	Electric Economic Competitive Fund	Amortized in accordance with rider revenue	11-6001-EL-RDR	992,937	510,697					1,503,634
126	Power Forward Deferral	Amortization period varies	22-0668-EL-RDR	48,009,368		407.3	5,080,910			42,928,458
127	OPEB FAS 106 - Medical		06-573-GA-AAM & 21-986-GA-ABN	2,051,494		182.3, 294	2,051,494			
128	Deferred Asset		& 21-1035-GA-AAM	5,240,896		407.3	532,973			4,707,923
129	Supplier Cost Recovery - Asset		11-3549-EL-SSO							
130	Deferred DSM Costs			9,904,111	(9,644,928)					259,183
131	2020 Distr Storm Rider - Asset Order # 17-1263-EL-SSO			11,692,400		588	11,879,870			(187,470)
132	2022 DEO VEG MGMT Deferral - Order# 17-32-EL-AIR		17-32-EL-AIR			593				
133	DEO SSO Auction Deferral LT - Order# 14-375-GA-RDR		14-375-GA-RDR	315,687	13,096					328,783
134	Bad Debt to be Recovered - GEN				8,123,216					8,123,216
135	Bad Debt to be Recovered - Order #09-773-GA-UEX			6,606,042	9,395,704					16,001,746
136	Misc ST Reg Assets									
137	PIPP SSO Auction									
138	OH Dist Decoupling Rider - Order# 11-5905-EL-RDR			25,163,454	4,320,434					29,483,888
139	OPEB FAS 106 - Life				1,064,463	228	379,673			684,790
140	DEO Propane Caverns Reg Asset				20,826,934	407.3	1,574,140			19,252,794

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

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

	Minimum Purchase Amount at December 31, 2024						
(in millions)	Contract Expiration	2025	2026	2027	2028	2029	Thereafter	Total
Duke Energy Progress[a]	2028-2042	$ 22	$ 18	$ 19	$ 18	$ 3	$ 31	$ 111
Duke Energy Indiana[a]	2028-2043	13	12	—	—	—	—	45

(a) Contracts represent between 18% and 100% of net plant output.

(b) Share of net plant output varies.

Gas Supply and Capacity Contracts

Duke Energy Ohio and Piedmont routinely enter into long-term natural gas supply commodity and capacity commitments and other agreements that commit future cash flows to acquire services needed in their businesses. These commitments include pipeline and storage capacity contracts and natural gas supply contracts to provide service to customers. Costs arising from the natural gas supply commodity and capacity commitments, while significant, are passed through costs to customers and are generally contractually recoverable through specific and rate components operating in conjunction with PGA procedures, and subject to periodic prudence reviews in North Carolina and South Carolina and the Performance Incentive Plan in Tennessee. In the Midwest, these costs are recovered via the Gas Cost Recovery Rate in Ohio or the Gas Cost Adjustment Clause in Kentucky. The time periods for fixed payments under pipeline and storage capacity contracts are up to 18 years. The time periods for fixed payments under natural gas supply contracts is up to three years. The time periods for the natural gas supply purchase commitments is up to six years.

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

The following table presents future unconditional purchase obligations under natural gas supply and capacity contracts as of December 31, 2024.

(in Billions)	2025	2026	2027	2028	2029	Thereafter	Total
Duke Energy Ohio	$ 104	$ 75	$ 71	$ 69	$ 65	$ 554	$ 938
Piedmont	369	366	322	241	233	695	2,226

6. LEASES

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

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

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

In December 2019, Duke Energy Carolinas entered into a sale-leaseback arrangement to construct and occupy an office tower. The lease agreement was evaluated as a sale-leaseback of real estate but did not qualify for sale-leaseback accounting. As a result, the transaction is accounted for as a financing. Duke Energy Carolinas recorded the real estate on the Consolidated Balance Sheets within Property, Plant and Equipment as if it is the legal owner and recognizes depreciation expense over the assets' estimated useful lives. In addition, the lease obligation is recorded within Long-term Debt on the Consolidated Balance Sheets with the monthly lease payments split between interest expense and debt principal.

Piedmont has constructed pipeline lateral assets to supply Duke Energy Carolinas' natural gas plant needs. Piedmont accounts for the pipeline lateral contracts as sales-type leases since the present value of the sum of the lease payments equals the fair value of the assets. These pipeline lateral assets owned by Piedmont had a current net investment basis of $2 million as of December 31, 2024, and 2023, and a long-term net investment basis of $197 million and $199 million as of December 31, 2024, and 2023, respectively. These assets are classified in Other within Current Assets and Other Noncurrent Assets, respectively, on Piedmont's Consolidated Balance Sheets. Duke Energy Carolinas accounts for the contracts as finance leases. The activity for these contracts is eliminated in consolidation at Duke Energy.

The following tables present the components of lease expense.

	Year Ended December 31, 2024							
(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Operating lease expense[a]	$ 275	$ 66	$ 173	$ 82	$ 91	$ 12	$ 23	$ 2
Short-term lease expense[a]	7	—	3	1	2	—	1	—
Variable lease expense[a]	33	2	29	19	10	—	1	1
Finance lease expense								
Amortization of leased assets[b]	113	7	46	38	8	—	—	—
Interest on lease liabilities[c]	41	31	44	41	3	—	1	—
Total finance lease expense	154	38	90	79	11	—	1	—
Total lease expense	$ 469	$ 106	$ 295	$ 181	$ 114	$ 12	$ 26	$ 3

	Year Ended December 31, 2023							
(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Operating lease expense[a]	$ 236	$ 41	$ 154	$ 40	$ 77	$ 11	$ 17	$ 3
Short-term lease expense[a]	5	—	2	1	1	—	1	—
Variable lease expense[a]	27	2	22	11	11	—	—	—
Finance lease expense								
Amortization of leased assets[b]	160	7	57	35	22			

	Amortization of leased assets[b]	180	17	87	38	22	—	—	—	—	—	—
	Interest on lease liabilities[c]	46	31	45	43	2	—	—	1	—	—	—
	Total finance lease expense	206	38	102	78	24	—	—	1	—	—	—
	Total lease cost[a]	$ 474	$ 81	$ 283	$ 170	$ 113	$ 11	$ 19	$ 3	$ 1	$ 1	$ 1

(a) Included in Operations, maintenance and other, except for expense related to barges and railcars which is included in Fuel used in electric generation and purchased power on the Consolidated Statements of Operations.

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

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

2024 Distr Storm Rider - Asset Order # 24-0072-EL-RDR

DEO24VegMgmtRider Order # 24-0018-EL-RDR

TOTAL

141					6,000,000	593	2	731,744	—	1		5,268,256
142					6,586,897	593	113	377,001	11	19		6,209,896
40					624,322,194	92,024,795		38,214,264				678,132,725

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

	December 31, 2024							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
2025	$ 256	$ 24	$ 121	$ 55	$ 66	$ 1	$ 7	$ 5
2026	241	21	124	59	65	1	7	1
2027	191	14	97	60	37	1	5	1
2028	153	11	82	59	23	1	3	1
2029	120	10	74	52	22	1	3	—
Thereafter	458	53	307	156	151	4	24	—
Total operating lease payments	1,419	133	805	441	364	9	49	8
Less: Present value discount	(254)	(26)	(151)	(67)	(84)	(2)	(10)	—
Total operating lease liabilities[a]	$ 1,165	$ 107	$ 654	$ 374	$ 280	$ 7	$ 39	$ 8

(a) Certain operating lease payments include renewal options that are reasonably certain to be exercised.

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

	December 31, 2024					
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana
2025	$ 86	$ 38	$ 91	$ 80	$ 11	$ 1
2026	87	38	92	81	11	1
2027	82	38	89	81	8	1
2028	79	38	87	81	6	1
2029	79	38	88	81	7	1
Thereafter	489	351	444	393	51	21
Total finance lease payments	902	541	891	797	94	26
Less: Amounts representing interest	(332)	(271)	(310)	(282)	(28)	(16)
Total finance lease liabilities	$ 570	$ 270	$ 581	$ 515	$ 66	$ 10

The following tables contain additional information related to leases.

		December 31, 2024							
(in millions)	Classification	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Assets									
Operating	Operating lease ROU assets, net	$ 1,148	$ 98	$ 625	$ 348	$ 277	$ 6	$ 37	$ 4
Finance	Net property, plant and equipment	645	252	620	512	108	—	6	—
Total lease assets		$ 1,793	$ 350	$ 1,245	$ 860	$ 385	$ 6	$ 43	$ 4
Liabilities									
Current									
Operating	Other current liabilities	$ 208	$ 20	$ 97	$ 42	$ 55	$ 1	$ 6	$ 1
Finance	Current maturities of long-term debt	46	8	48	41	7	—	—	—
Noncurrent									
Operating	Operating lease liabilities	957	87	557	332	225	6	33	7
Finance	Long-Term Debt	524	262	533	474	59	—	10	—
Total lease liabilities		$ 1,735	$ 377	$ 1,235	$ 889	$ 346	$ 7	$ 49	$ 8

		December 31, 2023							
(in millions)	Classification	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Assets									
Operating	Operating lease ROU assets, net	$ 1,092	$ 78	$ 617	$ 318	$ 299	$ 16	$ 50	$ 4
Finance	Net property, plant and equipment	687	268	615	552	63	—	6	—
Total lease assets		$ 1,779	$ 346	$ 1,232	$ 870	$ 362	$ 16	$ 56	$ 4

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Miscellaneous Deferred Debits (Account 186)

1. Report below the details called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (b).
3. Minor items (less than $250,000) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Amortization Period (b)	Balance at Beginning of Year (c)	Debits (d)	Credits Account Charged (e)	Credits Amount (f)	Balance at End of Year (g)
1	Goodwill - PA		746,918,647				746,918,647
2	Vacation Accrued		4,657,112	(34,239)			4,622,873
3	FERC Remand 494 LT Receivable - amortized 01/20 - 12/25		322,561	955,086	142	1,277,687	
4	Deferred Compensation						
5	Straight Line Lease Deferral; amortized 01/20 - 09/42		506,151	104,969	108,242	474,769	136,351
6	DEO 2016 Electric Rate Case; amortized 01/19 - 12/23						
7	Other long term assets						
8	Accum Expenses - Debt		5,260				5,260
9	AHFS Accts for MWGen Assets						
10	DEO 2021 Rate Case Distrib		442,965		928	110,741	332,224
11	Ohio Excise Tax		(14)				(14)
12	Other Reg Asset - CAIR						
13	DEO Unrecovered Plant		20,372,812	(19,580,660)	407	787,070	5,082
14	MISC DEBITS TO BE CLEARED		23	7			30
15	Indirect Overhead Allocation; Rate distributed		28,276	251,648			279,924
16	DEO 2022 Gas Rate Case; amortized 11/23 - 10/28		633,893	6,071	928	130,967	508,997
17	DEO2024 Electric Security Plan						
18	Deferred Storm Expenses		117,218	727		116,215	1,730
39	Miscellaneous Work in Progress						
40	TOTAL		774,004,894	(18,296,391)		2,897,399	752,811,104

(a) No amounts were classified as investing cash flows from operating leases.

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Year Ended December 31, 2024

(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Cash paid for amounts included in the measurement of lease liabilities:							
Operating cash flows from operating leases	$ 250	$ 24	$ 57	$ 16	$ 1	$ 1	$ —
Operating cash flows from finance leases	41	31	41	3	—	1	—
Financing cash flows from finance leases	113	7	38	8	—	—	—
Lease assets obtained in exchange for new lease liabilities (non-cash)							
Operating	$ 322	$ 50	$ 3	$ 40	$ —	$ 7	$ 3
Finance	84	1	—	55	—	1	—

Year Ended December 31, 2023

(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Cash paid for amounts included in the measurement of lease liabilities:							
Operating cash flows from operating leases	$ 228	$ 18	$ 123	$ 64	$ 59	$ 2	$ 7	$ —
Operating cash flows from finance leases	46	31	45	43	2	—	1	—
Financing cash flows from finance leases	160	7	57	35	22	—	—	—
Lease assets obtained in exchange for new lease liabilities (non-cash)							
Operating	$ 286	$ 14	$ 92	$ 1	$ 91	$ 2	$ 6	$ 2
Finance	36	—	—	—	—	—	—	—

Weighted average remaining lease term (years)

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Operating leases	8	9	9	8	11	11	11	4
Finance leases	11	15	11	10	15	—	20	—

Weighted average discount rate[a]

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Operating leases	4.3 %	4.3 %	4.0 %	3.9 %	4.2 %	4.1 %	4.0 %	3.9 %
Finance leases	8.4 %	11.5 %	8.9 %	9.2 %	5.9 %	— %	11.7 %	— %

December 31, 2023

Weighted average remaining lease term (years)

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Operating leases	9	10	10	9	11	13	13	4
Finance leases	11	16	11	11	18	—	22	3

Weighted average discount rate[a]

	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Operating leases	3.1 %	4.0 %	3.8 %	3.6 %	4.0 %	4.2 %	3.9 %	2.4 %
Finance leases	8.5 %	11.5 %	9.1 %	9.2 %	7.6 %	— %	11.9 %	5.4 %

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

7. DEBT AND CREDIT FACILITIES

Summary of Debt and Related Terms

The following tables summarize outstanding debt.

Name of Respondent:	This report is:	Date of Report:	Year/Period of Report:
Duke Energy Ohio, Inc	(1) ☑ An Original (2) ☐ A Resubmission	04/30/2025	End of: 2024/ Q4

Accumulated Deferred Income Taxes (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. Provide in footnote 2 a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year, Amounts Credited to Account 411.1 (d)	Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1	Account 190										
2	Electric	91,456,656	12,751,998	25,260,164	4,071,055		254	5,127,934			94,765,823
3	Gas	65,372,893	18,793,377	28,395,834	429,088		254	735,430			73,810,832
4	Other (Define)										
5	Total (Total of lines 2 thru 4)	156,829,549	31,545,375	53,655,998	4,500,143			5,863,364			168,576,665
6	Other (Specify)	175,228	530,577	355,348							(1)
7	TOTAL Account 190 (Total of lines 5 thru 6)	157,004,777	32,075,952	54,011,346	4,500,143			5,863,364			168,576,664
8	Classification of TOTAL										
9	Federal Income Tax	154,720,500	31,624,453	52,186,100	4,426,474			5,744,992			165,110,681
10	State Income Tax	2,284,277	451,499	1,825,246	73,669			118,371			3,465,984
11	Local Income Tax										

(a) Substantially all electric utility property is mortgaged under mortgage bond indentures.
(b) Substantially all tax-exempt bonds are secured by first mortgage bonds, letters of credit or the Master Credit Facility.
(c) Includes $625 million that was classified as Long-Term Debt on the Consolidated Balance Sheets due to the existence of long-term credit facilities that backstop these commercial paper balances, along with Duke Energy's ability and intent to refinance these balances on a long-term basis. The weighted average days to maturity for Duke Energy's commercial paper program was 13 days.
(d) Duke Energy includes $992 million and $69 million in purchase accounting adjustments related to Progress Energy and Piedmont, respectively.
(e) Duke Energy includes $23 million in purchase accounting adjustments primarily related to the merger with Progress Energy.
(f) Refer to Note 18 for additional information on amounts from consolidated VIEs.

(in millions)	Weighted Average Interest Rate	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unsecured debt, maturing 2024-2082	4.36 %	$ 30,435	$ 1,150	$ 1,800	$ —	$ 150	$ 1,155	$ 393	$ 3,695
Secured debt, maturing 2024-2052	4.23 %	4,202	1,441	2,379	1,121	1,258	—	—	—
First mortgage bonds, maturing 2025-2073[a]	4.18 %	37,443	12,955	18,550	9,475	9,075	2,300	3,638	—
Finance leases, maturing 2024-2051[b]		639	277	571	552	19	—	9	—
Tax-exempt bonds, maturing 2027-2046[c]	3.89 %	1,331	—	500	500	—	77	352	—
Notes payable and commercial paper[d]	5.58 %	4,925	—	—	—	—	—	—	—
Money pool/intercompany borrowings		—	968	1,193	1,041	152	638	407	538
Fair value hedge carrying value adjustment		32	—	—	—	—	—	—	—
Unamortized debt discount and premium, net[e]		916	(29)	(46)	(24)	(20)	(24)	(16)	(8)
Unamortized debt issuance costs[f]		(383)	(82)	(145)	(60)	(81)	(15)	(25)	(19)
Total debt	4.35 %	$ 79,540	$ 16,680	$ 24,802	$ 12,605	$ 10,553	$ 4,131	$ 4,758	$ 4,206
Short-term notes payable and commercial paper		(4,288)	—	—	—	—	—	—	—
Short-term money pool/intercompany borrowings		—	(668)	(1,043)	(891)	(152)	(613)	(256)	(538)
Current maturities of long-term debt[g]		(2,800)	(19)	(661)	(72)	(589)	—	(4)	(40)
Total long-term debt[g]		$ 72,452	$ 15,993	$ 23,098	$ 11,642	$ 9,812	$ 3,518	$ 4,498	$ 3,628

(a) Substantially all electric utility property is mortgaged under mortgage bond indentures.
(b) Duke Energy includes $63 million of finance lease purchase accounting adjustments related to Duke Energy Florida related to PPAs that are not accounted for as finance leases in their respective financial statements because of grandfathering provisions in GAAP.
(c) Substantially all tax-exempt bonds are secured by first mortgage bonds, letters of credit or the Master Credit Facility.
(d) Includes $625 million that was classified as Long-Term Debt on the Consolidated Balance Sheets due to the existence of long-term credit facilities that backstop these commercial paper balances, along with Duke Energy's ability and intent to refinance these balances on a long-term basis. The weighted average days to maturity for Duke Energy's commercial paper programs was 23 days.
(e) Duke Energy includes $992 million and $69 million in purchase accounting adjustments related to Progress Energy and Piedmont, respectively.
(f) Duke Energy includes $25 million in purchase accounting adjustments primarily related to the merger with Progress Energy.
(g) Refer to Note 18 for additional information on amounts from consolidated VIEs.

Current Maturities of Long-Term Debt

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

(in millions)	Maturity Date	Interest Rate	December 31, 2024
Unsecured Debt			
Duke Energy (Parent)	April 2025	3.364 %	$ 420
Duke Energy (Parent)	April 2025	3.950 %	250
Duke Energy Ohio	June 2025	6.900 %	150
Duke Energy (Parent)	September 2025	0.900 %	650
Piedmont	September 2025	3.600 %	150

Duke Energy Florida[a]		October 2025	5.303 %		100
Duke Energy Ohio[a]		October 2025	5.230 %		95
Duke Energy (Parent)		December 2025	5.000 %		500
Secured Debt					
Duke Energy Carolinas[a]		January 2025	5.378 %		305
Duke Energy Carolinas[a]		January 2025	5.423 %		195
Duke Energy Indiana[a]		April 2025	5.456 %		240
Duke Energy Progress[a]		April 2025	5.361 %		160
First Mortgage Bonds					
Duke Energy Florida[a][c]		October 2073	4.910 %		200
Duke Energy Ohio[a][c]		April 2071	4.850 %		173
Duke Energy Progress[a]		August 2025	3.250 %		500
Other[d]					261
Current maturities of long-term debt					$ 4,349

(a) Debt has a floating interest rate. The $500 million in Duke Energy Carolinas bonds maturing on January 2025 were repaid in connection with the termination of the DERF accounts receivable securitization facility in January 2025.
(b) Current maturity related to Duke Energy Kentucky.
(c) These first mortgage bonds are classified as Current maturities of long-term debt on the Consolidated Balance Sheets based on terms of the indentures which could require repayment in less than 12 months if exercised by the bondholders.
(d) Includes finance lease obligations, amortizing debt, tax-exempt bonds with mandatory put options and small bullet maturities.

Maturities and Call Options

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

December 31, 2024

(in millions)	Duke Energy[a]	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
2025	$ 4,349	$ 521	$ 1,525	$ 984	$ 541	$ 245	$ 4	$ 205
2026	4,925	1,078	539	470	69	45	4	40
2027	3,082	26	807	89	718	77	27	300
2028	3,937	976	1,411	593	819	40	7	—
2029	4,971	778	1,618	847	771	530	155	660
Thereafter	58,976	14,214	18,786	9,610	7,525	3,270	4,643	2,825
Total long-term debt, including current maturities	$ 80,240	$ 17,593	$ 24,686	$ 12,593	$ 10,443	$ 4,207	$ 4,840	$ 4,030

(a) Excludes $1,004 million in purchase accounting adjustments related to the Progress Energy merger and the Piedmont acquisition.

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

Short-Term Obligations Classified as Long-Term Debt

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

	Balance at December 31, 2024 and 2023					
(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Ohio	Duke Energy Indiana	
Tax-exempt bonds	$ 312	$ —	$ —	$ 27	$ 285	
Commercial paper[a]	625	300	150	25	150	
Total	$ 937	$ 300	$ 150	$ 52	$ 435	

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

Summary of Significant Debt Issuances

In January 2025, Duke Energy Carolinas issued $1.1 billion of first mortgage bonds. The issuance consisted of a $400 million, five-year tranche at 4.85% and a $700 million, 10-year tranche at 5.25%. The net proceeds were used to pay off the $500 million DERF accounts receivable securitization facility maturing in January 2025, to pay off short-term debt and for general company purposes.

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

			Year Ended December 31, 2024							
Issuance Date	Maturity Date	Interest Rate	Duke Energy	Duke Energy (Parent)	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unsecured Debt										
January 2024[a]	January 2027	4.850 %	$ 600	$ 600	$ —	$ —	$ —	$ —	$ —	$ —
January 2024[a]	January 2029	4.850 %	650	650	—	—	—	—	—	—
April 2024[e]	April 2031	5.648 %	815	815	—	—	—	—	—	—

This report is:
(1) ☑ An Original
(2) ☐ A Resubmission

Name of Respondent: Duke Energy Ohio, Inc
Date of Report: 04/30/2025
Year/Period of Report: End of: 2024/ Q4

Capital Stock (Accounts 201 and 204)

1. Report below the details called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock.
2. Entries in column (c) should represent the number of shares authorized by the articles of incorporation as amended to end of year.
3. Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.
5. State in a footnote if any capital stock that has been nominally issued is nominally outstanding at end of year.
6. Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.

Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value per Share (c)	Call Price at End of Year (d)	Outstanding per Bal. Sheet (total amt outstanding without reduction for amts held by respondent) Shares (e)	Outstanding per Bal. Sheet Amount (f)	Held by Respondent As Reacquired Stock (Acct 217) Shares (g)	Held by Respondent As Reacquired Stock (Acct 217) Cost (h)	Held by Respondent In Sinking and Other Funds Shares (i)	Held by Respondent In Sinking and Other Funds Amount (j)
1	Common Stock (Account 201)									
2	Common Stock	[a] 120,000,000	8.50		89,663,086	762,136,231				
3										
4										
5	Total	120,000,000			89,663,086	762,136,231				
6	Preferred Stock (Account 204)									
7										
8										
9										
10										
11	Total									

June 2024[d]	June 2034	5.450 %	750	750	—	—	—	—	—	—
June 2024[d]	June 2054	5.900 %	750	750	—	—	—	—	—	—
June 2024[h]	July 2031	5.900 %	80	—	—	—	—	80	—	—
June 2024[h]	July 2034	6.000 %	95	—	—	—	—	95	—	—
June 2024[h]	July 2039	6.170 %	50	—	—	—	—	50	—	—
August 2024[d]	February 2035	5.100 %	375	—	—	—	—	—	—	375
August 2024[d]	September 2054	6.450 %	1,000	1,000	—	—	—	—	—	—
Secured Debt										
April 2024[f]	March 2044	5.404 %	177	—	—	177	—	—	—	—
First Mortgage Bonds										
January 2024[b]	January 2034	4.850 %	$ 575	$ —	$ 575	$ —	—	$ —	$ —	$ —
January 2024[b]	January 2054	5.400 %	425	—	425	—	—	—	—	—
March 2024[b]	March 2034	5.250 %	300	—	—	—	—	—	300	—
March 2024[c]	March 2034	5.100 %	500	—	—	500	—	—	—	—
March 2024[d]	March 2054	5.550 %	425	—	—	—	—	425	—	—
April 2024[g]	April 2074	4.910 %	173	—	—	—	173	—	—	—
Total issuances			$ 7,740	$ 4,565	$ 1,000	$ 677	$ 173	$ 650	$ 300	$ 375

(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.

(e) 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 15 for additional information.

(f) 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 18 for more information.

(g) Debt has a floating interest rate. Proceeds were used to pay down a portion of the DEFR accounts receivable securitization facility due in April 2024, and for general company purposes. See Note 18 for more information.

(h) Debt issued by Duke Energy Kentucky with proceeds used to pay down a portion of short-term debt and for general corporate purposes.

(i) Duke Energy issued $1 billion of fixed-to-fixed reset rate junior subordinated debentures (the debentures) with proceeds used to redeem Duke Energy's outstanding Series B Preferred Stock and for general corporate purposes. The debentures will bear interest at 6.45% until September 1, 2034, and thereafter the interest rate will reset every five years to the five-year U.S. Treasury rate plus a spread of 2.588%. The debentures have early redemption options and are callable on or after June 2034 for 100% of the principal plus accrued interest. See Note 20 for additional information.

			Year Ended December 31, 2023							
Issuance Date	Maturity Date	Interest Rate	Duke Energy	Duke Energy (Parent)	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unsecured Debt										
April 2023[a]	April 2026	4.125 %	$ 1,725	$ 1,725	$ —	$ —	$ —	$ —	$ —	$ —
June 2023[b]	June 2033	5.400 %	350	—	—	—	—	—	—	350
September 2023[c]	September 2033	5.750 %	600	600	—	—	—	—	—	—
September 2023[c]	September 2053	6.100 %	750	750	—	—	—	—	—	—
First Mortgage Bonds										
January 2023[d]	January 2033	4.950 %	900	—	900	—	—	—	—	—
January 2023[d]	January 2053	5.350 %	900	—	900	—	—	—	—	—
March 2023[e]	March 2033	5.250 %	500	—	—	500	—	—	—	—
March 2023[e]	March 2053	5.350 %	500	—	—	500	—	—	—	—
March 2023[f]	April 2033	5.250 %	375	—	—	—	—	375	—	—
March 2023[f]	April 2053	5.650 %	375	—	—	—	—	375	—	—
March 2023[g]	April 2053	5.400 %	500	—	—	—	—	—	500	—
June 2023[h]	January 2033	4.950 %	350	—	350	—	—	—	—	—
June 2023[h]	January 2054	5.400 %	500	—	500	—	—	—	—	—
September 2023[h]	October 2073	4.910 %	200	—	—	—	200	—	—	—
November 2023[i]	November 2033	5.875 %	600	—	—	—	600	—	—	—
November 2023[i]	November 2053	6.200 %	700	—	—	—	700	—	—	—
Total issuances			$ 9,825	$ 3,075	$ 2,650	$ 1,000	$ 1,500	$ 750	$ 500	$ 350

(a) See "Duke Energy (Parent) Convertible Senior Notes" below for additional information.

(b) Debt issued to repay $45 million of maturities due October 2023, to pay down a portion of short-term debt and for general corporate purposes.

(c) Debt issued to repay $400 million of maturities due October 2023, to pay down a portion of short-term debt and for general corporate purposes.

(d) Debt issued to repay $1 billion of maturities due March 2023, to pay down a portion of short-term debt and for general company purposes.

(e) Debt issued to repay $300 million of maturities due September 2023, to pay down a portion of short-term debt and for general company purposes.

(f) Debt issued to repay $300 million of maturities due September 2023, to pay down a portion of the $100 million Duke Energy Ohio Term Loan due October 2023, to repay a portion of short-term debt and for general corporate purposes.

(g) Debt issued to repay the $300 million Duke Energy Indiana Term Loan due October 2023, to pay down a portion of short-term debt and for general company purposes.

(h) Debt has a floating interest rate and was issued to pay down a portion of short-term debt and for general company purposes.

(i) Debt issued to repay the $800 million Duke Energy Florida Term Loan due April 2024, to pay down a portion of short-term debt and for general company purposes.

Duke Energy (Parent) Convertible Senior Notes

In April 2023, Duke Energy (Parent) completed the sale of $1.7 billion 4.125% Convertible Senior Notes due April 2026 (convertible notes). The convertible notes are senior unsecured obligations of Duke Energy, and will mature on April 15, 2026, unless earlier converted or repurchased in accordance with their terms. The convertible notes bear interest at a fixed rate of 4.125% per year, payable semiannually in arrears on April 15 and October 15 of each year, beginning on October 15, 2023. Proceeds were used to repay a portion of outstanding commercial paper and for general corporate purposes.

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Prior to the close of business on the business day immediately preceding January 15, 2026, the convertible notes will be convertible at the option of the holders when the following conditions are met:

- during any calendar quarter commencing after the calendar quarter ending on June 30, 2023, (and only during such calendar quarter) if the last reported sale price of Duke Energy common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day;
- during the five consecutive business day period after any 10 consecutive trading day period (the measurement period) in which the trading price, as defined, per $1,000 principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of Duke Energy common stock and the conversion rate on each such trading day; or
- upon the occurrence of specified corporate events described in the indenture agreement.

On or after January 15, 2026 until the close of business on the second scheduled trading day immediately preceding the maturity date, holders of the convertible notes may convert all or a portion of their convertible notes at their option at any time, in the conversion rate then in effect, irrespective of these conditions. Duke Energy will settle conversions of the convertible notes by paying cash up to the aggregate principal amount of the convertible notes to be converted and paying or delivering, as the case may be, cash, shares of Duke Energy's common stock, $0.001 par value per share, or a combination of cash and shares of its common stock, at its election, in respect of the remainder, if any, of its conversion obligation in excess of the aggregate principal amount of the convertible notes being converted.

The conversion rate for the convertible notes is initially 8.4131 shares of Duke Energy's common stock per $1,000 principal amount of convertible notes. The initial conversion price of the convertible notes represents a premium of approximately 25% over the last reported sale price of Duke Energy's common stock on the NYSE on April 3, 2023. The conversion rate and the corresponding conversion price will not be adjusted for any accrued and unpaid interest but will be subject to adjustment in some instances, such as stock splits or share combinations, certain distributions to common stockholders, or tender offers at off-market rates. The changes in the conversion rates are intended to make convertible note holders whole for changes in the fair value of Duke Energy common stock resulting from such events. Duke Energy may not redeem the convertible notes prior to the maturity date.

Duke Energy issued the convertible notes pursuant to an indenture, dated as of April 6, 2023, by and between Duke Energy and The Bank of New York Mellon Trust Company, N.A., as trustee. The terms of the convertible notes include customary fundamental change provisions that require repayment of the notes with interest upon certain events, such as a stockholder approved plan of liquidation or if Duke Energy's common stock ceases to be listed on the NYSE.

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 holders. An Amendment, dated May 2024, to 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 borrowing sublimits and available capacity under these credit facilities.

	December 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	$ 1,500	$ 875	$ 1,050	$ 950	$ 950
Reduction to backstop issuances								
Commercial paper[b]	(3,143)	(608)	(300)	(736)	(448)	(182)	(160)	(709)
Outstanding letters of credit	(18)	(6)	(4)	(1)	(7)	—	—	—
Tax-exempt bonds	(81)	—	—	—	—	—	(81)	—
Available capacity	$ 5,758	$ 1,661	$ 1,096	$ 763	$ 420	$ 868	$ 709	$ 241

(a) Represents the sublimit of each borrower.

(b) Duke Energy issued $629 million of commercial paper and loaned the proceeds through the money pool to Duke Energy Carolinas, Duke Energy Progress, Duke Energy Ohio and Duke Energy Indiana. The balances are classified as Long-Term Debt Payable to Affiliated Companies in the Consolidated Balance Sheets.

Duke Energy (Parent) Term Loan Facility

Duke Energy (Parent) had a $1 billion revolving credit facility, which was terminated in March 2022 (Three-Year Revolving Credit Facility). In March 2022, Duke Energy (Parent) entered into a Term Loan Credit Facility (facility) with commitments totaling $1.4 billion maturing March 2024. Borrowings under the facility were used to repay amounts drawn under the Three-Year Revolving Credit Facility prior to its termination and for general corporate purposes, including repayment of a portion of Duke Energy's outstanding commercial paper. In December 2022, Duke Energy (Parent) repaid $400 million of the facility. In January 2024, Duke Energy (Parent) repaid the remaining $1 billion outstanding on the facility, which was classified as Current maturities of long-term debt on Duke Energy's Consolidated Balance Sheets as of December 31, 2023.

In March 2024, Duke Energy (Parent) entered into a 364-day term loan facility with commitments totaling $700 million. In April 2024, $500 million was drawn under the facility with borrowings used for general corporate purposes. During the second quarter of 2024, Duke Energy (Parent) terminated the facility and repaid the $500 million in outstanding borrowings.

Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida Term Loan Facilities

In November 2024, Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida entered into term loan facilities intended to meet incremental financing needs resulting from expenditures for the restoration of service and rebuilding of infrastructure related to hurricanes Debby, Helene and Milton as described in Note 4. Duke Energy Carolinas and Duke Energy Progress entered into two-year term loan facilities with commitments totaling $700 million and $250 million, respectively. Duke Energy Florida entered into a 364-day term loan facility with commitments totaling $800 million. Amounts may be drawn for six months from the Duke Energy Carolinas and Duke Energy Progress term loan facilities and for four months from the Duke Energy Florida term loan facility. Borrowings from the term loan facilities can be prepaid at any time and may be used to fund system restoration expenses and for general corporate purposes. Additionally, the Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida term loan facilities may be increased by $300 million, $150 million and $400 million, respectively.

Through December 2024, $455 million and $185 million were drawn under the term loan facilities for Duke Energy Carolinas and Duke Energy Progress, respectively, which were both classified as Long-Term Debt on the Consolidated Balance Sheets as of December 31, 2024. Through December 2024, $100 million was drawn under the term loan facility for Duke Energy Florida, which was classified as Current maturities of long-term debt on the Consolidated Balance Sheets as of December 31, 2024. Additionally, in January and February 2025, an additional $145 million, $65 million, and $700 million were drawn under the term loan facilities for Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida, respectively.

Other Debt Matters

In September 2022, Duke Energy filed a Form S-3 with the SEC. Under this Form S-3, which is uncapped, the Duke Energy Registrants, excluding Progress Energy, may issue debt and other securities, including preferred stock, in the future at amounts, prices and with terms to be determined at the time of future offerings. The registration statement was filed to replace a similar prior filing upon expiration of its three-year term and also allows for the issuance of common and preferred stock by Duke Energy.

Also in September 2022, to replace another similar prior filing, Duke Energy filed an effective Form S-3 with the SEC to sell up to $4 billion of variable denomination floating-rate demand notes, called PremierNotes. The Form S-3 states that no more than $2 billion of the notes will be outstanding at any particular time. The notes are offered on a continuous basis and bear interest at a floating rate per annum determined by the Duke Energy PremierNotes Committee, or its designee, on a weekly basis. The interest rate payable on notes held by an investor may vary based on the principal amount of the investment. The notes have no stated maturity date, are non-transferable and may be redeemed in whole or in part by Duke Energy or at the investor's option at any time. The balance as of December 31, 2024, and 2023, was $1,070 million and $985 million, respectively. The notes are short-term debt obligations of Duke Energy and are reflected as Notes payable and commercial paper on Duke Energy's Consolidated Balance Sheets.

Money Pool and Intercompany Credit Agreements

Capital Stock: Subscribed, Liability for Conversion, Premium on, and Installments Received on (Accts 202, 203, 205, 206, 207, and 212)

1. Show for each of the above accounts the amounts applying to each class and series of capital stock.
2. For Account 202, Common Stock Subscribed, and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year.
3. Describe in a footnote the agreement and transactions under which a conversion liability existed under Account 203, Common stock Liability for Conversion, or Account 206, Preferred Stock Liability for Conversion, at the end of year.
4. For Premium on Account 207, Capital Stock, designate with an asterisk in column (b), any amounts representing the excess of consideration received over stated values of stocks without par value.

Line No.	Name of Account and Description of Item (a)	* (b)	Number of Shares (c)	Amount (d)
1	Common Stock, Subscribed (Account 202)			
2				
3				
4				
5	Total			
6	Common Stock, Converted to Liability (Account 203)			
7				
8				
9				
10	Total			
11	Preferred Stock, Subscribed (Account 205)			
12				
13				
14				
15	Total			
16	Preferred Stock Liability for Conversion (Account 206)			
17				
18				
19				
20	Total			
21	Premium on Capital Stock (Account 207)			
22				
23				
24				
25	Total			
26	Installments on Capital Stock (Account 212)			
27				
28				
29				
30	Total			
40	Total			

Name of Respondent: Duke Energy Ohio, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

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

Other Paid-In Capital (Accounts 208-211)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with the balance sheet, page 112. Explain changes made in any account during the year and give the accounting entries effecting such change.

a. Donations Received from Stockholders (Account 208) - State amount and briefly explain the origin and purpose of each donation.

b. Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and briefly explain the capital changes that gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

c. Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210) - Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

d. Miscellaneous Paid-In Capital (Account 211) - Classify amounts included in this account according to captions that, together with brief explanations, disclose the general nature of the transactions that gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	**Donations Received from Stockholders (Account 208)**	
2	Beginning Balance Amount	1,506,928,418
3.1	Increases (Decreases) from Sales of Donations Received from Stockholders	
4	Ending Balance Amount	1,506,928,418
5	**Reduction in Par or Stated Value of Capital Stock (Account 209)**	
6	Beginning Balance Amount	
7.1	Increases (Decreases) Due to Reductions in Par or Stated Value of Capital Stock	
8	Ending Balance Amount	
9	**Gain or Resale or Cancellation of Reacquired Capital Stock (Account 210)**	
10	Beginning Balance Amount	
11.1	Increases (Decreases) from Gain or Resale or Cancellation of Reacquired Capital Stock	
12	Ending Balance Amount	
13	**Miscellaneous Paid-In Capital (Account 211)**	
14	Beginning Balance Amount	1,593,190,879
15.1	Increases (Decreases) Due to Miscellaneous Paid-In Capital	19,023,725
16	Ending Balance Amount	1,612,214,604
17	**Other Paid in Capital**	
18	Beginning Balance Amount	
19.1	Increases (Decreases) in Other Paid-In Capital	
20	Ending Balance Amount	
40	Total	3,119,143,022

In March 2022, Progress Energy closed a revolving credit agreement with Duke Energy (Parent), which allowed up to $2.5 billion intercompany borrowings.

Restrictive Debt Covenants

The Duke Energy Registrants' debt and credit agreements contain various financial and other covenants. Duke Energy's Master Credit Facility contains a covenant requiring the debt-to-total capitalization ratio not to exceed 65% for each borrower, excluding Piedmont. A 2.0% per Bloomberg failure to meet these covenants beyond applicable grace periods could result in accelerated due dates and/or termination of the agreements. As of December 31, 2024, each of the Duke Energy Registrants was in compliance with all covenants related to their debt agreements. In addition, some credit agreements may allow for acceleration of payments or termination of the agreements due to nonperformance on other indebtedness of the applicable borrower or certain of its subsidiaries, including debt-to-capital covenants recorded in federal and state regulatory proceedings.

Other Loans

As of December 31, 2024, and 2023, Duke Energy had loans outstanding of $841 million, including $32 million at Duke Energy Progress, and $873 million, including $32 million at Duke Energy Progress, respectively, against the cash surrender value of life insurance policies it owns on the lives of its executives. The amounts outstanding were carried as a reduction of the related cash surrender value that is included (together within Other Noncurrent Assets on the Consolidated Balance Sheets.

9. GUARANTEES AND INDEMNIFICATIONS

Duke Energy has various financial and performance guarantees and indemnifications with non-consolidated entities, which are issued in the normal course of business. As discussed below, these contracts include performance guarantees, standby letters of credit, debt guarantees and indemnifications and include guarantees and indemnifications related to Commercial Renewables Disposal Groups as described in Note 2. Duke Energy enters into these arrangements to facilitate commercial transactions with third parties and to enhance the credit standing of certain non-consolidated entities or subsidiaries in which Duke Energy has an ownership interest, joint venture or other business arrangement with a third party. At December 31, 2024, Duke Energy does not believe conditions are likely for significant performance under these guarantees. To the extent liabilities are incurred as a result of the activities covered by the guarantees, such liabilities are included on the accompanying Consolidated Balance Sheets.

On January 2, 2007, Duke Energy completed the spin-off of its previously wholly owned natural gas businesses to shareholders. Guarantees issued by Duke Energy or its affiliates, or assigned to Duke Energy prior to the spin-off, remained with Duke Energy subsequent to the spin-off. Guarantees issued by Spectra Energy Capital, LLC (Spectra Capital) or its affiliates prior to the spin-off remained with Spectra Capital subsequent to the spin-off, except for guarantees that were assigned to Duke Energy. Duke Energy has indemnified Spectra Capital against loss associated with certain of the guarantee obligations that remain with Spectra Capital. At December 31, 2024, the maximum potential amount of future payments associated with these guarantees were $25 million, the majority of which expire by 2026.

In addition to the Spectra Capital guarantees discussed above, Duke Energy has performance guarantees and other contracts that may require it to guarantee the payment and performance of other parties, including certain non-wholly owned entities as well as guarantees of debt of certain non-consolidated entities. If such entities were to default on payments or performance, Duke Energy would be required under the guarantees to make payments on the obligations of these entities. The maximum potential amount of future payments required under these guarantees that have capped maximums as of December 31, 2024, was $26 million of which all expire between 2025 and 2030. Additionally, certain guarantees that expire in 2025 have uncapped maximum potential payments; however, Duke Energy does not believe these guarantees will have a material effect on its results of operations, cash flows or financial position.

Duke Energy uses bank-issued standby letters of credit to secure the performance of wholly owned and non-wholly owned entities to a third party or customer. Under these arrangements, Duke Energy has payment obligations to the issuing bank that are triggered by a draw by the third party or customer due to the failure of the wholly owned or non-wholly owned entity to perform according to the terms of its underlying contract. At December 31, 2024, Duke Energy had issued a total of $530 million of letters of credit, which expire between 2025 and 2027. There are no unused amounts under these letters of credit.

Duke Energy recognized $2 million as of both December 31, 2024, and 2023, in Other within Other Noncurrent Liabilities on the Consolidated Balance Sheets, for the guarantees discussed above. As current estimates change, additional losses related to guarantees and indemnifications to third parties, which could be material, may be recorded by the Duke Energy Registrants in the future.

8. JOINT OWNERSHIP OF GENERATING AND TRANSMISSION FACILITIES

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

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

	December 31, 2024			
(in millions except for ownership interest)	Ownership Interest	Property, Plant and Equipment	Accumulated Depreciation	Construction Work in Progress
Duke Energy Carolinas				
Catawba (units 1 and 2)[a]	19.25 %	$ 1,047	$ 594	$ 30
W.S. Lee CC[b]	87.27 %	654	118	6
Duke Energy Indiana				
Gibson (unit 5)[c]	50.05 %	400	266	5
Vermillion[d]	62.50 %	184	124	—
Transmission and local facilities[c]	Various	7,771	1,654	222

(a) Jointly owned with North Carolina Municipal Power Agency Number 1, NCEMC and PMPA.
(b) Jointly owned with NCEMC.
(c) Jointly owned with WVPA and IMPA.
(d) Jointly owned with WVPA.

10. ASSET RETIREMENT OBLIGATIONS

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

The Duke Energy Registrants' regulated operations accrue costs of removal for property that does not have an associated legal retirement obligation based on regulatory orders from state commissions. These costs of removal are recorded as a regulatory liability in accordance with regulatory accounting treatment. The amount spent may be higher than the amount accrued and result in a net asset. See Note 4 for the estimated cost of removal without an associated legal retirement obligation, which are included in Regulatory assets or Regulatory liabilities, as appropriate, on the Consolidated Balance Sheets.

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

	December 31, 2024

Name of Respondent: Duke Energy Ohio, Inc

This report is: (1) ☑ An Original (2) ☐ A Resubmission

Date of Report: 04/30/2025

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(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Decommissioning of nuclear power facilities	$ 4,493	$ 2,050	$ 2,425	$ 2,318	$ 107	$ —	$ —	$ —
Closure of ash impoundments	5,173	1,867	1,993	1,975	18	72	1,241	—
Other	326	73	130	41	89	67	27	29
Total asset retirement obligation	$ 9,992	$ 3,990	$ 4,548	$ 4,334	$ 214	$ 139	$ 1,268	$ 29
Less: Current portion	650	247	251	230	1	8	164	—
Total noncurrent asset retirement obligation	$ 9,342	$ 3,743	$ 4,297	$ 4,104	$ 213	$ 131	$ 1,104	$ 29

Nuclear Decommissioning Liability

AROs related to nuclear decommissioning are based on site-specific cost studies. The NCUC and the PSCSC require Duke Energy Carolinas and Duke Energy Progress to update cost estimates for decommissioning their nuclear plants every five years. The nuclear decommissioning liabilities are assessed and updated based on changes in cash flows provided in new studies as well as annual assessments to evaluate whether any indicators suggest a change in the estimate of the ARO is necessary.

The following table summarizes information about the most recent site-specific nuclear decommissioning cost studies. Decommissioning costs are stated in 2023 or 2024 dollars, depending on the year of the cost study, and include costs to decommission plant components not subject to radioactive contamination.

(in millions)	Decommissioning Costs	Year of Cost Study
Duke Energy	$ 9,031	2023 or 2024
Duke Energy Carolinas[a]	4,439	2023
Progress Energy	4,592	2024
Duke Energy Progress[b]	4,477	2024
Duke Energy Florida[c]	115	N/A

(a) Decommissioning costs for Duke Energy Carolinas reflect its ownership interest in jointly owned reactors. Other joint owners are responsible for decommissioning costs related to their interest in the reactors. Duke Energy Carolinas' site-specific nuclear decommissioning cost study and a funding study were filed with the NCUC and PSCSC in 2024.

(b) Duke Energy Progress' site-specific nuclear decommissioning cost study was filed with the NCUC and PSCSC in February 2025. An updated funding study will be completed and filed with the NCUC and PSCSC in 2025.

(c) During 2019, Duke Energy Florida reached an agreement to transfer decommissioning work for Crystal River Unit 3 to a third party and decommissioning costs are based on the agreement with this third party rather than a cost study. Regulatory approval was received from the NRC and the FPSC in April 2020 and August 2020, respectively. Duke Energy Florida provides the FPSC periodic reports on the status and progress of decommissioning activities.

Nuclear Decommissioning Trust Funds

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

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

The following table presents the fair value of NDTF assets legally restricted for purposes of settling AROs associated with nuclear decommissioning. Duke Energy Florida entered into an agreement with a third party to decommission Crystal River Unit 3 and was granted an exemption from the NRC, which allows for use of the NDTF for all aspects of nuclear decommissioning. The entire balance of Duke Energy Florida's NDTF may be applied toward license termination, spent fuel and site restoration costs incurred to decommission Crystal River Unit 3 and is excluded from the table below. See Note 17 for additional information related to the fair value of the Duke Energy Registrants' NDTFs.

(in millions)	December 31, 2024	2023
Duke Energy	$ 10,044	$ 8,851
Duke Energy Carolinas	5,687	5,002
Progress Energy	4,357	3,849
Duke Energy Progress	4,357	3,849

Nuclear Operating Licenses

As described in Note 1, 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. The following table includes the current expiration of nuclear operating licenses.

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

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

Closure of Ash Impoundments

The Duke Energy Registrants are subject to state and federal regulations covering the closure of coal ash impoundments, including federal CCR rules and the Coal Ash Act, and other agreements. In April 2024, the EPA issued the

DISCOUNT ON CAPITAL STOCK (ACCOUNT 213)

1. Report the balance at end of year of discount on capital stock for each class and series of capital stock. Use as many rows as necessary to report all data.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off during the year and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15	Total	

Capital Stock Expense (Account 214)

1. Report the balance at end of year of capital stock expenses for each class and series of capital stock. Use as many rows as necessary to report all data. Number the rows in sequence starting from the last row number used for Discount on Capital Stock above.
2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29	Total	

The Duke Energy Registrants are subject to state and federal regulations covering the closure of coal ash impoundments, including federal CCR rules and the Coal Ash Act, and other agreements. In April 2024, the EPA issued the 2024 CCR Rule, which significantly expands the scope of the 2015 CCR Rule by establishing regulatory requirements for inactive surface impoundments at retired generating facilities and previously unregulated coal ash sources at regulated facilities. Amounts recorded on the Duke Energy Registrants' Consolidated Balance Sheets include the legal obligation to close ash basins and the disposal of CCR in landfills and surface impoundments taken as a result of these regulations and agreements.

The ARO amount recorded on the Consolidated Balance Sheets is based upon estimated closure costs for impacted ash impoundments. The amount recorded represents the discounted cash flows for estimated closure costs based upon specific closure plans. Actual costs to be incurred will be dependent upon decisions that vary from site to site, the most significant factors are the method and timing of closure at the individual sites. Closure methods considered include removing the water from ash basins, consolidating material as necessary and capping the ash with a synthetic barrier. The ultimate method and timetable for closure will be in compliance with standards set by federal and state regulations and other agreements. The AROs primarily relate to capping or excavating ash impoundments and closure of landfills, including the acceptance and approval of the compliance approaches, which may result in changes to assumptions used to estimate the ultimate settlement of the ARO liability. See the ARO Liability Roll Forward section below for information on AROs recorded during 2024 and 2023.

Asset retirement costs associated with the AROs for operating plants and retired plants are included in Net property, plant and equipment and Regulatory assets, respectively, on the Consolidated Balance Sheets. See Note 4 for additional information on Regulatory assets related to AROs and Note 6 for additional information on commitments and contingencies.

Cost recovery for future expenditures will be pursued through the normal ratemaking process with federal and state utility commissions, which permit recovery of reasonable and prudently incurred costs associated with Duke Energy's regulated operations. See Note 4 for additional information on recovery of coal ash costs.

ARO Liability Roll Forward

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

(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Balance at December 31, 2022	$ 12,728	$ 5,382	$ 6,181	$ 5,823	$ 358	$ 154	$ 951	$ 26
Accretion expense[a]	523	254	237	225	12	7	33	1
Liabilities settled[b]	(758)	(256)	(379)	(292)	(87)	(15)	(108)	—
Liabilities incurred in the current year	29	3	21	6	15	1	4	—
Revisions in estimates of cash flows[c]	(3,366)	(1,370)	(1,915)	(1,892)	(23)	(11)	(71)	(1)
Balance at December 31, 2023	9,156	4,013	4,145	3,870	275	136	809	26
Accretion expense[a]	**434**	**183**	**199**	**190**	**9**	**7**	**49**	**2**
Liabilities settled[b]	**(634)**	**(212)**	**(324)**	**(232)**	**(89)**	**(7)**	**(94)**	**—**
Liabilities incurred in the current year	**20**	**8**	**12**	**—**	**12**	**—**	**—**	**—**
Revisions in estimates of cash flows[c]	**1,016**	**(2)**	**513**	**506**	**7**	**3**	**504**	**1**
Balance at December 31, 2024	**$ 9,992**	**$ 3,990**	**$ 4,548**	**$ 4,334**	**$ 214**	**$ 139**	**$ 1,268**	**$ 29**

(a) Substantially all accretion expense has been deferred in accordance with regulatory accounting treatment.

(b) Amounts primarily relate to ash impoundment closures and nuclear decommissioning.

(c) The amounts recorded represent the discounted cash flows for estimated closure costs as evaluated on a site-by-site basis. The decreases in 2023 primarily relate to lower discounted cash flows for decommissioning the nuclear power facilities due to changes in estimates and economic assumptions including discount rates, cost escalation rates and cash flow timing, as well as lower unit costs associated with ash basin closure, routine maintenance and beneficiation activities, as well as reduction in monitoring wells needed. The increases in 2024 primarily relate to additional scope requirements to regulate the disposal of CCR in landfills and surface impoundments as a result of the 2024 CCR Rule, including an increase in groundwater monitoring wells.

11. PROPERTY, PLANT AND EQUIPMENT

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

		December 31, 2024							
(in millions)	Average Remaining Useful Life (Years)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Land		$ 2,569	$ 617	$ 1,134	$ 535	$ 599	$ 258	$ 144	$ 391
Plant – Regulated									
Electric generation, distribution and transmission	37	137,836	49,547	62,351	35,633	26,718	7,634	18,304	—
Natural gas transmission and distribution	58	15,333	—	—	—	—	4,255	—	11,078
Other buildings and improvements	41	2,982	1,256	698	391	307	418	372	238
Nuclear fuel		3,518	2,003	1,515	1,515	—	—	—	—
Equipment	13	3,863	997	1,252	753	499	542	490	170
Construction in process		7,850	2,735	3,657	1,884	1,773	385	406	405
Other	10	6,855	1,227	1,953	1,349	594	426	254	498
Total property, plant and equipment[a]		180,806	58,382	72,560	42,060	30,490	13,918	19,970	12,780
Total accumulated depreciation – regulated[b][c]		(55,535)	(19,090)	(23,586)	(15,930)	(7,650)	(3,674)	(6,848)	(2,432)
Total accumulated depreciation – other[d]		(1,968)	—	—	—	—	—	—	—
Total net property, plant and equipment		$ 123,303	$ 39,292	$ 48,974	$ 26,130	$ 22,840	$ 10,244	$ 13,122	$ 10,348

(a) Includes finance leases of $670 million, $336 million, $620 million, $512 million, $108 million and $10 million at Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida and Duke Energy Indiana, respectively, primarily within Plant – Regulated. The Progress Energy and Duke Energy Progress amounts are net of $159 million of accumulated amortization of finance leases.

(b) Includes $1,824 million, $1,010 million, $814 million and $814 million of accumulated amortization of nuclear fuel at Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.

(c) Includes accumulated amortization of finance leases of $84 million and $4 million at Duke Energy Carolinas and Duke Energy Indiana, respectively.

(d) Includes accumulated amortization of finance leases of $25 million at Duke Energy.

		December 31, 2023							
	Average Remaining	Duke			Duke	Duke	Duke	Duke	

This report is:
(1) ☑ An Original
(2) ☐ A Resubmission

Name of Respondent:
Duke Energy Ohio, Inc

Date of Report:
04/30/2025

Year/Period of Report:
End of: 2024/ Q4

Long-Term Debt (Accounts 221, 222, 223, and 224)

1. Report by Balance Sheet Account the details concerning long-term debt included in Account 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other Long-Term Debt.
2. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
3. For Advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
4. For receivers' certificates, show in column (a) the name of the court and date of court order under which such certificates were issued.
5. In a supplemental statement, give explanatory details for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a)principal advanced during year (b) interest added to principal amount, and (c) principal repaid during year. Give Commission authorization numbers and dates.
6. If the respondent has pledged any of its long-term debt securities, give particulars (details) in a footnote, including name of the pledgee and purpose of the pledge.
7. If the respondent has any long-term securities that have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
8. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (f). Explain in a footnote any difference between the total of column (f) and the total Account 427, Interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
9. Give details concerning any long-term debt authorized by a regulatory commission but not yet issued.

Line No.	Class and Series of Obligation and Name of Stock Exchange (a)	Nominal Date of Issue (b)	Date of Maturity (c)	Outstanding (Total amount outstanding without reduction for amts held by respondent) (d)	Interest for Year Rate (in %) (e)	Interest for Year Amount (f)	Held by Respondent Reacquired Bonds (Acct 222) (g)	Held by Respondent Sinking and Other Funds (h)	Redemption Price per $100 at End of Year (i)
						Years Ended December 31			
	(in millions)					2024		2023	2022
1	Bonds (Account 221)					$ 201	$	$ 201	$ 118
2	3.70% First Mortgage Bonds due 2046	06/23/2016	06/15/2046	350,000,000	3.7%	12,950,000			(a) 0.20
3	3.65% First Mortgage Bonds due 2029	01/08/2019	02/01/2029	400,000,000	3.65%	14,600,000			(b) 0.20
4	4.30% First Mortgage Bonds due 2049	01/08/2019	02/01/2049	400,000,000	4.3%	17,200,000			(c) 0.20
5	2.125% First Mortgage Bonds due 2030	05/21/2020	06/01/2030	400,000,000	2.125%	8,500,000			(d) 0.20
6	5.25% First Mortgage Bonds due 2033	03/22/2023	04/01/2033	375,000,000	5.25%	19,687,500			(e) 0.18
7	5.65% First Mortgage Bonds due 2053	03/22/2023	04/01/2053	375,000,000	5.65%	21,187,500			(f) 0.20
8	5.55% First Mortgage Bonds due 2054	03/14/2024	03/15/2054	425,000,000	5.55%	18,804,479			(g) 0.20
9	Subtotal			2,725,000,000		112,929,479			
10	Reacquired Bonds (Account 222)								
11									
12									
13									
14									
15									
16									
17									
18									
19	Subtotal								
20	Advances from Associated Companies (Account 223)								
21									
22									
23									
24									
25									
26									
27									
28									
29	Subtotal								
30	Other Long Term Debt (Account 224)								
31	6.90% Unsecured Debentures Due in 2025	06/01/1995	06/01/2025	150,000,000	6.9%	10,350,000			(h) 0.20

(a) Includes finance leases of $697 million, $585 million, $616 million, $552 million, $63 million, and $10 million at Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida and Duke Energy Indiana, respectively, primarily within Gas - Regulated. The Progress Energy, Duke Energy Progress and Duke Energy Florida amounts are net of $292 million, $119 million and $173 million, respectively, of accumulated amortization of finance leases.

(b) Includes $1,793 million, $991 million, $802 million and $802 million of accumulated amortization of utility plant at Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.

(c) Includes accumulated amortization of finance leases of $3 million, $67 million, and $4 million at Duke Energy, Duke Energy Carolinas and Duke Energy Indiana, respectively.

(d) Includes accumulated amortization of finance leases of $7 million at Duke Energy.

The following table presents capitalized interest, which includes the debt component of AFUDC.

	Years Ended December 31		
(in millions)	2024	2023	2022
Duke Energy	$ 201	$ 201	$ 118
Duke Energy Carolinas	61	62	50
Progress Energy	57	41	26
Duke Energy Progress	58	35	19
Duke Energy Florida	5	6	7
Duke Energy Ohio	30	16	9
Duke Energy Indiana	13	21	3
Piedmont	8	8	4

12. GOODWILL AND INTANGIBLE ASSETS

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 Consolidated Balance Sheets at December 31, 2024, and 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 Consolidated Balance Sheets at December 31, 2024, and 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.

Goodwill Impairment Testing

Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont are required to perform an annual goodwill impairment test as of the same date each year and, accordingly, perform their annual impairment testing of goodwill as of August 31. Additionally, Progress Energy, Duke Energy Ohio and Piedmont update their test between annual tests if events or circumstances occur that would more likely than not reduce the fair value of a reporting unit below its carrying value. The fair value for Duke Energy, Progress Energy, Duke Energy Ohio and Piedmont exceeded their respective carrying values at the date of the annual impairment analysis, no goodwill impairment charges were recorded in 2024.

INTANGIBLE ASSETS

The following tables show the carrying amount and accumulated amortization of intangible assets included in Other within Other Noncurrent Assets on the Consolidated Balance Sheets of the Duke Energy Registrants at December 31, 2024, and 2023.

	December 31, 2024						
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Emission allowances	$ 8	$ —	$ 5	$ 2	$ 3	$ —	$ 2	$ —
Renewable energy certificates	241	103	136	136	—	2	—	—
Other	47	3	5	1	4	1	—	22
Total gross carrying amounts	296	103	146	139	7	3	2	22

Total gross carrying amounts		296	97	143	136	6	2	2	22
Accumulated amortization – other		(14)	—	(3)	—	(3)	—	—	(6)
Total intangible assets, net		$ 282	$ 97	$ 140	$ 136	$ 3	$ 2	$ 2	$ 16

Amortization Expense

Amortization expense amounts for other intangible assets are immaterial for the years ended December 31, 2024, 2023 and 2022, and are expected to be immaterial for the next five years as of December 31, 2024.

13. INVESTMENTS IN UNCONSOLIDATED AFFILIATES

EQUITY METHOD INVESTMENTS

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

The following table presents Duke Energy's investments in unconsolidated affiliates accounted for under the equity method, as well as the respective equity in earnings (losses), by segment, for periods presented in this filing.

	Years Ended December 31,					
	2024		2023		2022	
(in millions)	Investments	Equity in (losses) earnings	Investments	Equity in earnings		Equity in earnings
Electric Utilities and Infrastructure	$ 28	$ (11)	$ 97	$ 7	$	7
Gas Utilities and Infrastructure	186	(48)	259	40		21
Other	139	50	136	66		85
Total	$ 353	$ (9)	$ 492	$ 113	$	113

During the years ended December 31, 2024, 2023 and 2022, Duke Energy received distributions from equity investments of $66 million, $50 million and $111 million, respectively, which are included in Other assets within Cash Flows from Operating Activities on the Consolidated Statements of Cash Flows. During the years ended December 31, 2024, 2023 and 2022, Duke Energy received distributions from equity investments of $25 million, $16 million and $6 million, respectively, which are included in Return of investment capital within Cash Flows from Investing Activities on the Consolidated Statements of Cash Flows.

During the years ended December 31, 2024, 2023 and 2022, Piedmont received distributions from equity investments of $9 million, $9 million and $31 million, respectively, which are included in Other assets within Cash Flows from Operating Activities. During the years ended December 31, 2024, and 2023, Piedmont received distributions from equity investments of $2 million and $1 million, respectively, which are included within Cash Flows from Investing Activities on the Consolidated Statements of Cash Flows. Amounts received during the year ended December 31, 2022, included in Cash Flows from Investing Activities on the Consolidated Statements of Cash Flows were immaterial.

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

Electric Utilities and Infrastructure

Duke Energy owns a 50% interest in DATC. DATC owns 100% interest in DATC Path 15 Transmission LLC, which owns transmission rights in North America. In January 2025, Duke Energy entered into an agreement to sell its indirect 50% ownership interest in DATC Path 15 Transmission LLC. In conjunction with the sale and to reflect the investment's fair value as of December 31, 2024, a pretax charge of $15 million was recorded in Equity in (losses) earnings of unconsolidated affiliates on Duke Energy's Consolidated Statements of Operations for the year ended December 31, 2024. The transaction is expected to close in the second quarter of 2025.

In November 2024, Duke Energy sold its 50% interest in Pioneer, which also builds, owns and operates electric transmission facilities in North America. Proceeds from the sale approximated the carrying value of the investment.

Gas Utilities and Infrastructure

Pipeline Investments

Piedmont owns a 21.49% investment in Cardinal, an intrastate pipeline located in North Carolina.

Duke Energy owns a 7.5% interest in Sabal Trail, a 517-mile interstate natural gas pipeline, which provides natural gas to Duke Energy Florida and Florida Power and Light.

Storage Facilities

Piedmont owns a 45% interest in Pine Needle, an interstate LNG storage facility located in North Carolina, and a 50% interest in Hardy Storage, an underground interstate natural gas storage facility located in West Virginia.

Renewable Natural Gas Investments

Duke Energy has held an investment in SustainRNG, a developer of renewable natural gas projects, and investments in multiple project companies developed by SustainRNG. In December 2024, Duke Energy recorded a pretax charge of $54 million within Equity in (losses) earnings of unconsolidated affiliates on the Consolidated Statements of Operations, fully impairing Duke Energy's investments in the project companies.

Other

Duke Energy has a 17.5% indirect economic ownership interest and a 25% board representation and voting rights interest in NMC, which owns and operates a methanol and MTBE business in Jubail, Saudi Arabia.

14. RELATED PARTY TRANSACTIONS

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

	Years Ended December 31,		
(in millions)	2024	2023	2022
Duke Energy Carolinas			
Corporate governance and shared service expenses[a]	$ 812	$ 823	$ 838

This report is:
(1) ☑ An Original
(2) ☐ A Resubmission

Name of Respondent: Duke Energy Ohio, Inc
Date of Report: 04/30/2025
Year/Period of Report: End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: RedemptionPrice

Redemption price of Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debentures plus a certain spread. This spread is presented in column i and is shown as basis points. The calculated Redemption Price can never be less than $100.

(b) Concept: RedemptionPrice

Redemption price of Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debentures plus a certain spread. This spread is presented in column i and is shown as basis points. The calculated Redemption Price can never be less than $100.

(c) Concept: RedemptionPrice

Redemption price of Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debentures plus a certain spread. This spread is presented in column i and is shown as basis points. The calculated Redemption Price can never be less than $100.

(d) Concept: RedemptionPrice

Redemption price of Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debentures plus a certain spread. This spread is presented in column i and is shown as basis points. The calculated Redemption Price can never be less than $100.

(e) Concept: RedemptionPrice

Redemption price of Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debentures plus a certain spread. This spread is presented in column i and is shown as basis points. The calculated Redemption Price can never be less than $100.

(f) Concept: RedemptionPrice

Redemption price of Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debentures plus a certain spread. This spread is presented in column i and is shown as basis points. The calculated Redemption Price can never be less than $100.

(g) Concept: RedemptionPrice

Redemption price of Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debentures plus a certain spread. This spread is presented in column i and is shown as basis points. The calculated Redemption Price can never be less than $100.

(h) Concept: RedemptionPrice

Redemption price of Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debentures plus a certain spread. This spread is presented in column i and is shown as basis points. The calculated Redemption Price can never be less than $100.

(i) Concept: ClassOfSeriesOfObligationAndNameOfStockExchange

The long-term financing authority, PUCO Case No. 24-169-GE-AIS, to issue securities in the form of Secured and Unsecured notes and Capital leases was approved on 7/10/2024 and expires on 6/30/2025. The order provides authorization to issue up to $500 million of first mortgage bonds, senior and junior unsecured debentures, or other forms of unsecured indebtedness. Additionally, the authorization provides for the issuance of up to $100 million of capital leases.Also, the authorization provides the authority to use interest rate hedges to help manage interest rate risk.

(j) Concept: ClassOfSeriesOfObligationAndNameOfStockExchange

The interest expense on Account 430 is related to short-term intercompany moneypool, so it is not disclosed on this form.

(k) Concept: RedemptionPrice

Redemption price of Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debentures plus a certain spread. This spread is presented in column i and is shown as basis points. The calculated Redemption Price can never be less than $100.

(l) Concept: RedemptionPrice

Redemption price of Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debentures plus a certain spread. This spread is presented in column i and is shown as basis points. The calculated Redemption Price can never be less than $100.

(a) The Subsidiary Registrants are charged their proportionate share of corporate governance and other shared services costs, primarily related to human resources, employee benefits, information technology, legal and accounting fees, as well as other third-party costs. These amounts are primarily recorded in Operation, maintenance and other on the Consolidated Statements of Operations and Comprehensive Income.

(b) The Subsidiary Registrants incur expenses related to certain indemnification coverages through Bison, Duke Energy's wholly owned captive insurance subsidiary. These expenses are recorded in Operation, maintenance and other on the Consolidated Statements of Operations and Comprehensive Income.

(c) Duke Energy Carolinas and Duke Energy Progress participate in a JDA, which allows the collective dispatch of power plants between the service territories to reduce customer rates. Revenues from the sale of power and expenses for the purchase of power pursuant to the JDA are recorded in Operating Revenues and Fuel used in electric generation and purchased power, respectively, on the Consolidated Statements of Operations and Comprehensive Income.

(d) Piedmont provides firm intrastate natural gas delivery service to certain Duke Energy Carolinas and Duke Energy Progress natural gas-fired generation facilities. Piedmont records the sales in Operating Revenues, and Duke Energy Carolinas and Duke Energy Progress record the related purchases as a component of Fuel used in electric generation and purchased power on their respective Consolidated Statements of Operations and Comprehensive Income. The related cash flows are eliminated in consolidation.

(e) Piedmont has transactions as a customer of its equity method investments in Pine Needle, Hardy Storage and Cardinal natural gas storage and transportation facilities. These expenses are included in Cost of natural gas on Piedmont's Consolidated Statements of Operations and Comprehensive Income.

In addition to the amounts presented above, the Subsidiary Registrants have other affiliate transactions, including rental of office space, participation in a money pool arrangement, other operational transactions and their proportionate share of certain employee benefit costs. See Note 7 for more information regarding money pool. These transactions of the Subsidiary Registrants are incurred in the ordinary course of business and are eliminated in consolidation.

Indemnification coverages[b]						44			34			28
JDA revenue[c]						85			34			109
JDA expense[c]						187			177			600
Intercompany natural gas purchases[d]						12			11			12
Progress Energy												
Corporate governance and shared service expenses[a]						$ 700			$ 736			$ 818
Indemnification coverages[b]						57			47			43
JDA revenue[c]						187			177			600
JDA expense[c]						35			34			109
Intercompany natural gas purchases[d]						75			75			76
Duke Energy Progress												
Corporate governance and shared service expenses[a]						$ 426			$ 434			$ 469
Indemnification coverages[b]						23			20			20
JDA revenue[c]						187			177			600
JDA expense[c]						35			34			109
Intercompany natural gas purchases[d]						75			75			76
Duke Energy Florida												
Corporate governance and shared service expenses[a]						$ 283			$ 302			$ 349
Indemnification coverages[b]						34			27			23
Duke Energy Ohio												
Corporate governance and shared service expenses[a]						$ 304			$ 294			$ 334
Indemnification coverages[b]						6			5			5
Duke Energy Indiana												
Corporate governance and shared service expenses[a]						$ 355			$ 365			$ 447
Indemnification coverages[b]						10			8			8
Piedmont												
Corporate governance and shared service expenses[a]						$ 166			$ 149			$ 155
Indemnification coverages[b]						4			4			3
Intercompany natural gas sales[d]						87			86			88
Natural gas transportation costs[e]						23			23			23

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As discussed in Note 18, 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
December 31, 2024							
Intercompany income tax receivable	$ —	$ —	$ —	$ 154	$ —	$ —	$ —
Intercompany income tax payable	419	169	315	—	43	110	43
December 31, 2023							
Intercompany income tax receivable	$ —	$ —	$ —	$ —	$ 91	$ 53	$ —
Intercompany income tax payable	81	92	94	114	—	—	57

15. 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.

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Unamortized Debt Expense, Premium and Discount on Long-Term Debt (Accounts 181, 225, 226)

1. Report under separate subheadings for Unamortized Debt Expense, Unamortized Premium on Long-Term Debt and Unamortized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt.
2. Show premium amounts by enclosing the figures in parentheses.
3. In column (b) show the principal amount of bonds or other long-term debt originally issued.
4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
5. Furnish in a footnote details regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.
6. Identify separately undisposed amounts applicable to issues which were redeemed in prior years.
7. Explain any debits and credits other than amortization debited to Account 428, Amortization of Debt Discount and Expense, or credited to Account 429, Amortization of Premium on Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Principal Amount of Debt Issued (b)	Total expense - Premium, Discount, or Debt Issuance Costs (c)	Amortization Period Date From (d)	Amortization Period Date To (e)	Balance at Beginning of Year (f)	Debits During Year (g)	Credits During Year (h)	Balance at End of Year (i)
1	Unamortized Debt Expense (Account 181)								
2	6.90% Unsecured Debentures due in 2025	150,000,000	1,839,412	06/14/1995	06/01/2025	78,552		39,293	39,259
3	5.55% Unsecured Debentures due in 2054	425,000,000	3,688,329	03/14/2024	03/15/2054	3,688,328		88,194	3,600,134
4	5.40% Debentures due in 2033	200,000,000	2,696,653	06/16/2003	06/15/2033	262,198		27,730	234,468
5	5.375% Debentures due in 2033	200,000,000	2,046,951	06/16/2003	06/15/2033	225,824		23,883	201,941
6	3.70% First Mortgage Bonds due 2046	350,000,000	3,226,833	06/23/2016	06/15/2046	2,389,342		106,408	2,282,934
7	3.65% First Mortgage Bonds due 2029	400,000,000	2,092,270	01/08/2019	02/01/2029	1,056,818		207,898	848,920
8	4.30% First Mortgage Bonds due 2049	400,000,000	3,292,270	01/08/2019	02/01/2049	2,746,854		109,509	2,637,345
9	2.125% First Mortgage Bonds due 2030	400,000,000	2,359,388	05/21/2020	06/01/2030	1,509,747		235,285	1,274,462
10	Master Credit Facility			11/18/2011	03/16/2029	1,387,446	510,584	348,203	1,549,827
11	5.25% First Mortgage Bonds due 2033	375,000,000	2,073,737	03/22/2023	04/01/2033	1,825,411	91,598	205,755	1,711,254
12	5.65% First Mortgage Bonds due 2053	375,000,000	3,198,738	03/22/2023	04/01/2053	3,025,785	91,599	106,081	3,011,303
13	TOTAL 181	3,275,000,000				14,507,757	4,382,109	1,514,239	17,375,627
14	Premium on Long-Term Debt (Account 225)								
15	Purch Acctg - 5.40% Debentures Due 6/15/33	200,000,000	(2,590,117)	04/01/2006	06/15/2033	(898,836)		95,059	(803,777)
16	Purch Acctg - 6.90% Unsecured Debentures Due 6/1/25	150,000,000	(6,459,047)	04/01/2006	06/01/2025	(477,689)			477,689
17	TOTAL 225	350,000,000				(1,376,525)		572,748	(803,777)
18	Discount on Long-Term Debt (Account 226)								
19	6.90% Unsecured Debentures due in 2025	150,000,000	975,000	06/01/1995	06/01/2025	46,018		173,032	(127,014)
20	5.40% Debentures due in 2033	200,000,000	35,366,184	06/16/2003	06/15/2033	1,449,711	—	1,179,171	9,970,540
21	5.375% Debentures due in 2033	200,000,000	1,208,000	06/16/2003	06/15/2033	5,978,869		632,313	5,346,556
22	5.55% Unsecured Debentures due in 2054	425,000,000	1,109,250	03/14/2024	03/15/2054	1,109,250		29,474	1,079,776
23	3.70% First Mortgage Bonds due 2046	350,000,000	99,000	06/23/2016	06/15/2046	6,334,028		282,069	6,051,959
24	3.65% First Mortgage Bonds due 2029	400,000,000	8,285,500	01/08/2019	02/01/2029	627,420		25,014	602,406
25	4.30% First Mortgage Bonds due 2049	400,000,000	176,000	01/08/2019	02/01/2049	88,899		17,488	71,411
26	2.125% First Mortgage Bonds due 2030	400,000,000	752,000	05/21/2020	06/01/2030	161,252		25,130	136,122
27	5.25% First Mortgage Bonds due 2033	375,000,000	210,000	03/22/2023	04/01/2033	198,766		20,948	177,818

28	5.65% First Mortgage Bonds due 2053	375,000,000	438,750	03/22/2023	04/01/2053	427,425		14,613	412,812
29	TOTAL 226	3,275,000,000				25,007,388	1,109,250	2,399,252	23,717,386

effectiveness in the fair value hedge 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:

	Pay Notional (in millions)	Pay Rate	Receive Notional (in millions)	Receive Rate	Hedge Maturity Date	Fair Value Gain (Loss)[a] (in millions) Years Ended December 31, 2024	2023	2022
Fair value hedges								
	$ 645	4.75 %	600 euros	3.10 %	June 2028	$ (41)	$ 17	$ (3)
	537	5.31 %	500 euros	3.85 %	June 2034	(34)	15	(2)
	815	5.65 %	750 euros	3.75 %	April 2031	(38)	—	—
Total notional amount	$ 1,997		1,850 euros			$ (113)	$ 32	$ (5)

(a) Amounts are recorded in Other Income and expenses, net on the Consolidated Statement of Operations, which offsets an equal translation adjustment of the foreign denominated debt. See the 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.

LOCATION AND FAIR VALUE OF DERIVATIVE ASSETS AND LIABILITIES RECOGNIZED IN THE CONSOLIDATED BALANCE SHEETS

The following tables show the fair value and balance sheet location of derivative instruments. Although derivatives subject to master netting arrangements are netted on the Consolidated Balance Sheets, the fair values presented below are shown gross and cash collateral on the derivatives has not been netted against the fair values shown.

Derivative Assets — December 31, 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	$ 49	$ 20	$ 17	$ 17	$ —	$ 1	$ 8	$ 1
Noncurrent	60	29	32	32	—	—	—	—
Total Derivative Assets – Commodity Contracts	$ 109	$ 49	$ 49	$ 49	$ —	$ 1	$ 8	$ 1
Interest Rate Contracts								
Designated as Hedging Instruments								
Current	$ 108	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Noncurrent	52	—	—	—	—	—	—	—
Not Designated as Hedging Instruments								
Current	$ 110	$ 19	$ 55	$ 44	$ 11	$ —	$ 36	$ —
Noncurrent	50	26	23	16	7	—	—	—
Total Derivative Assets – Interest Rate Contracts	$ 320	$ 45	$ 78	$ 60	$ 18	$ —	$ 36	$ —
Foreign Currency Contracts								
Designated as Hedging Instruments								
Noncurrent	5	—	—	—	—	—	—	—
Total Derivative Assets – Foreign Currency Contracts	$ 5	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total Derivative Assets	$ 434	$ 94	$ 127	$ 109	$ 18	$ 1	$ 44	$ 1

Derivative Liabilities — December 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	$ 108	$ 57	$ 32	$ 32	$ —	$ —	$ 3	$ 16
Noncurrent	134	31	24	24	—	—	—	78
Total Derivative Liabilities – Commodity Contracts	$ 242	$ 88	$ 56	$ 56	$ —	$ —	$ 3	$ 94
Interest Rate Contracts								
Not Designated as Hedging Instruments								
Current	2	—	2	1	1	—	—	—
Noncurrent	1	—	—	—	—	1	—	—
Total Derivative Liabilities – Interest Rate Contracts	$ 3	$ —	$ 2	$ 1	$ 1	$ 1	$ —	$ —
Foreign Currency Contracts								
Designated as Hedging Instruments								
Current	$ 35	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Noncurrent	39	—	—	—	—	—	—	—
Total Derivative Liabilities – Foreign Currency Contracts	$ 74	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total Derivative Liabilities	$ 319	$ 88	$ 58	$ 57	$ 1	$ 1	$ 3	$ 94

Derivative Assets — December 31, 2023

	Duke	Duke Energy	Progress	Duke Energy	Duke Energy	Duke Energy	Duke Energy	

This report is:
(1) ☑ An Original
(2) ☐ A Resubmission

Name of Respondent: Duke Energy Ohio, Inc
Date of Report: 04/30/2025
Year/Period of Report: End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: DesignationOfLongTermDebt

Duke Energy extended the termination date of its existing $9 billion Master Credit Facility to March 2029. And increased its capacity from $9 billion to $10 billion. 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 Ohio has a $825 million borrowing limit as of December 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	$ 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
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 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 — **December 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	**$ 267**	**$ 39**	**$ 72**	**$ 61**	**$ 11**	**$ 1**	**$ 44**	**$ 1**
Offset	**(29)**	**(15)**	**(14)**	**(14)**	**—**	**—**	**—**	**—**
Net amounts presented in Current Assets: Other	**$ 238**	**$ 24**	**$ 58**	**$ 47**	**$ 11**	**$ 1**	**$ 44**	**$ 1**
Noncurrent								
Gross amounts recognized	**$ 167**	**$ 55**	**$ 55**	**$ 48**	**$ 7**	**$ —**	**$ —**	**$ —**
Offset	**(37)**	**(19)**	**(17)**	**(17)**	**—**	**—**	**—**	**—**
Net amounts presented in Other Noncurrent Assets: Other	**$ 130**	**$ 36**	**$ 38**	**$ 31**	**$ 7**	**$ —**	**$ —**	**$ —**

Derivative Liabilities — **December 31, 2024**

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

(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	$ 145	$ 57	$ 48	$ 33	$ —	$ —	$ 3	$ 16
Offset	(29)	(15)	(14)	(14)	—	—	—	—
Cash collateral posted	(3)	(2)	(1)	(1)	—	—	(1)	—
Net amounts presented in Current Liabilities: Other	$ 113	$ 40	$ 20	$ 19	$ 1	$ —	$ 2	$ 16
Noncurrent								
Gross amounts recognized	$ 174	$ 31	$ 24	$ 24	$ —	$ 1	$ —	$ 78
Offset	(37)	(10)	(17)	(17)	—	—	—	—
Cash collateral posted	(4)	(4)	(1)	(1)	—	—	—	—
Net amounts presented in Other Noncurrent Liabilities: Other	$ 133	$ 8	$ 7	$ 7	$ —	$ 1	$ —	$ 78

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)	—	—	—	—	—
Net amounts presented in Current Assets: Other	$ 59	$ 6	$ 2	$ 1	$ 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	$ —

Name of Respondent: Duke Energy Ohio, Inc

This report is: (1) ☑ An Original (2) ☐ A Resubmission

Date of Report: 04/30/2025

Year/Period of Report: End of: 2024/ Q4

Unamortized Loss and Gain on Reacquired Debt (Accounts 189, 257)

1. Report under separate subheadings for Unamortized Loss and Unamortized Gain on Reacquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or loss resulted from a refunding transaction, include also the maturity date of the new issue.
2. In column (d) show the principal amount of bonds or other long-term debt reacquired.
3. In column (e) show the net gain or net loss realized on each debt reacquisition as computed in accordance with General Instruction 17 of the Uniform Systems of Accounts.
4. Show loss amounts by enclosing the figures in parentheses.
5. Explain in a footnote any debits and credits other than amortization debited to Account 428.1, Amortization of Loss on Reacquired Debt, or credited to Account 429.1, Amortization of Gain on Reacquired Debt-Credit.

Line No.	Designation of Long-Term Debt (a)	Date of Maturity (b)	Date Reacquired (c)	Principal of Debt Reacquired (d)	Net Gain or Loss (e)	Balance at Beginning of Year (f)	Balance at End of Year (g)
1	Unamortized Loss (Account 189)						
2	Debentures - 8.28% JR SB	06/30/2003		100,000,000	(3,158,778)	(155,422)	(51,807)
3	AQE Bonds 2001-A Series	09/01/2010		12,100,000	(534,966)	(223,713)	(200,369)
4	Total (Account 189)			112,100,000	(3,693,744)	(379,135)	(252,176)
5	Unamortized Gain (Account 257)						
6	Total (Account 257)						

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.

	December 31, 2024			
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress
Aggregate fair value of derivatives in a net liability position	$ 101	$ 52	$ 49	$ 49
Fair value of collateral already posted	6	6	—	—
Additional cash collateral or letters of credit in the event credit risk-related contingent features were triggered	95	46	49	49

	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.

16. 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 Florida and Duke Energy Indiana related to OPEB plans and (iii) Bison. The Duke Energy Registrants classify investments in debt securities as AFS and investments in equity securities as FV-NI.

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal Income Tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group that files consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group members, tax assigned to each group member, and basis of allocation, assignments, or sharing of the consolidated tax among the group members.

Line No.	Details (a)	Amount (b)
1	Net Income for the Year (Page 114)	340,508,685
2	Reconciling Items for the Year	
3		
4	Taxable Income Not Reported on Books	
5		
6		
7		
8	Total	
9	Deductions Recorded on Books Not Deducted for Return	
10		
11		
12		
13	Total	
14	Income Recorded on Books Not Included in Return	
15		
16		
17		
18	Total	
19	Deductions on Return Not Charged Against Book Income	
20	See Below For Detailed List	
21	Accelerated Depreciation & Other Plant Related Items	398,384,958
22	Allowance for Funds Used During Construction	15,451,923
23	Amortization of Intercompany Gain	(3,558,731)
24	Asset Retirement Obligations	319,848
25	Bad Debt/Uncollectible Accounts	(12,638,547)
26	Benefits Accrual	(3,042,084)
27	Capitalized 174 R&D Exp	(2,000,000)
28	Contributions in Aid of Construction	(20,259,619)
29	Cost of Removal	72,827,256
30	Deferred Fuel	(2,894,182)
31	Deferred Revenue	(1,663,390)
32	Demand Side Management	(9,134,202)
33	Equity in Earnings of Subsidiaries	101,399,148
34	Federal Income Tax Expense, Net of ITC	(39,472,881)
35	Injuries & Damages Accrual	4,174,915
36	Lease Adjustments	37,751
37	Lobbying	(950,000)
38	MGP Sites	14,174,811
39	Miscellaneous NC Taxable Income Adj - DTA	6,780,626
40	Other	(194,324)
41	Penalties	(950,120)
42	Plant Related	(300,225,685)
43	Property Tax Reserves	567,508
44	Rate Case - Deferred Costs	6,429,041
45	Reg Asset/Liab - Veg Mgt Rider	4,303,198
46	Reg Liab RSLI & Other Misc Dfd Costs	12,728,527
47	Regulatory Asset - Distribution Decoupling Rider	778,967
48	Regulatory Asset - Other	6,448,223
49	Regulatory Asset - Smart Grid PISCC	(2,280,062)
50	Regulatory Asset - Supplier Cost Recovery	(2,753,290)
51	State Income Tax Deduction	390,761
52	State Income Tax Expense	931,943
26	Total	244,112,254
27	Federal Tax Net Income	96,396,431
28	Show Computation of Tax:	
29	Federal Tax Net Income as above	96,396,431

30	Provision for Federal Income Tax @ 21%	20,243,251
31	Add: Prior Period Adjustments	655,331
32	Less: Net Operating Loss	(14,011,703)
33	Add: Corporate Alternative Minimum Tax	26,500,000
34	Less:Tax Credit Utilization	(5,249,084)
35	Total Federal Income Tax	28,137,795

Realized gains and losses, which were determined on a specific identification basis, from sales of FV-NI and AFS securities for the years ended December 31, 2024, 2023 and 2022, were as follows.

(in millions)	Years Ended December 31, 2024	2023	2022
FV-NI:			
Realized gains	$ 298	$ 82	$ 124
Realized losses	40	79	177
AFS:			
Realized gains	14	22	22
Realized losses	40	65	86

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.

	December 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	$ —	$ —	$ 77	$ —	$ —	$ 82
Equity securities	2,367	28	3,482	2,056	8	3,082
Corporate debt securities	4	6	272	8	8	242
Municipal bonds	2	10	306	6	12	297
U.S. government bonds	3	34	815	11	32	749
Other debt securities	—	—	16	—	—	6
Total NDTF Investments	$ 2,376	$ 78	$ 4,968	$ 2,081	$ 60	$ 4,458
Other Investments						
Cash and cash equivalents	$ —	$ —	$ 23	$ —	$ —	$ 18
Municipal bonds	—	—	24	—	1	23
Total Other Investments	$ —	$ —	$ 47	$ —	$ 1	$ 41
Total Investments	$ 2,376	$ 78	$ 5,015	$ 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 years ended December 31, 2024, 2023 and 2022, were as follows.

	Years Ended December 31,		
(in millions)	2024	2023	2022
FV-NI:			
Realized gains	$ 302	$ 47	$ 77
Realized losses	45	67	139
AFS:			
Realized gains	14	22	6
Realized losses	27	75	48

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.

	December 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	$ —	$ —	$ 54	$ —	$ —	$ 55
Equity securities	2,256	28	3,362	1,956	8	2,970
Corporate debt securities	4	6	256	7	8	229
Municipal bonds	2	10	306	6	12	297
U.S. government bonds	3	26	645	10	18	518
Other debt securities	—	—	14	—	—	6
Total NDTF Investments	$ 2,265	$ 70	$ 4,637	$ 1,979	$ 46	$ 4,075
Other Investments						
Cash and cash equivalents	$ —	$ —	$ 16	$ —	$ —	$ 14
Total Other Investments	$ —	$ —	$ 16	$ —	$ —	$ 14
Total Investments	$ 2,265	$ 70	$ 4,653	$ 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 years ended December 31, 2024, 2023 and 2022, were as follows.

	Years Ended December 31,

(in millions)	This report is:		2024	2023	2022
Name of Respondent: Duke Energy Ohio, Inc	(1) ☑ An Original	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4		
	(2) ☐ A Resubmission				

Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility

1. Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do the taxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether e
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes). Enter the amounts in b taxes.
3. Include in column (c) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.
5. If any tax (exclude Federal and State income taxes) covers more than one year, show the required information separately for each tax year, identifying
6. Enter all adjustments of the accrued and prepaid tax accounts in column (i) and explain each adjustment in a footnote. Designate debit adjustments by
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmitta
8. Show in columns (l) thru (s) how the taxes accounts were distributed. Show both the utility department and number of account charged. For taxes charg account.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.
10. Items under $250,000 may be grouped.
11. Report in column (t) the applicable effective state income tax rate.

Line No.	Kind of Tax (See Instruction 5) (a)	Type of Tax (b)	Tax Jurisdiction (c)	Tax Year (d)	Balance at Beg. of Year Taxes Accrued (e)	Balance at Beg. of Year Prepaid Taxes (f)	Taxes Charged During Year (g)	Taxes Paid During Year (h)	Adjustments (i)	Balance at End of Year Taxes Accrued (Account 236) (j)	Balance at End of Year Prepaid Taxes (Included in Acct 165) (k)	Electric (Account 408.1, 409.1) (l)
1	Social Security Tax	Federal Tax	Federal	2024	(231,997)		4,781,363	4,969,359	102	(419,993)	15	3,408,245
2	Highway Use											
3	**Subtotal Federal Tax**				(231,997)		4,781,363	4,969,359		(419,993)		3,408,245
4	OH Excise Taxes	Local Tax	OH	2024	24,458,559		100,214,985	111,682,032		12,991,512		69,786,312
5	OH Commercial Activity Tax	Local Tax	OH	2024	443,998		3,575,540	3,447,884		571,654		3,575,540
6	**Subtotal Local Tax**				24,902,557		103,790,525	115,129,916		13,563,166		73,361,852
7	OH State and Local Property Tax	Property Tax	OH	2024	262,546,467		277,860,927	257,488,814		282,918,580		221,706,266
8	**Subtotal Property Tax**				262,546,467		277,860,927	257,488,814		282,918,580		221,706,266
9	Unemployment Tax	Unemployment Tax	Federal	2024	(351)		27,049	27,123		277		22,338
10	Unemployment Tax	Unemployment Tax	Other	2024	(394)		886	773		(281)		626
11	Unemployment Tax	Unemployment Tax	OH	2024	559		44,670	50,318		(5,089)		31,546
12	**Subtotal Unemployment Tax**				516		72,605	78,214		(5,093)		54,510
13	OH Sales and Use Tax	Sales And Use Tax	OH	2024	56,247		(2,780,182)	(2,865,738)		141,803		(3,385,669)
14	KY Sales and Use Tax	Sales And Use Tax	KY	2024	1,252		164,252	180,782		(15,278)		(479)
15	NC Sales and Use Tax	Sales And Use Tax	NC	2024	52,331		(128,381)	(143,490)		67,440		(143,490)
16	Other Sales and Use Tax	Sales And Use Tax	Other	2024	145,869		126,714	303		272,583		20
17	**Subtotal Sales And Use Tax**				255,699		(2,717,597)	(2,828,446)		366,548		(3,529,638)
18	OH Income Tax	Income Tax	OH	2024	410,550		442,347	1,651		851,897		438,998
19	Fed Income Tax	Income Tax	Federal	2024	(54,010,925)		28,137,795	(72,272,309)		46,399,179		16,515,526
20	**Subtotal Income Tax**				(53,600,375)		28,580,142	(72,272,309)		47,252,076		16,953,624
21	Cincinnati Franchise Tax	Franchise Tax	OH	2024	(601,309)		1,326,743	1,326,743		(601,309)		1,326,743

DUKE ENERGY FLORIDA

The following table presents the estimated fair value of investments in debt and equity securities, equity investments and classified as FV-NI and investments are classified as AFS.

	December 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	$ —	$ —	$ 23	$	—	$ —	$ 27	
Equity securities	111	—	120		100	—	112	
Corporate debt securities	—	—	16		1	—	13	
U.S. government bonds	—	8	170		1	1	231	
Other debt securities	—	—	2		—	—	2	
Total NDTF Investments[a]	$ 111	$ 8	$ 331	$	103	$ 1	$ 383	
Other Investments								
Cash and cash equivalents	$ —	$ —	$ 3	$	—	$ —	$ 3	
Municipal bonds	—	—	24		—	—	23	
Total Other Investments	$ —	$ —	$ 27	$	—	$ —	$ 26	
Total Investments	$ 111	$ 8	$ 358	$	103	$ 1	$ 409	

(a) During the years ended December 31, 2024, and 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 years ended December 31, 2024, 2023 and 2022, were immaterial

DUKE ENERGY INDIANA

The following table presents the estimated fair value of investments in debt and equity securities. Investments are measured at FV-NI and investments are classified as AFS.

	December 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	4	69	4		4	—	20	
Corporate debt securities	—	—	6		—	—	8	
Municipal bonds	—	—	—		—	—	—	
U.S. government bonds	—	—	7		—	—	10	
Total Investments	$ 5	$ 146	$ 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 years ended December 31, 2024, 2023 and 2022, were immaterial

DEBT SECURITY MATURITIES

The table below summarizes the maturity date for debt securities.

(in millions)	December 31, 2024 Duke Energy Progress	Duke Energy Florida	Duke Energy Indiana
Due in one year or less	$ 89	$ 9	$ 62	$ 12	$ 50	$ 4
Due after one through five years	79	6	30	3	17	2
Due after five through 10 years	721	441	234	219	15	12
Due after 10 years	4,725	1,898	729	680	49	20

17. 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.

22	CA Franchise Tax	Franchise Tax	CA	2024								
23	NC Franchise Tax	Franchise Tax	NC	2024								
24	Other Franchise Tax	Franchise Tax	Other	2024								
25	**Subtotal Franchise Tax**				(601,309)		1,326,743	1,326,743		(601,309)		1,326,743
26	Miscellaneous Tax	Miscellaneous Other Tax	various	2024	0					0		(19,085)
27	**Miscellaneous Other Tax**				0					0		(19,085)
40	Total				233,271,558		413,694,708	303,892,291		343,073,975		313,262,517

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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 or its equivalent. The net asset value is derived based on the investment cost, less any impairment, plus or minus changes resulting from observable price changes for an identical or similar investment of the same issuer.

Fair value accounting guidance permits entities to elect to measure certain financial instruments that are not required to be accounted for at fair value, such as equity method investments or the Company's own debt, at fair value. The Duke Energy Registrants have not elected to record any of these items at fair value.

Valuation methods of the primary fair value measurements disclosed below are as follows.

Investments in equity securities

The majority of investments in equity securities are valued using Level 1 measurements. Investments in equity securities are typically valued at the closing price in the principal active market as of the last business day of the quarter. Principal active markets for equity prices include published exchanges such as the NYSE and Nasdaq Stock Market. Foreign equity prices are translated from their trading currency using the currency exchange rate in effect at the close of the principal active market. There was no after-hours market activity that was required to be reflected in the reported fair value measurements.

Investments in debt securities

Most investments in debt securities are valued using Level 2 measurements because the valuations use interest rate curves, and credit spreads applied to the terms of the debt instrument (maturity and coupon interest rate) that 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 2 for further information on the valuation of the Commercial Renewables Disposal Groups. See Note 12 for a discussion of the valuation of goodwill and intangible assets.

DUKE ENERGY

The following tables provide recorded balances for assets and liabilities measured at fair value on a recurring basis on the Consolidated Balance Sheets. Derivative amounts in the tables below for all Duke Energy Registrants exclude cash collateral, which is disclosed in Note 15. See Note 16 for additional information related to investments by major security type for the Duke Energy Registrants.

	December 31, 2024				
(in millions)	**Total Fair Value**	**Level 1**	**Level 2**	**Level 3**	**Not Categorized**
NDTF cash and cash equivalents	$ 139	$ 139	$ —	$ —	$ —
NDTF equity securities	8,233	8,203	2	—	28
NDTF debt securities	3,060	1,022	2,038	—	—
Other equity securities	160	160	—	—	—
Other debt securities	266	52	214	—	—
Other cash and cash equivalents	47	47	—	—	—
Derivative assets	434	2	423	9	—
Total assets	12,339	9,625	2,677	9	28
Derivative liabilities	(319)	(3)	(316)	—	—
Net assets	$ 12,020	$ 9,622	$ 2,361	$ 9	$ 28

	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)	
	Years Ended December 31,	
(in millions)	**2024**	**2023**
Balance at beginning of period	$ 15	$ 34
Purchases, sales, issuances and settlements:		
Purchases	29	47

Name of Respondent:	This report is:	Date of Report:	Year/Period of Report:
Duke Energy Ohio, Inc	(1) ☑ An Original	04/30/2025	End of: 2024/Q4
	(2) ☐ A Resubmission		

DUKE ENERGY CAROLINAS

Miscellaneous Current and Accrued Liabilities (Account 242)

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

1. Describe and report the amount of other current and accrued liabilities at the end of year.
2. Minor items (less than $250,000) may be grouped under appropriate title.

Line No.	Item (a)	Balance at End of Year (b)
1	Vacation Entitlement Reserve	6,058,858
2	Collateral Liability	2,971,217
3	MISO MTEP Short Term Accruals	2,619,551
4	Provision for Incentive Ben Prog	2,189,866
5	AS 158 Liabilities	2,000,000
6	Escheaments Payable	1,839,841
7	Wages Payable Accrual	1,665,000
8	Retirement Bank Accrual	589,476
9	Other Reserve/Accrual	185,778
10	Contract Retentions	126,167
11	Deferred Revenue Payable - Other	93,438
12	Severance Reserve/Accrual	2,455
13	Divison of Forecasting Fees	
14	OVEC/FE Reserve	
15	Tax Reform	
45	Total	20,341,667

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PROGRESS ENERGY

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

	December 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	$ 77	$ 77	$ —	$ 82	$ 82	$ —
NDTF equity securities	3,482	3,482	—	3,082	3,082	—
NDTF debt securities	1,409	502	907	1,294	454	840
Other debt securities	24	—	24	23	—	23
Other cash and cash equivalents	23	23	—	18	18	—
Derivative assets	127	—	127	34	—	34
Total assets	5,142	4,084	1,058	4,533	3,636	897
Derivative liabilities	(58)	—	(58)	(234)	—	(234)
Net assets	$ 5,084	$ 4,084	$ 1,000	$ 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 Consolidated Balance Sheets.

	December 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	$ 54	$ 54	$ —	$ 55	$ 55	$ —
NDTF equity securities	3,362	3,362	—	2,970	2,970	—
NDTF debt securities	1,221	365	856	1,050	266	784
Other cash and cash equivalents	16	16	—	14	14	—
Derivative assets	109	—	109	32	—	32
Total assets	4,762	3,797	965	4,121	3,305	816
Derivative liabilities	(57)	—	(57)	(219)	—	(219)
Net assets	$ 4,705	$ 3,797	$ 908	$ 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 Consolidated Balance Sheets.

	December 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	$ 23	$ 23	$ —	$ 27	$ 27	$ —
NDTF equity securities	120	120	—	112	112	—
NDTF debt securities	188	137	51	244	188	56
Other debt securities	24	—	24	23	—	23
Other cash and cash equivalents	3	3	—	3	3	—
Derivative assets	18	—	18	2	—	2

Total assets	376	283	93	411	330	81
Derivative liabilities	(1)	—	(1)	(15)	—	(15)
Net assets	$ 375	$ 283	$ 92	$ 396	$ 330	$ 66

This report is:
(1) ☑ An Original
(2) ☐ A Resubmission

Name of Respondent: Duke Energy Ohio, Inc
Date of Report: 04/30/2025
Year/Period of Report: End of: 2024/ Q4

DUKE ENERGY OHIO

Other Deferred Credits (Account 253)

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

1. Report below the details called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (less than $250,000) may be grouped by classes.

DUKE ENERGY INDIANA

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

Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	Debits Contra Account (c)	Debit Amount (d)	Credits (e)	Balance at End of Year (f)
1	MISO MTEP Accrual	27,482,023		56,648	580,325	28,005,700
2	MGP Reserve	34,800,979			(14,174,811)	20,626,168
3	Deferred Revenue - Outdoor Lighting - Amort Period is 10 years over life of contracts	8,394,302	415	1,521,739	3,185,129	10,057,692
4	Customer Choice Program - Deposits	2,755,858	(3)	—	1,342,104	4,097,962
5	Gas Refunds Amortization period varies	299	87	8	(299)	13
6	Misc Deferred Credits and Other	31,922			16,482	48,404
7	2016 Weatherization Programs Accruals					
8	Executive Cash Balance Plan	2,182,471			(142,403)	2,040,068
9	TN ACA Hedging-CONTRA					
10	Deferred Prepaid EF-Lighting	6,648	454	779		5,869
11	Other LT Liabilities				6,066,463	6,066,463
12	Cash - suspense				30	30
45	TOTAL	75,654,502		1,579,166	(3,126,980)	70,948,356

PIEDMONT

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

	December 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	(94)	—	(94)	(147)	—	(147)
Net (liabilities) assets	$ (93)	$ 1	$ (94)	$ (146)	$ 1	$ (147)

QUANTITATIVE INFORMATION ABOUT UNOBSERVABLE INPUTS

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

	December 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	$ — – $ 1.13	0.48
Duke Energy Indiana					
FTRs	8	RTO auction pricing	FTR price – per MWh	(0.63) – 9.24	0.94
Duke Energy					
Total Level 3 derivatives	$ 9				

	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.

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)	
(in millions)	December 31, 2024	December 31, 2023
Balance at beginning of period	$ 13	$ 28
Purchases, sales, issuances and settlements:		
Purchases	27	42
Settlements	(42)	(68)
Total gains included on the Consolidated Balance Sheet	10	10
Balance at end of period	$ 8	$ 13

Name of Respondent:	This report is:	Date of Report:	Year/Period of Report:
Duke Energy Ohio, Inc	(1) ☑ An Original (2) ☐ A Resubmission	04/30/2025	End of: 2024/ Q4

Accumulated Deferred Income Taxes-Other Property (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)	Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1	Account 282										
2	Electric	672,106,058	70,569,755	48,980,197	3,705,019	125,544	182.0	(1,272,845)			700,595,299
3	Gas	331,367,868	32,821,909	23,864,994	692,651	111,760	182	(1,086,044)			341,985,718
4	Other (Define)										
5	TOTAL (Total of lines 2 thru 4)	1,003,547,926	106,391,664	70,845,131	3,797,663	124,304		(1,272,845)		(1,086,044)	1,042,581,017
6	Other (Specify)	2,157,742		761,217							1,396,525
7	TOTAL Account 282 (Total of lines 5 thru 6)	1,005,705,668	106,391,664	71,606,348	3,797,663	124,304	—	(1,272,845)	—	(1,086,044)	1,043,977,542
8	Classification of TOTAL										
9	Federal Income Tax	991,826,422	104,693,275	70,504,217	3,725,983	124,015		(1,243,462)		(1,086,044)	1,029,480,050
10	State Income Tax	13,879,246	1,698,389	1,102,131	71,681	289		(29,383)			14,517,513
11	Local Income Tax										

(a) Book value of long-term debt includes $1.0 billion as of December 31, 2024 and December 31, 2023, of unamortized debt discount and premium, net in purchase accounting adjustments related to the mergers with Progress Energy and Piedmont that will be amortized from fair value of long-term debt.

At both December 31, 2024 and December 31, 2023, for cash and cash equivalents, accounts receivable, accounts payable, notes payable and commercial paper, and nonrecourse notes payable, the fair values do not materially differ from their carrying amounts because of the short-term nature of these instruments and/or because the stated rates approximate market rates.

18. VARIABLE INTEREST ENTITIES

A VIE is an entity that is evaluated for consolidation using more than a simple analysis of voting control. The analysis to determine whether an entity is a VIE considers contracts with an entity, credit support for an entity, the adequacy of the entity's capitalization, investment of an entity and the relationship of voting power to the amount of equity invested in an entity. This analysis is performed either upon the creation of a legal entity or upon the occurrence of an event requiring reconsideration, such as a significant change in an entity's capitalization or governance structure. The primary beneficiary that consolidates the VIE is the party that has the power to direct the activities of the VIE that most significantly impacts its economic performance and (ii) a party has rights to receive benefits or is obligated to absorb losses that could potentially be significant to the VIE. The analysis of the party that consolidates a VIE is a continual reassessment.

CONSOLIDATED VIEs

The obligations of the consolidated VIEs discussed in the following paragraphs are nonrecourse to the Duke Energy Registrants. The registrants have no requirement to provide liquidity to, purchase assets of or guarantee performance of these VIEs unless noted in the following paragraphs.

No financial support was provided to any of the consolidated VIEs during the years ended December 31, 2024, 2023 and 2022, 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 secured by the receivables purchased. Borrowing availability from the credit facilities is limited to the amount of qualified receivables purchased. Qualified receivables 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 DERF, DEPR and DEFR credit facilities are reflected on the 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 $761 million and were transferred back to Duke Energy Florida to be collected and reported as Receivables on the Consolidated Balance Sheets.

In January 2025, Duke Energy Carolinas repaid all outstanding DERF borrowings totaling $500 million and terminated the related DERF credit facility. Additionally, Duke Energy Carolinas' related restricted receivables outstanding at DERF at the time of termination totaled $1,081 million and were transferred back to Duke Energy Carolinas to be collected and reported as Receivables on the 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 reserves 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.

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 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			
		Duke Energy Carolinas	Duke Energy Progress	Duke Energy Florida
(in millions)	CRC	DERF	DEPR	DEFR
Expiration date	(a)	(c)	April 2025	(b)
Credit facility amount	(a)	(c)	$ 400	(b)
Amounts borrowed at December 31, 2024	—	500	400	—
Amounts borrowed at December 31, 2023	312	500	400	325
Restricted Receivables at December 31, 2024	—	1,054	835	—
Restricted Receivables at December 31, 2023	663	991	833	532

(a) In March 2024, Duke Energy repaid all outstanding CRC borrowing and terminated the related $350 million CRC credit facility.
(b) In April 2024, Duke Energy Florida repaid all outstanding DEFR borrowing and terminated the related $325 million DEFR credit facility.
(c) In January 2025, Duke Energy Carolinas repaid all outstanding DERF borrowing and terminated the related $500 million DERF credit facility.

Name of Respondent:	This report is:	Date of Report:	Year/Period of Report:
Duke Energy Ohio, Inc	(1) ☑ An Original (2) ☐ A Resubmission	04/30/2025	End of: 2024/ Q4

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 entered into agreements related to storm recovery bonds issued by Duke Energy Florida. The nuclear asset-recovery property acquired includes the right to impose, bill, collect and adjust a non-bypassable charge from all of Duke Energy Florida's retail electric customers. The nuclear asset-recovery bonds are secured by the nuclear asset-recovery property and cash collections from the nuclear asset-recovery charges are the sole source of funds to satisfy the debt obligation. The bondholders have no recourse to Duke Energy Florida.

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

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

(in millions)	December 31, 2024	December 31, 2023
Regulatory Assets: Current	61	59
Current Assets: Other	35	37
Other Noncurrent Assets: Regulatory assets	741	803
Current Liabilities: Other	2	1
Current maturities of long-term debt	73	73
Long-Term Debt	773	831

Storm Recovery Bonds

Duke Energy Carolinas NC Storm Funding, LLC (DECNCSF), Duke Energy Progress NC Storm Funding, LLC (DEPNCSF) and Duke Energy Progress SC Storm Funding, LLC (DEPSCSF) are bankruptcy remote, wholly owned special purpose subsidiaries of Duke Energy Carolinas and Duke Energy Progress. DECNCSF and DEPNCSF were formed in 2021 while DECSCSF was formed in 2024, all 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 and South Carolina.

In 2021, DECNCSF and DEPNCSF issued senior secured bonds, 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. 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 Carolinas' and Duke Energy Progress' North Carolina and 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 Carolinas or Duke Energy Progress. These entities are considered VIEs primarily because their 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. Duke Energy Carolinas consolidates DECNCSF and Duke Energy Progress consolidates DEPNCSF and DEPSCSF.

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

	December 31, 2024			December 31, 2023	
	Duke Energy Carolinas	Duke Energy Progress		Duke Energy Carolinas	Duke Energy Progress
(in millions)	DECNCSF	DEPNCSF	DEPSCSF	DECNCSF	DEPNCSF
Regulatory Assets: Current	$ 12	$ 39	$ 8	$ 12	$ 39
Current Assets: Other	9	27	13	9	31
Other Noncurrent Assets: Regulatory assets	189	620	155	196	643
Other Noncurrent Assets: Other	1	4	1	1	2
Current maturities of long-term debt	10	34	9	10	34
Current Liabilities: Other	2	10	7	3	8
Long-Term Debt	198	646	163	208	680

Purchasing 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 procurement agent for 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)	December 31, 2024	December 31, 2023
Inventory	$ 494	462
Accounts Payable	208	188

NON-CONSOLIDATED VIEs

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

	December 31, 2024		
(in millions)	Duke Energy Natural Gas Investments	Duke Energy Ohio	Duke Energy Indiana
Receivables from affiliated companies	$ —	$ —	$ —

Accumulated Deferred Income Taxes-Other (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. At Other (Specify), include deferrals relating to other income and deductions.
3. Provide in a footnote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411.1 (d)	Changes During Year Amounts Debited to Account 410.2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amount (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)
1	Account 283										
2	Electric	46,200,466	9,885,544	2,776,280			182	(190,442)	146	(142,522)	53,261,810
3	Gas	72,809,425	3,995,686	1,361,871		3,875			146	(255,228)	75,694,598
4	Other (Define)										
5	Total (Total of lines 2 thru 4)	119,009,891	13,881,230	4,138,151		3,875		(190,442)		(397,750)	128,956,403
6	Other (Specify)										
7	TOTAL Account 283 (Total of lines 5 thru 6)	119,009,891	13,881,230	4,138,151		3,875		(190,442)		(397,750)	128,956,403
8	Classification of TOTAL										
9	Federal Income Tax	118,911,869	13,653,016	3,981,774		3,874		(343,355)		(294,048)	128,529,930
10	State Income Tax	98,022	228,214	156,377				152,913		(103,702)	426,474
11	Local Income Tax										

Investments in equity method unconsolidated affiliates			—		—	—
Other noncurrent assets			17		—	—
Total assets	$		17	$	—	$ —
Other current liabilities			2		—	—
Other noncurrent liabilities			—		—	—
Total liabilities			2	$	—	$ —
Net assets	$		15	$	—	$ —

Offset Assets:Account 146 - (34,849)Account 182 - (220,379)Total (255,228)

FOOTNOTE DATA

(a) Concept: AccumulatedDeferredIncomeTaxLiabilitiesOtherAdjustmentsCreditedToAccount

	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. Prior to Duke Energy terminating the CRC credit facility, carrying values of retained interests were determined by allocating the carrying value of the receivables between assets sold and interests retained based on relative fair value. The allocated bases of the subordinated notes were not materially different than their face value because (i) the receivables generally turned over in less than two months, (ii) credit losses were reasonably predictable due to the broad customer base and lack of significant concentration and (iii) the equity in CRC was subordinate to all retained interests and thus would absorb losses first. The hypothetical effect on fair value of the retained interests assuming both a 10% and a 20% unfavorable variation in credit losses or discount rates was not material due to the short turnover of receivables and historically low credit loss history. Interest accrued to Duke Energy Ohio and Duke Energy Indiana on the retained interests using the acceptable yield method.

Key assumptions used in estimating fair value as of December 31, 2023, are detailed in the following table.

	Duke Energy Ohio	Duke Energy Indiana
Anticipated credit loss ratio	0.6 %	0.4 %
Discount rate	6.1 %	6.1 %
Receivable turnover rate	13.9 %	12.0 %

The following table shows the gross and net receivables sold. See discussion under Consolidated VIEs for additional information related to CRC's termination in March 2024.

	Duke Energy Ohio		Duke Energy Indiana	
	December 31,		December 31,	
(in millions)	2024	2023	2024	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		
	Years Ended December 31,			Years Ended December 31,		
(in millions)	2024	2023	2022	2024	2023	2022
Sales						
Receivables sold	$ 474	$ 2,578	$ 2,562	$ 473	$ 3,223	$ 3,744
Loss recognized on sale	7	34	18	6	39	26
Cash flows						
Cash proceeds from receivables sold	478	2,591	2,424	523	3,294	3,498
Collection fees received	—	1	1	—	2	2
Return received on retained interests	4	19	10	4	25	15

Cash flows from sales of receivables are reflected within Cash Flows From Operating Activities and Cash Flows from Investing Activities on Duke Energy Ohio's and Duke Energy Indiana's Consolidated Statements of Cash Flows.

Collection fees received in connection with servicing transferred accounts receivable were included in Operation, maintenance and other on Duke Energy Ohio's and Duke Energy Indiana's Consolidated Statements of Operations and Comprehensive Income. The loss recognized on sales of receivables was calculated monthly by multiplying receivables sold during the month by the required discount. The required discount was derived monthly utilizing a three-year weighted average formula that considered charge-off history, late charge history and turnover history on the sold receivables, as well as a component for the time value of money. The discount rate, or component for the time value of money, was the prior month-end Daily Simple SOFR plus a fixed rate of 1%.

Name of Respondent: Duke Energy Ohio, Inc.	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

19. REVENUE

Duke Energy recognizes revenue consistent with amounts billed under tariff offerings or at contractually agreed upon rates based on actual physical delivery of electric or natural gas service, including estimated volumes delivered when billings have not yet occurred. As such, the majority of Duke Energy's revenue is recognized pricing based on the contractual terms of the published tariffs. Absent decoupling mechanisms, the variability in expected cash flows of the majority of Duke Energy's revenue is attributable to the customer's volumetric demand and ultimate quantities of electricity or natural gas supplied and used during the billing period. The stand-alone selling price of related sales are designed to support recovery of prudently incurred costs and an appropriate return on invested assets and are primarily governed by published tariff rates or contractual agreements approved by relevant regulatory bodies. As described in Note 1, certain excise taxes and franchise fees levied by state or local governments are required to be paid even if not collected from the customer. These taxes are recognized on a gross basis as part of revenues. Duke Energy elects to account for all other taxes net of revenues.

Performance obligations are satisfied as energy is delivered to customers. Service contracts typically require monthly and related payments due within 30 days, depending on regulatory requirements. In no event is the time between transfer of a promised good or service to a customer and payment by the customer expected to exceed one year. Variable consideration associated with customer usage is recognized in revenue as energy is delivered to customers. Duke Energy applies the practical expedient to not disclose the value of unsatisfied performance obligations for contracts with an original expected length of one year or less. Revenue is recognized in the amount that reflects the consideration Duke Energy is entitled to receive in exchange for energy delivered to customers. Duke Energy's tariffs establish the terms and prices at which it sells electricity and natural gas to customers. Duke Energy's tariffs are approved by the applicable state commission. Duke Energy's tariffs establish the terms and prices at which it sells electricity and natural gas to customers. Duke Energy's tariffs are approved by the applicable state commission.

As described above, the majority of Duke Energy's tariff revenues are at will and, as such, related contracts with customers have an expected duration of one year or less and will not have future performance obligations for disclosure. Additionally, other long-term revenue streams, including wholesale contracts, generally provide services that are part of a single performance obligation, the delivery of electricity or natural gas. As such, other than fixed consideration under long-term contracts, related disclosures for future performance obligations are also not applicable.

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

Electric Utilities and Infrastructure

EU&I earns its revenue 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 all or portion of their load needs, or with supplemental requirements when the customer has other sources of electricity.

Retail electric service is generally marketed throughout Duke Energy's electric service territory through standard service offers. The standard service offers are through tariffs determined by regulators in Duke Energy's regulated service territory. Each tariff which is assigned to customers based on customer class, has multiple components such as an energy charge, a demand charge, a basic facilities charge and applicable riders. Duke Energy considers each of these components to be aggregated into a single performance obligation for providing electric service, or in the case of distribution only customers in Duke Energy Ohio, for delivering electricity. Electricity is considered a single performance obligation satisfied over time consistent with the series guidance and is provided and consumed over the billing period, generally one month. Retail electric service is typically provided to at-will customers who can cancel service at any time, without a substantive penalty. Additionally, Duke Energy adheres to applicable regulatory requirements in each jurisdiction to ensure the collectability of amounts billed and appropriate mitigating procedures are followed when necessary. As such, revenue from contracts with customers for such contracts is equivalent to the electricity supplied and billed in that period (including unbilled estimates).

Wholesale electric service is generally provided under long-term contracts using cost-based pricing. FERC regulates costs that may be recovered from customers and the amount of return companies are permitted to earn. Wholesale contracts include both energy and demand charges. For full requirements contracts, Duke Energy considers both charges as a single performance obligation for providing integrated electric service. For contracts where energy and demand charges are considered separate performance obligations, energy and demand are each a distinct performance obligation under the series guidance and are satisfied as energy is delivered and stand-ready service is provided on a monthly basis. This service represents consumption over the billing period and revenue is recognized consistent with billings and unbilled estimates, which generally occur monthly. Contractual amounts owed are typically billed on a monthly basis. Transmission revenues are trued up annually based upon incurred costs in accordance with FERC published filings and the specific customer's actual peak demand. Estimates of variable consideration related to potential additional billings or refunds owed are updated quarterly.

The majority of Duke Energy's wholesale requirements contracts where the customers purchase the substantial majority of their energy needs and do not have a fixed quantity of contractually required energy or capacity. As such, related forecasted revenues are considered optional purchases. Supplemental requirements contracts that include contracted blocks of energy and capacity at contractually fixed prices have the following estimated remaining performance obligations:

(in millions)	Remaining Performance Obligations						
	2025	2026	2027	2028	2029	Thereafter	Total
Duke Energy Carolinas	$ 12	$ 12	$ 12	$ 12	$ —	$ —	$ 48
Progress Energy	36	43	13	13	13	42	160
Duke Energy Progress	6	6	6	6	6	20	50
Duke Energy Florida	30	37	7	7	7	22	110
Duke Energy Indiana	17	17	15	5	—	—	54

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.

Retail natural gas service is marketed throughout Duke Energy's natural gas service territory using published tariff rates. The tariff rates are established by regulators in Duke Energy's service territories. Each tariff, which is assigned to customers based on customer class, have multiple components, such as a commodity charge, demand charge, customer charge, storage and transportation costs. Duke Energy considers each of these components to be aggregated into a single performance obligation for providing natural gas service. For contracts where Duke Energy provides all of the customer's natural gas needs, the delivery of natural gas is considered a single performance obligation satisfied over time, and revenue is recognized monthly based on billings and unbilled estimates as service is provided and the commodity is consumed over the billing period. Additionally, natural gas service is typically at will and customers can cancel service at any time, without a substantive penalty. Duke Energy also adheres to applicable regulatory requirements to ensure the collectability of amounts billed and receivable are appropriate mitigating procedures are followed when necessary.

Certain long-term individually negotiated contracts exist to provide natural gas service. These contracts are regulated and approved by state commissions. The negotiated contracts may have multiple components, including a natural gas and a demand charge, similar to retail natural gas contracts. Duke Energy considers each of these components to be a single performance obligation for providing natural gas service. This service represents consumption over the billing period, generally one month.

Fixed capacity payments under long-term contracts for the 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:

(in millions)	Remaining Performance Obligations						
	2025	2026	2027	2028	2029	Thereafter	Total
Piedmont	$ 64	$ 51	$ 49	$ 46	$ 44	$ 151	$ 405

Other

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

Disaggregated Revenues

For the EU&I and GU&I segments, revenue by customer class is most meaningful to Duke Energy as each respective customer class collectively represents unique customer expectations of service, generally has different energy and demand requirements, and operates under tailored, regulatory approved pricing structures. Additionally, each customer class is impacted differently by weather and a variety of economic factors including the level of population growth, economic investment, employment levels, and regulatory activities in each of Duke Energy's jurisdictions. As such, analyzing revenues disaggregated by customer class allows Duke Energy to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers. Disaggregated revenues are presented as follows:

Other Regulatory Liabilities (Account 254)

1. Report below the details called for concerning other regulatory liabilities which are created through the ratemaking actions of regulatory agencies (and not includable in other amounts).
2. For regulatory liabilities being amortized, show period of amortization in column (a).
3. Minor items (5% of the Balance at End of Year for Account 254 or amounts less than $250,000, whichever is less) may be grouped by classes.
4. Provide in a footnote for each line item the regulatory citation where the respondent was directed to refund the regulatory liability (e.g., Commission Order, state commission order, court decision).

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	Written off during Quarter/Period Account Credited (c)	Written off During Period Amount Refunded (d)	Written off During Period Amount Deemed Non-Refundable (e)	Credits (f)	Balance at End of Current Quarter/Year (g)
1	Income Taxes	397,925,767	190 ; 141	25,946,329			371,979,438
2	Supplier Cost Recovery Liability - Order #11-3549-EL-SSO	28,662,573				(3,858,323)	24,804,250
3	Bad Debt Expense Over Collection - Order #09-773-GA-UEX	703,481				(703,481)	
4	Regulatory Liability - NQ/OPEB	11,944,011	182.3; 228; 926	1,469,589		(1,254,192)	9,220,230
5	Deferred DDR Regulatory Liability - Order #09-773-GA-UEX						
6	Distribution Storm Rider 2019 - Order #s 20-344-EL-RDR, 20-345-EL-ATA						
7	Distribution Storm Rider 2020 Order #17-1263-EL-SSO						
8	Distribution Storm Rider 2021 - Order #17-1263-EL-SSO	974,625		974,625			
9	Alternative Energy Recovery Rider - (Amortized in accordance with revenue rider) - Order #11-3549-EL-SSO	173,649					(173,649)
10	Bad Debt to be Recovered - Order # 10-0726-GA-UEX	6,606,976					(6,606,976)
11	DSM Energy Efficiency - Order #08-0091-EL-UNC						
12	DEO DCI Rider Liability	154,806	182.4;440;442;444;445	154,806			
13	Vegetation Mgmt Rider	1,761,557	593			3,049,467	4,811,024
14	DVEC Rider Reg Liability - Order #17-32-EL-AIR						
15	Deferred BTR Reg Liab - Order# 11-2641-EL-RDR	12,651,022				3,541,467	16,192,489
16	2023 Distr Storm Rider - Liabi		182.3;588	236,869		1,342,101	1,105,232
17	2024 Distr Storm Rider - Liabi		593	3,000,000		3,000,000	
18	Go Green					28,194	28,194
45	Total	461,559,467		31,782,248		(1,635,392)	428,140,857

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/Q4

Year Ended December 31, 2024

Monthly Quantity & Revenue Data by Rate Schedule

1. Reference to account numbers in the USofA is provided in parentheses beside applicable data. Quantities must not be adjusted for discounts.
2. Total Quantities and Revenues in whole numbers.
3. Report revenues and quantities of gas by rate schedule. Where transportation services are bundled with storage services, reflect only transportation D storage, report Dth of gas withdrawn from storage and revenues by rate schedule.
4. Revenues in Column (c) include transition costs from upstream pipelines. Revenue (Other) in Column (e) includes reservation charges received by the charges, less revenues reflected in Columns (c) and (d). Include in Column (e), revenue for Accounts 490-495.
5. Enter footnotes as appropriate.

Line No.	Item (a)	Month 1 Quantity (b)	Month 1 Revenue Costs and Take-or-Pay (c)	Month 1 Revenue (GRI & ACA) (d)	Month 1 Revenue (Other) (e)	Month 1 Revenue (Total) (f)	Month 2 Quantity (g)	Month 2 Revenue Costs and Take-or-Pay (h)	Month 2 Revenue (GRI & ACA) (i)	Month 2 Revenue (Other) (j)	Month 2 Revenue (Total) (k)	Month 3 Quantity (l)	Month 3 Revenue Costs and Take-or-Pay (m)	Month Revenu (GRI & ACA) (n)
1	Total Sales (480-488)	657,645	0	0	16,588,408	16,588,408	1,415,886	0	0	20,070,178	20,070,178	2,221,960	0	100
2	Transportation of Gas for Others (489.2 and 489..3)				2,243	—		—	—	—	639		—	1,637
3	Rate Case #Pro-27	0	0	0	312	312	0	0	0	18,439	18,439	0	0	0
4	Rate FT	1,589,274	0	0	17,358,162	17,358,162	3,382,342	0	0	23,345,103	23,345,103	5,457,070	0	0
5	Rate IT	1,562,880	0	0	1,546,435	1,546,435	1,577,800	0	0	1,646,359	1,646,359	1,917,044	0	0
63	Total Transportation (Other than Gathering)	3,152,154			18,904,909	18,904,909	4,960,142			25,009,901	25,009,901	7,374,114		
64	Storage (489.4)													
65														
66														
67														
68														
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87														
88														
89														
90	Total Storage	0	0	0	29,060	8,288	0	0	0	7,036	2,507	0	0	1,620
91	Gathering (489.1)													
92	Gathering-Firm													
93	Gathering-Interruptible													
94	Total Gathering (489.1)	0	0	0	11,377	3,275	0	0	0	3,434	862	0	0	0
95	Additional Revenues				3,504	1,251	1,095	770	325	202	956			

Year Ended December 31, 2023

By market or type of customer (in millions)	Duke Energy	Duke Energy Carolinas	Duke Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Electric Utilities and Infrastructure								
Residential	$ 12,096	$ 3,409	$ 6,510	$ 2,540	$ 3,970	$ 947	$ 1,233	$ —
Commercial	7,895	2,670	3,762	1,588	2,174	552	911	—
Industrial	3,416	1,334	1,105	733	372	191	786	—
Wholesale	2,175	492	1,388	1,240	148	46	248	—
Other revenues	962	318	590	325	265	93	157	—
Total Electric Utilities and Infrastructure revenue from contracts with customers	$ 26,546	$ 8,223	$ 13,355	$ 6,426	$ 6,929	$ 1,829	$ 3,335	$ —
Gas Utilities and Infrastructure								
Residential	$ 1,226	$ —	$ —	$ —	$ —	$ 435	$ —	$ 792
Commercial	605	—	—	—	—	154	—	450
Industrial	141					26		115
Power Generation	—	—	—	—	—	—	—	31
Other revenues	119	—	—	—	—	24	—	95
Total Gas Utilities and Infrastructure revenue from contracts with customers	$ 2,091	$ —	$ —	$ —	$ —	$ 639	$ —	$ 1,483
Other								
Revenue from contracts with customers	$ 37	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total revenue from contracts with customers	$ 28,674	$ 8,223	$ 13,355	$ 6,426	$ 6,929	$ 2,468	$ 3,335	$ 1,483
Other revenue sources[a]	$ 386	$ 65	$ 189	$ 62	$ 107	$ 39	$ 64	$ 145
Total revenues	$ 29,060	$ 8,288	$ 13,540	$ 6,488	$ 7,036	$ 2,507	$ 3,399	$ 1,628

Year Ended December 31, 2022

By market or type of customer (in millions)	Duke Energy	Duke Energy Carolinas	Duke Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Electric Utilities and Infrastructure								
Residential	$ 11,377	$ 3,275	$ 5,812	$ 2,378	$ 3,434	$ 862	$ 1,430	$ —
Commercial	7,356	2,396	3,396	1,480	1,916	517	1,049	—
Industrial	3,504	1,251	1,095	770	325	202	956	—
Wholesale	2,856	561	1,785	1,346	439	127	383	—

	Other revenues				795	372	994		768	226	61	19	—
96	Total Electric Utilities and Infrastructure revenue from contracts with customers				$ 25,888	$ 7,855	$ 13,082	$ 6,742	$ 6,340	$ 1,769	$ 3,837	$ —	
97	*Gas Utilities and Infrastructure*												
	Residential				$ 1,462	$ —	$ —	$ —	$ —	$ 488	$ —	$ 974	
	Commercial				765	—	—	—	—	180	—	585	
	Industrial				170	—	—	—	—	24	—	144	
	Power generation				—	—	—	—	—	—	—	94	
	Other revenues				360	—	—	—	—	25	—	271	
	Total Gas Utilities and Infrastructure revenue from contracts with customers				$ 2,757	$ —	$ —	$ —	$ —	$ 717	$ —	$ 2,068	
100	*Other*												
	Revenue from contracts with customers				$ 30	$ —	$ —	$ —	$ —	$ —	$ —	$ —	
101	Total revenue from contracts with customers				$ 28,675	$ 7,855	$ 13,082	$ 6,742	$ 6,340	$ 1,769	$ 3,837	$ —	
	Other revenue sources[a]				$ 93	$ 2	$ 43	$ 11	$ 13	$ 28	$ 85	$ 56	
	Total revenues				$ 28,768	$ 7,857	$ 13,125	$ 6,753	$ 6,353	$ 2,514	$ 3,922	$ 2,124	

96	Products Sales and Extraction (490-492)												
97	Rents (493-494)	0	0	0	280,317	280,317	0	0	0	280,317	280,317	0	0
98	(495) Other Gas Revenues	0	0	0	6,808	6,808	0	0	0	3,772	3,772	0	0
99	(496) (Less) Provision for Rate Refunds												
100	Total Additional Revenues				287,125	287,125				284,089	284,089		
101	Total Operating Revenues (Total of Lines 1,63,90,94 & 100)	0	0	0	35,780,442	35,780,442	6,370,028	6,742	45,864,168	43,864,168	9,598,074	2,068	

(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)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Balance at December 31, 2021	**$ 121**	**$ 42**	**$ 36**	**$ 21**	**$ 16**	**$ 4**	**$ 3**	**$ 15**
Write-Offs	(158)	(73)	(70)	(36)	(34)	—	—	(12)
Credit Loss Expense	160	40	72	17	55	2	1	11
Other Adjustments	93	59	43	42	(1)	—	—	—
Balance at December 31, 2022	**$ 216**	**$ 68**	**$ 81**	**$ 44**	**$ 36**	**$ 6**	**$ 4**	**$ 14**
Write-Offs	(164)	(71)	(84)	(41)	(42)	—	—	(10)
Credit Loss Expense	101	35	48	12	37	3	1	7
Other Adjustments	52	24	29	29	—	—	—	—
Balance at December 31, 2023	**$ 205**	**$ 56**	**$ 74**	**$ 44**	**$ 31**	**$ 9**	**$ 5**	**$ 11**
Write-Offs	(132)	(55)	(73)	(45)	(28)	—	—	(4)
Credit Loss Expense	98	39	51	25	26	3	2	3
Other Adjustments	38	29	21	20	—	31	8	—
Balance at December 31, 2024	**$ 209**	**$ 69**	**$ 73**	**$ 44**	**$ 29**	**$ 43**	**$ 15**	**$ 10**

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.

20. 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 RSUs that are entitled to dividends declared on Duke Energy common stock during the RSUs vesting periods. Dividends declared on preferred stock are recorded on the Consolidated Statements of Operations as a reduction of net income to arrive at net income available to Duke Energy common stockholders. Dividends accumulated on preferred stock are an adjustment to net income used in the calculation of basic and diluted EPS.

The following table presents Duke Energy's basic and diluted EPS calculations, the weighted average number of common shares outstanding and common and preferred share dividends declared.

	Years Ended December 31,		
(in millions, except per share amounts)	**2024**	**2023**	**2022**
Net Income available to Duke Energy common stockholders	**$ 4,402**	$ 2,735	$ 2,444
Less: Income (Loss) from discontinued operations attributable to Duke Energy common stockholders	**7**	(1,391)	(1,215)
Accumulated preferred stock dividends adjustment	**14**	—	—
Less: Impact of participating securities	**6**	6	2
Income from continuing operations available to Duke Energy common stockholders	**$ 4,403**	$ 4,120	$ 3,657
Income (Loss) from discontinued operations, net of tax	**$ 10**	$ (1,455)	$ (1,323)
Add: (Income) Loss attributable to NCI	**(3)**	64	108
Income (Loss) from discontinued operations attributable to Duke Energy common stockholders	**$ 7**	$ (1,391)	$ (1,215)
Weighted average common shares outstanding – basic and diluted	**772**	771	770
EPS from continuing operations available to Duke Energy common stockholders			

Basic and Diluted[a]	$ 5.70	$ 5.35	$ 4.74
Income (loss) from discontinued operations attributable to Duke Energy common stockholders			
Basic and Diluted[a]	$ 0.01	$ (1.81)	$ (1.57)
Potentially dilutive items excluded from the calculation[b]	2	2	2
Dividends declared per common share	$ 4.14	$ 4.06	$ 3.98
Dividends declared on Series A preferred stock per depositary share[c]	$ 1.437	$ 1,437	$ 1.437
Dividends declared on Series B preferred stock per share[d]	$ 48.750	$ 48.750	$ 48.750

(a) For periods presented subsequent to issuance in April 2023, the convertible notes were excluded from the calculation as 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) 4.75% 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 were payable semiannually in arrears on the 16th day of March and September. The preferred stock was redeemed on September 16, 2024.

Common Stock

In November 2022, Duke Energy filed a forward supplement and executed an Equity Distribution Agreement (the EDA) that allows the company to sell up to $1 billion of its common stock through an ATM offering program, including sales pursuant to forward sale agreements, under the terms of the EDA, Duke Energy may issue and sell shares of common stock through September 6, 2025.

The following table shows ATM equity issuances pursuant to the EDA, which settled within the year ended December 31, 2024.

Tranche	Shares Priced	Initial Forward Price
1	802,371	$ 92.77
2	729,674	$ 101.10
3	737,269	$ 100.99
4	662,266	$ 111.45
Total	2,931,591	

In December 2024, Duke Energy physically settled the equity forwards by delivering approximately 2.9 million shares of common stock in exchange for net cash proceeds of $297 million. Additionally, in December 2024, a fifth and final tranche of ATM equity issuances delivered 671,216 shares of common stock in exchange for net cash proceeds of $74 million, resulting in a total of 3.6 million shares of common stock issued in exchange for total cash proceeds of $371 million during the year ended December 31, 2024.

Preferred Stock

On September 16, 2024, Duke Energy redeemed all 1 million outstanding shares of Series B Preferred Stock for a redemption price of $1,000 per share or $1 billion in total. Following the redemption, dividends ceased to accrue on the shares of Series B Preferred Stock, shares of the Series B Preferred Stock were no longer deemed outstanding and all rights of the holders of such shares of Series B Preferred Stock terminated. In conjunction with the redemption, Duke Energy recorded $16 million in preferred stock redemption costs, calculated as the difference of $11 million between the carrying value on the redemption date of the Series B Preferred Stock and the total amount of consideration paid to redeem, and including the recognition of an excise tax liability under the IRA of $5 million. The preferred stock redemption costs were recorded as a reduction to Retained earnings on Duke Energy Corporation's Consolidated Balance Sheets during the year ended December 31, 2024.

The Series A Preferred Stock has no maturity or mandatory redemption date, is not redeemable at the option of the holders and Duke Energy may call the preferred stock, in whole or in part, at any time at a redemption price of $25 per depositary share plus Duke Energy is also required to redeem all accumulated and unpaid dividends if the call option is exercised.

Dividends issued on its Series A Preferred Stock are subject to approval by the Board of Directors. However, the deferral of dividend payments on the preferred stock prohibits the declaration of common stock dividends.

The Series A Preferred Stock ranks with respect to dividends and distributions upon liquidation or dissolution:

- senior to common Stock and to each other class or series of capital stock established after the original issue date of the Series A Preferred Stock that is expressly made subordinated to the Series A Preferred Stock;
- on a parity with any class or series of capital stock established after the original issue date of the Series A Preferred Stock that is not expressly made senior or subordinated to the Series A Preferred Stock;
- junior to any class or series of capital stock established after the original issue date of the Series A Preferred Stock that is expressly made senior to the Series A Preferred Stock;
- junior to all existing and future indebtedness (including indebtedness outstanding under Duke Energy's credit facilities, unsecured senior notes, junior subordinated debentures and commercial paper) and other liabilities with respect to assets available to satisfy claims against Duke Energy; and
- structurally subordinated to existing and future indebtedness and other liabilities of Duke Energy's subsidiaries and future preferred stock of subsidiaries.

Holders of the Series A Preferred Stock have no voting rights with respect to matters that generally require the approval of voting stockholders. The limited voting rights of holders of Series A Preferred Stock include the right to vote as a single class on specified certain matters that may affect the preference or special rights of the preferred stock, except in the instance that Duke Energy elects to defer the payment of dividends for a total of six quarterly full dividend periods on the Series A Preferred Stock. If dividends are deferred for a cumulative total of six quarterly full dividend periods for Series A Preferred Stock, whether or not for consecutive dividend periods, holders of the preferred stock have the right to elect two additional Board members to the Board of Directors.

21. SEVERANCE

During 2023, as Duke Energy transitioned from the foundational work of energy transition strategy planning to the launch of the largest power generation build period in its history, it streamlined certain functions and changed how it was structured and operated. To ensure the resulting organization reflected best-in-class standards, was optimally aligned with its jurisdictions, and was best positioned to serve its customers, stakeholders and investors. As a result, Duke Energy extended involuntary severance benefits to certain employees in specific areas as a part of its organizational optimization. For the year ended December 31, 2023, Duke Energy recorded severance charges of approximately $97 million within Operations, maintenance and other on the Consolidated Statements of Operations. These charges, along with amortization of severance regulatory deferrals and reversals of certain prior period severance costs, resulted in a total severance charge of $102 million in 2023.

During 2022, Duke Energy identified opportunities to eliminate work and create sustainable savings through a workload reduction initiative with a focus on process improvement through digital technology, governance simplification and elimination of redundant work. As a result, Duke Energy extended involuntary severance benefits to certain employees in specific areas as a part of this initiative.

The following table presents the direct and allocated severance and related charges accrued for 341 employees in 2024, 682 employees in 2023 and 233 employees in 2022 by the Duke Energy Registrants within Operation, maintenance and other on the Consolidated Statements of Operations.

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

Name of Respondent: Duke Energy Ohio, Inc | This report is: (1) ☑ An Original (2) ☐ A Resubmission | Date of Report: 04/30/2025 | Year/Period of Report: End of: 2024/ Q4

Gas Operating Revenues

1. Report below natural gas operating revenues for each prescribed account total. The amounts must be consistent with the detailed data on succeeding pages.
2. Revenues in columns (b) and (c) include transition costs from upstream pipelines.
3. Revenues in columns (d) and (e) include reservation charges received by the pipeline plus usage charges, less revenues reflected in columns (b) through (c). Include in columns (f) and (g) revenues for Accounts 480-495.
4. Increases or decreases from previous year are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. On Page 108, include information on major changes during the year, new service, and important rate increases or decreases.
6. Report the revenue from transportation services that are bundled with storage services as transportation service revenue.

Line No.	Title of Account (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)	Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekatherm of Natural Gas Amount for Previous Year (k)
1	(480) Residential Sales					179,677,340	220,839,588	179,677,340	220,839,588	10,784,521	14,608,616
2	(481) Commercial and Industrial Sales					53,092,543	~~58,336,202~~	53,092,543	~~58,336,202~~	3,815,908	4,394,776
3	(482) Other Sales to Public Authorities					2,127,039	2,976,168	2,127,039	2,976,168	206,787	255,108
4	(483) Sales for Resale					0		0		0	
5	(484) Interdepartmental Sales					188,776	204,925	188,776	204,925	28,303	24,049
6	(485) Intracompany Transfers					0		0			
7	(487) Forfeited Discounts					1,802,073		1,802,073			
8	(488) Miscellaneous Service Revenues					(85,813)	664,391	(85,813)	664,391		
9	(489.1) Revenues from Transportation of Gas of Others Through Gathering Facilities					0		0		0	
10	(489.2) Revenues from Transportation of Gas of Others Through Transmission Facilities					0		0		0	
11	(489.3) Revenues from Transportation of Gas of Others Through Distribution Facilities					271,745,587	222,020,514	271,745,587	222,020,514	55,087,530	53,186,891
12	(489.4) Revenues from Storing Gas of Others					0		0			
13	(490) Sales of Prod. Ext. from Natural Gas					0		0		0	
14	(491) Revenues from Natural Gas Proc. by Others					0		0			
15	(492) Incidental Gasoline and Oil Sales					0		0			
16	(493) Rent from Gas Property					3,363,805	4,095,835	3,363,805	4,095,835		

	Year Ended December 31, 2024[a][b][c]		$	(28) $	(11) $	(9) $	(5) $	(4) $	(2) $	(4) $	(2)
	Year Ended December 31, 2023[d][e]			102	53	33	21	12	3	6	4
	Year Ended December 31, 2022[f][g]			65	40	20	17	3	1	2	2
17	(494) Interdepartmental Rents					0		0			
18	(495) Other Gas Revenues					81,970	55,408	81,970	55,408		
19	Subtotal.					511,993,320	509,193,031	511,993,320	509,193,031		
20	(496) (Less) Provision for Rate Refunds					0		0			
21	TOTAL					511,993,320	509,193,031	511,993,320	509,193,031		

(a) Includes adjustments associated with 2022 severance charges of approximately $(1) million and $(1) million for Duke Energy and Duke Energy Carolinas, respectively.

(b) Includes adjustments associated with 2023 severance charges of approximately $(27) million, $(11) million, $(9) million, $(5) million, $(2) million, $(1) million, $(4) million, $(2) million and $(2) million for Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont, respectively.

(c) Includes amortization of deferred severance charges of approximately $22 million, $14 million, $8 million and $8 million for Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.

(d) Includes adjustments associated with 2021 severance charges of approximately $(6) million, $(2) million, $(3) million, $(2) million, $(1) million and $(1) million for Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida and Duke Energy Indiana, respectively.

(e) Includes adjustments associated with 2022 severance charges of approximately $(14) million, $(7) million, $(5) million, $(3) million, $(2) million, $(1) million and $(1) million for Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio and Duke Energy Indiana, respectively.

(f) Includes amortization of deferred severance charges of approximately $33 million, $22 million, $11 million and $11 million for Duke Energy, Duke Energy Carolinas, Progress Energy and Duke Energy Progress, respectively.

(g) Includes adjustments associated with 2021 severance charges of approximately $(19) million, $(6) million, $(9) million, $(4) million, $(4) million, $(1) million, $(2) million and $(1) million for Duke Energy, Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont, respectively.

The table below presents the severance liability for past and ongoing severance plans including the plans described above.

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Balance at December 31, 2022	$ 64	$ 15	$ 6	$ 4	$ 2	$ —	$ —	$ 1
Provision/Adjustments	80	30	13	6	7	1	4	2
Cash Reductions	(42)	(10)	(3)	(2)	(1)	—	—	(1)
Balance at December 31, 2023	$ 102	$ 35	$ 16	$ 8	$ 8	$ 1	$ 4	$ 2
Provision/Adjustments	**(28)**	**(6)**	**(3)**	**(1)**	**(2)**	**(1)**	**(3)**	**(1)**
Cash Reductions	**(55)**	**(21)**	**(11)**	**(6)**	**(5)**	**—**	**(1)**	**(1)**
Balance at December 31, 2024	**$ 19**	**$ 8**	**$ 2**	**$ 1**	**$ 1**	**$ —**	**$ —**	**$ —**

22. STOCK-BASED COMPENSATION

The Duke Energy Corporation 2023 Long-Term Incentive Plan (the 2023 Plan) provides for the grant of stock-based compensation awards to employees and outside directors. The 2023 Plan superseded the Duke Energy Corporation 2015 Long-Term Incentive Plan (the 2015 Plan). No additional grants will be made from the 2015 Plan. The 2023 Plan reserves 15 million shares of common stock for issuance. Duke Energy has historically issued new shares upon exercising or vesting of share-based awards. However, Duke Energy may use a combination of new share issuances and open market repurchases for share-based awards that are exercised or vest in the future. Duke Energy has not determined with certainty the amount of such new share issuances or open market repurchases.

The following table summarizes the total expense recognized by the Duke Energy Registrants, net of tax, for stock-based compensation.

	Years Ended December 31,		
(in millions)	**2024**	**2023**	**2022**
Duke Energy	**$ 70**	$ 71	$ 74
Duke Energy Carolinas	**25**	25	27
Progress Energy	**28**	28	27
Duke Energy Progress	**17**	17	17
Duke Energy Florida	**11**	11	10
Duke Energy Ohio	**5**	5	5
Duke Energy Indiana	**7**	7	7
Piedmont	**4**	4	4

Duke Energy's pretax stock-based compensation costs, the tax benefit associated with stock-based compensation expense and stock-based compensation costs capitalized are included in the following table.

	Years Ended December 31,		
(in millions)	**2024**	**2023**	**2022**
RSU awards	**$ 49**	$ 54	$ 58
Performance awards	**47**	43	42
Pretax stock-based compensation cost	**$ 96**	$ 97	$ 100
Stock-based compensation costs capitalized	**6**	6	5
Stock-based compensation expense	**$ 90**	$ 91	$ 95
Tax benefit associated with stock-based compensation expense	**$ 20**	$ 20	$ 21

RESTRICTED STOCK UNIT AWARDS

RSU awards generally vest over periods from immediate to three years. Fair value amounts are based on the market price of Duke Energy's common stock on the grant date. The following table includes information related to RSU awards.

	Years Ended December 31,		
	2024	**2023**	**2022**
Shares granted (in thousands)	**598**	670	654
Fair value (in millions)	**$ 59**	$ 65	$ 64

The following table summarizes information about RSU awards outstanding.

	Shares (in thousands)	**Weighted Average Grant Date Fair Value (per share)**

Outstanding at December 31, 2023								1,115	$	96
Granted								440		99
Vested								(654)		95
Forfeited								(73)		98
Outstanding at December 31, 2024								1,068		98
RSU awards expected to vest								1,014		98

The total grant date fair value of shares vested during the years ended December 31, 2024, 2023 and 2022, was $55 million, $52 million and $49 million, respectively. At December 31, 2024, Duke Energy had $37 million of unrecognized compensation cost, which is expected to be recognized over a weighted average period of 24 months.

PERFORMANCE AWARDS

Stock-based performance awards generally vest after three years to the extent performance targets are met. The actual number of shares issued will range from zero to 200% of target shares, depending on the level of performance achieved.

Performance awards contain performance conditions and market conditions. The performance conditions are based on Duke Energy's cumulative adjusted EPS and total incident case rate (total incident case rate is one of our key employee safety metrics). The market condition is based on TSR of Duke Energy relative to a predefined peer group.

Relative TSR is valued using a path-dependent model that incorporates expected relative TSR into the fair value determination of Duke Energy's performance-based share awards. The model uses three-year historical volatilities and correlations for all companies in the predefined peer group, including Duke Energy, to simulate Duke Energy's relative TSR as of the end of the performance period. For each simulation, Duke Energy's relative TSR associated with the simulated stock price at the end of the performance period plus expected dividends within the period results in a value per share for the award portfolio. The average of these simulations is the expected portfolio value per share. Actual life to date results of Duke Energy's relative TSR for each grant are incorporated within the model. For performance awards granted in 2024, the model used a risk-free interest rate of 4.49%, which reflects the yield on three-year Treasury bonds as of the grant date, and an expected volatility of 18.7% based on Duke Energy's historical volatility over three years using daily stock prices.

The following table includes information related to stock-based performance awards.

	Years Ended December 31,		
	2024	2023	2022
Shares granted assuming target performance (in thousands)	440	422	408
Fair value (in millions)	$ 42	$ 42	$ 40

The following table summarizes information about stock-based performance awards outstanding and assumes payout at the target level.

	Shares (in thousands)	Weighted Average Grant Date Fair Value (per share)
Outstanding at December 31, 2023	1,115	$ 96
Granted	440	95
Vested	(338)	88
Forfeited	(30)	96
Outstanding at December 31, 2024	1,187	98
Stock-based performance awards expected to vest	1,156	98

The total grant date fair value of shares vested during the years ended December 31, 2024, 2023 and 2022, was $30 million, $31 million and $25 million, respectively. At December 31, 2024, Duke Energy had $24 million of unrecognized compensation cost, which is expected to be recognized over a weighted average period of 22 months.

DEFINED BENEFIT RETIREMENT PLANS

Duke Energy and certain subsidiaries maintain, and the Subsidiary Registrants participate in, qualified, non-contributory defined benefit retirement plans, which consist of the Duke Energy Retirement Cash Balance Plan (RCBP) and the Duke Energy Legacy Pension Plan (DELPP) These plans cover most employees using a cash balance formula. Under a cash balance formula, a plan participant accumulates a retirement benefit consisting of pay credits based upon a percentage of current eligible earnings, age or age and years of service and interest credits. Certain employees are eligible for benefits that use a final average earnings formula. Under these final average earnings formulas, a plan participant accumulates a retirement benefit equal to the sum of percentages of their (i) highest three-, four- or five-year average earnings, (ii) highest three-, four- or five-year average earnings in excess of covered compensation per year of participation (maximum of 35 years) or (iii) highest three-year average earnings times years of participation in excess of 35 years. Duke Energy also maintains, and the Subsidiary Registrants participate in, non-qualified, non-contributory defined benefit retirement plans that cover certain executives. The qualified and non-qualified, non-contributory defined benefit plans are closed to new participants.

Duke Energy uses a December 31 measurement date for its defined benefit retirement plan assets and obligations. Actuarial gains experienced by the defined benefit retirement plans in remeasuring plan obligations as of December 31, 2024, were primarily attributable to the increase in the discount rate used to measure plan obligations. Actuarial losses experienced by the defined benefit retirement plans in remeasuring plan assets as of December 31, 2024, were primarily attributable to actual investment performance that was less than expected investment performance. Actuarial gains experienced by the defined benefit retirement plans in remeasuring plan assets on December 31, 2023, were primarily attributable to actual investment performance that exceeded expected investment performance. Actuarial losses experienced by the defined benefit retirement plans in remeasuring plan obligations as of December 31, 2023, were primarily attributable to the decrease in the discount rate used to measure plan obligations.

As a result of the application of settlement accounting due to total lump-sum benefit payments exceeding the settlement threshold (defined as the sum of service cost and interest cost on projected benefit obligation components of net periodic benefit costs) for one of its qualified pension plans, Duke Energy recognized settlement charges of $72 million, of which $60 million was recorded to Regulatory Assets within Other Noncurrent Assets on the Consolidated Balance Sheets and $12 million was recorded to Other income and expenses, net, within the Consolidated Statement of Operations as of, and for the year ended, December 31, 2024. No settlement charges were recorded in 2023. Duke Energy recognized settlement charges of $117 million, of which $95 million was recorded to Regulatory Assets within Other Noncurrent Assets on the Consolidated Balance Sheets and $22 million was recorded to Other income and expenses, net, within the Consolidated Statement of Operations as of, and for the year ended, December 31, 2022.

Settlement charges recognized by the Subsidiary Registrants as of December 31, 2024, which represents amounts allocated by Duke Energy for employees of the Subsidiary Registrants and allocated charges for their proportionate share of settlement charges for employees of Duke Energy's shared service affiliate, and recorded to Regulatory Assets within Other Noncurrent Assets on the Consolidated Balance Sheets were $31 million for Duke Energy Carolinas, $23 million for Progress Energy, $16 million for Duke Energy Progress, $7 million for Duke Energy Florida, $3 million for Duke Energy Indiana, and $4 million for Piedmont. Settlement charges recognized by the Subsidiary Registrants as of December 31, 2024, recorded to Other income and expenses, net, within the 2024 Consolidated Statements of Operations were $3 million for Duke Energy Carolinas, $5 million for Progress Energy, $5 million for Duke Energy Progress, $2 million for Duke Energy Ohio and $1 million for Piedmont.

Settlement charges recognized by the Subsidiary Registrants as of December 31, 2022, which represent amounts allocated by Duke Energy for employees of the Subsidiary Registrants and allocated charges for their proportionate share of settlement charges for employees of Duke Energy's shared services affiliate, and recorded to Regulatory Assets within Other Noncurrent Assets on the Consolidated Balance Sheets were $35 million for Duke Energy Carolinas, $23 million for Progress Energy, $16 million for Duke Energy Progress, $7 million for Duke Energy Florida, $8 million for Duke Energy Indiana and $29 million for Piedmont. Settlement charges recognized by the Subsidiary Registrants as of December 31, 2022, recorded to Other income and expenses, net, within the 2022 Consolidated Statements of Operations were $3 million for Duke Energy Carolinas, $5 million for Progress Energy, $5 million for Duke Energy Progress, $1 million for Duke Energy Florida, $5 million for Duke Energy Ohio and $6 million for Piedmont.

The settlement charges reflect the recognition of a pro-rata portion of previously unrecognized actuarial losses, equal to the percentage of reduction in the projected benefit obligation resulting from total lump-sum benefit payments. Settlement charges recognized as a regulatory asset within Other Noncurrent Assets on the Consolidated Balance Sheets are amortized over the average remaining service period for participants in the plan. Amortization of

Name of Respondent: Duke Energy Ohio, Inc
This report is: (1) ☑ An Original (2) ☐ A Resubmission
Date of Report: 04/30/2025
Year/Period of Report: End of: 2024/ Q4

Revenues from Transporation of Gas of Others Through Gathering Facilities (Account 489.1)

1. Report revenues and Dth of gas delivered through gathering facilities by zone of receipt (i.e. state in which gas enters respondent's system).
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.

Line No.	Rate Schedule and Zone of Receipt (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)	Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekatherm of Natural Gas Amount for Previous Year (k)
1											
2											
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25											

settlement charges is disclosed in the tables below as a component of net periodic pension costs.

Effective December 31, 2022, Duke Energy Florida changed its method of calculating the market related value of plan assets (MRVA) from the fair value method to a method that recognizes changes in fair value of its plan assets over a five-year period. This represents a change in regulatory treatment that will serve to mitigate the impact of market volatility on retail customer rates, resulting in the timing of net periodic pension cost recognition that is more consistent with treatment of the related cost in the ratemaking process. The three-year retrospective impact of this method change of $24 million was recognized by Duke Energy, Progress Energy and Duke Energy Florida, respectively, and was recorded to Other Income and Expenses, net in the Consolidated Statement of Operations and Other Income and Expenses, net on the Consolidated Statements of Operations as a component of net periodic pension costs.

Net periodic benefit costs disclosed in the tables below represent the cost of the respective benefit plan for the periods presented prior to capitalization of amounts reflected as Net property, plant and equipment, on the Consolidated Balance Sheets. Only the service cost component of net periodic benefit costs is eligible to be capitalized. The remaining non-capitalized portions of net periodic benefit costs are classified as either: (1) service cost, which is recorded to Operating, maintenance and other on the Consolidated Statements of Operations, or as (2) components of non-service cost, which is recorded to Other income and expenses, net on the Consolidated Statements of Operations. Amounts presented in the tables below for the Subsidiary Registrants represent the amounts of pension and other post-retirement benefit cost allocated by Duke Energy for employees of the Subsidiary Registrants.

Additionally, the Consolidated Statements of Operations of the Subsidiary Registrants also include allocated net periodic benefit costs for their proportionate share of pension and post-retirement benefit cost for employees of Duke Energy's shared services affiliate that provide support to the Subsidiary Registrants. However, in the tables below, these amounts are only presented within the Duke Energy column (except for amortization of settlement charges). These allocated amounts are included in the governance and shared service costs discussed in Note 14.

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. The following table includes information related to the Duke Energy Registrants' contributions to its qualified defined benefit pension plans.

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Contributions Made:								
2024	$ 100	$ 26	$ 23	$ 14	$ 9	$ 5	$ 6	$ 3
2023	100	26	22	13	9	5	6	3
2022	58	15	13	8	5	3	5	2

QUALIFIED PENSION PLANS

Components of Net Periodic Pension Costs

	Year Ended December 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	$ 114	$ 37	$ 32	$ 19	$ 13	$ 3	$ 6	$ 4
Interest cost on projected benefit obligation	325	78	103	47	56	17	26	9
Expected return on plan assets	(613)	(161)	(217)	(99)	(116)	(25)	(42)	(20)
Amortization of actuarial loss	36	8	10	6	5	1	4	3
Amortization of prior service credit	(13)	(1)	—	—	—	—	(2)	(7)
Amortization of settlement charges[c]	32	12	10	9	2	2	2	5
Net periodic pension costs[a][b]	$ (119)	$ (27)	$ (62)	$ (18)	$ (40)	$ (2)	$ (6)	$ (6)

	Year Ended 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
Service cost	$ 117	$ 38	$ 33	$ 19	$ 13	$ 3	$ 6	$ 4
Interest cost on projected benefit obligation	344	84	107	49	57	18	27	9
Expected return on plan assets	(588)	(160)	(198)	(93)	(104)	(24)	(40)	(20)
Amortization of actuarial loss	10	2	4	2	2	—	2	—
Amortization of prior service credit	(14)	(1)	—	—	—	—	(2)	(7)
Amortization of settlement charges[c]	19	9	5	3	1	—	1	4
Net periodic pension costs[a][b]	$ (112)	$ (28)	$ (49)	$ (20)	$ (31)	$ (3)	$ (6)	$ (10)

	Year Ended December 31, 2022							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Service cost	$ 152	$ 48	$ 43	$ 25	$ 17	$ 4	$ 9	$ 5
Interest cost on projected benefit obligation	249	59	77	35	41	13	20	8
Expected return on plan assets	(558)	(152)	(183)	(88)	(94)	(23)	(37)	(24)
Amortization of actuarial loss	81	16	23	12	12	4	9	5
Amortization of prior service credit	(18)	(3)	—	—	—	—	(2)	(7)
Amortization of settlement charges[c]	32	9	8	7	1	5	1	7
MRVA method change	24	—	24	—	24	—	—	—
Net periodic pension costs[a][b]	$ (38)	$ (23)	$ (8)	$ (9)	$ 1	$ 3	$ —	$ (6)

(a) Duke Energy amounts exclude $2 million, $3 million and $3 million for the years ended December 2024, 2023 and 2022, respectively, of regulatory asset amortization resulting from purchase accounting adjustments associated with Duke Energy's merger with Cinergy in April 2006.

(b) Duke Energy Ohio amounts exclude $1 million, $1 million and $1 million for the years ended December 2024, 2023 and 2022, respectively, of regulatory asset amortization resulting from purchase accounting adjustments associated with Duke Energy's merger with Cinergy in April 2006.

(c) Includes settlement charges not deferred as a regulatory asset.

Amounts Recognized in Accumulated Other Comprehensive Income and Regulatory Assets

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Revenues from Storing Gas of Others (Account 489.4)

1. Report revenues and Dth of gas withdrawn from storage by Rate Schedule and in total.
2. Revenues for penalties including penalties for unauthorized overruns must be reported on page 308.
3. Other revenues in columns (f) and (g) include reservation charges, deliverability charges, injection and withdrawal charges, less revenues reflected in columns (b) through (e).
4. Dth of gas withdrawn from storage must not be adjusted for discounting.
5. Where transportation services are bundled with storage services, report only Dth withdrawn from storage.

Line No.	Rate Schedule (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)	Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekatherm of Natural Gas Amount for Previous Year (k)
	(in millions)	Duke Energy		Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana		Piedmont
1	Regulatory assets, net increase (decrease)	$ 5	$ (14)	$ 8	$ —	$ 9	$ 1	$ (1)	$ (2)	$ 13	
2	Accumulated other comprehensive loss (income)										
3	Amortization of prior year actuarial losses	(2)	—	—	—	—	—	—	—	—	
4	Net amount recognized in accumulated other comprehensive income	$ (2)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	
5											
6	**Reconciliation of Funded Status to Net Amount Recognized**										
7											
8					Year Ended December 31, 2024						
9				Duke Energy		Duke Energy	Duke Energy	Duke Energy	Duke Energy		
10		Duke Energy		Carolinas	Progress Energy	Progress	Florida	Ohio	Indiana		Piedmont
11	(in millions)										
12	**Change in Projected Benefit Obligation**										
13	Obligation at prior measurement date	$ 6,299	$ 1,514	$ 1,990	$ 911	$ 1,069	$ 325	$ 496	$ 175		
14	Service cost	107	36	30	18	12	3	6	4		
15	Interest cost	325	78	103	47	56	17	26	9		
16	Actuarial (gain)/loss	(106)	(13)	(50)	(27)	(22)	(3)	(16)	5		
17	Benefits paid	(645)	(177)	(198)	(111)	(88)	(33)	(41)	(12)		
18	Transfers	—	6	—	—	—	—	—	—		
19	Obligation at measurement date	$ 5,980	$ 1,444	$ 1,875	$ 838	$ 1,027	$ 309	$ 471	$ 181		
20	**Accumulated Benefit Obligation at measurement date**	$ 5,948	$ 1,444	$ 1,861	$ 838	$ 1,013	$ 304	$ 466	$ 181		
21											
22	**Change in Fair Value of Plan Assets**										
23	Plan assets at prior measurement date	$ 7,162	$ 1,853	$ 2,453	$ 1,120	$ 1,316	$ 326	$ 514	$ 213		
24	Employer contributions	100	26	23	14	9	5	8	3		
25	Actual return on plan assets	270	73	98	46	53	11	17	10		
	Benefits paid	(645)	(177)	(198)	(111)	(88)	(33)	(41)	(12)		
	Transfers	—	6	—	—	—	—	—	—		
	Plan assets at measurement date	$ 6,887	$ 1,781	$ 2,376	$ 1,069	$ 1,290	$ 309	$ 498	$ 214		
	Funded status of plan	$ 907	$ 337	$ 501	$ 231	$ 263	$ —	$ 27	$ 33		

			Year Ended December 31, 2023							
		Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana		Piedmont
(in millions)										
Change in Projected Benefit Obligation										
Obligation at prior measurement date	$ 6,358	$ 1,554	$ 1,975	$ 909	$ 1,055	$ 333	$ 499	$ 170		
Service cost	110	36	30	18	12	3	6	3		
Interest cost	344	84	107	49	57	18	27	9		
Actuarial loss	94	11	47	18	29	2	4	9		
Benefits paid	(607)	(177)	(159)	(80)	(78)	(31)	(40)	(16)		
Transfers	—	6	(10)	(3)	(6)	—	—	—		
Obligation at measurement date	$ 6,299	$ 1,514	$ 1,990	$ 911	$ 1,069	$ 325	$ 496	$ 175		
Accumulated Benefit Obligation at measurement date	$ 6,267	$ 1,517	$ 1,975	$ 912	$ 1,053	$ 317	$ 494	$ 176		
Change in Fair Value of Plan Assets										
Plan assets at prior measurement date	$ 6,993	$ 1,815	$ 2,371	$ 1,083	$ 1,271	$ 323	$ 501	$ 203		
Employer contributions	100	26	22	13	9	5	8	3		
Actual return on plan assets	676	183	229	107	120	29	45	23		
Benefits paid	(607)	(177)	(159)	(80)	(78)	(31)	(40)	(16)		
Transfers	—	6	(10)	(3)	(6)	—	—	—		
Plan assets at measurement date	$ 7,162	$ 1,853	$ 2,453	$ 1,120	$ 1,316	$ 326	$ 514	$ 213		

Funded status of plan	$ 863	$ 339	$ 463	$ 209	$ 247	$ 1	$ 18	$ 38

This report is:
Name of Respondent: Duke Energy Ohio, Inc.
(1) ☑ An Original
(2) ☐ A Resubmission
Date of Report: 04/30/2025
Year/Period of Report: End of: 2024/ Q4

Amounts Recognized in the Consolidated Balance Sheets

December 31, 2024

(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Prefunded pension[a]	$ 907	$ 337	$ 501	$ 231	$ 263	$ 74	$ 101	$ 33
Noncurrent pension liability[b]	$ —	$ —	$ —	$ —	$ —	$ —	$ 74	$ —
Net asset (liability) recognized	$ 907	$ 337	$ 501	$ 231	$ 263	$ —	$ 27	$ 33
Regulatory assets	$ 2,168	$ 510	$ 711	$ 354	$ 356	$ 100	$ 182	$ 113
Accumulated other comprehensive (income) loss								
Deferred income tax benefit	$ (24)	$ —	$ (1)	$ —	$ —	$ —	$ —	$ —
Net actuarial loss	115	—	4	—	—	—	—	—
Net amounts recognized in accumulated other comprehensive income	$ 91	$ —	$ 3	$ —	$ —	$ —	$ —	$ —

December 31, 2023

(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Prefunded pension[a]	$ 863	$ 339	$ 463	$ 209	$ 247	$ 74	$ 105	$ 38
Noncurrent pension liability[b]	$ —	$ —	$ —	$ —	$ —	$ 73	$ 87	$ —
Net asset (liability) recognized	$ 863	$ 339	$ 463	$ 209	$ 247	$ 1	$ 18	$ 81,970
Regulatory assets	$ 2,021	$ 531	$ 678	$ 353	$ 325	$ 89	$ 176	$ 81,970
Accumulated other comprehensive (income) loss								
Deferred income tax benefit	$ (27)	$ —	$ (1)	$ —	$ —	$ —	$ —	$ —
Prior service credit	(1)	—	—	—	—	—	—	—
Net actuarial loss	127	—	3	—	—	—	2	—
Net amounts recognized in accumulated other comprehensive loss	$ 99	$ —	$ 2	$ —	$ —	$ —	$ 2	$ —

(a) Included in Other within Other Noncurrent Assets on the Consolidated Balance Sheets.
(b) Included in Accrued pension and other post-retirement benefit costs on the Consolidated Balance Sheets.

Information for Plans with Accumulated Benefit Obligation in Excess of Plan Assets

(in millions)	December 31, 2024 Duke Energy Ohio	Duke Energy Indiana
Projected benefit obligation	$ 106	$ 203
Accumulated benefit obligation	101	197
Fair value of plan assets	32	128

(in millions)	December 31, 2023 Duke Energy Ohio	Duke Energy Indiana
Projected benefit obligation	$ 105	$ 208
Accumulated benefit obligation	100	203
Fair value of plan assets	31	121

Assumptions Used for Pension Benefits Accounting

The discount rate used to determine the current year pension obligation and following year's pension expense is based on a bond selection-settlement portfolio approach. This approach develops a discount rate by selecting a portfolio of high-quality corporate bonds that generate sufficient cash flow to provide for projected benefit payments of the plan. The selected bond portfolio is derived from a universe of non-callable corporate bonds rated Aa quality or higher. After the bond portfolio is selected, a single interest rate is determined that equates the present value of the plan's projected benefit payments discounted at this rate with the market value of the bonds selected.

The RCBP contains a mostly active participant population while the DELPP contains a mostly inactive participant population. The average remaining service period for RCBP participants is nine years and the average life expectancy of DELPP participants is 15 years. Unrecognized net actuarial gains/losses and prior service credit are amortized over 12 years for Duke Energy and Duke Energy Florida, 14 years for Duke Energy Ohio, 13 years for Duke Energy Indiana, 11 years for Duke Energy Carolinas, Progress Energy and Duke Energy Progress and nine years for Piedmont.

The following tables present the assumptions or range of assumptions used for pension benefit accounting.

	December 31, 2024	2023	2022
Benefit Obligations			
Discount rate	**5.70%**	5.40%	5.60%
Interest crediting rate	**4.78%**	4.15%	4.35%
Salary increase	**3.50 % – 4.00%**	3.50 % – 4.00%	3.50 % – 4.00%
Net Periodic Benefit Cost			

Other Gas Revenues (Account 495)

Report below transactions of $250,000 or more included in Account 495, Other Gas Revenues. Group all transactions below $250,000 in one amount and provide the number of items.

Line No.	Description of Transaction (a)	Amount (in dollars) (b)
1	Commissions on Sale or Distribution of Gas of Others	
2	Compensation for Minor or Incidental Services Provided for Others	
3	Profit or Loss on Sale of Material and Supplies not Ordinarily Purchased for Resale	
4	Sales of Stream, Water, or Electricity, including Sales or Transfers to Other Departments	
5	Miscellaneous Royalties	
6	Revenues from Dehydration and Other Processing of Gas of Others except as provided for in the Instructions to Account 495	
7	Revenues for Right and/or Benefits Received from Others which are Realized Through Research, Development, and Demonstration Ventures	
8	Gains on Settlements of Imbalance Receivables and Payables	
9	Revenues from Penalties earned Pursuant to Tariff Provisions, including Penalties Associated with Cash-out Settlements	
10	Revenues from Shipper Supplied Gas	
11	Other Revenues (Specify):	
12	Gas Losses Damaged Lines	81,970
40	TOTAL	81,970

| | | |

associated with Duke Energy's merger with Cinergy in April 2006.

Name of Respondent: Duke Energy Ohio, Inc

This report is: (1) ☑ An Original (2) ☐ A Resubmission

Date of Report: 04/30/2025

Year/Period of Report: End of: 2024/ Q4

Year Ended December 31, 2024

Gas Operation and Maintenance Expenses

Line No.	Account (a)	Amount for Current Year (b) Duke Energy (in millions)	Duke Energy Carolinas	Duke Energy Progress Energy	Duke Energy Progress	Duke Energy Florida	Amount for Previous Year (d) Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
1	1. PRODUCTION EXPENSES	$ (42)	$ (62)	$ 23	$ 17	$ 5	$ (1)	$ (3)	$ —
2	A. Manufactured Gas Production	$ (76)	$ (71)	$ 12	$ 12	$ —	$ (3)	$ (12)	$ —
3	Manufactured Gas Production (Submit Supplemental Statement)					[a] 1,243			6,550
4	B. Natural Gas Production	1	—	—	—	—	—	—	—
5	B1. Natural Gas Production and Gathering								
6	Operation	$ 1	$ —	$ —	$ —	$ —	$ —	$ —	$ —
7	750 Operation Supervision and Engineering								
8	751 Production Maps and Records								
9	752 Gas Well Expenses								
10	753 Field Lines Expenses								
11	754 Field Compressor Station Expenses								
12	755 Field Compressor Station Fuel and Power								
13	756 Field Measuring and Regulating Station Expenses								
14	757 Purification Expenses								
15	758 Gas Well Royalties	$ 1	$ —	$ —	$ —	$ —	$ —	$ —	$ —
16	759 Other Expenses	$ —	$ —	$ (1)	$ —	$ —	$ —	$ —	$ —
17	760 Rents								
18	TOTAL Operation (Total of lines 7 thru 17)	$ 1	$ —	$ (1)	$ —	$ —	$ —	$ —	$ —
19	Maintenance								
20	761 Maintenance Supervision and Engineering								
21	762 Maintenance of Structures and Improvements								
22	763 Maintenance of Producing Gas Wells								
23	764 Maintenance of Field Lines								
24	765 Maintenance of Field Compressor Station Equipment								
25	766 Maintenance of Field Measuring and Regulating Station Equipment								
26	767 Maintenance of Purification Equipment								
27	768 Maintenance of Drilling and Cleaning Equipment								
28	769 Maintenance of Other Equipment								
29	TOTAL Maintenance (Total of lines 20 thru 28)								
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and 29)								
31	B2. Products Extraction								
32	Operation								
33	770 Operation Supervision and Engineering								
34	771 Operation Labor								
35	772 Gas Shrinkage								
36	773 Fuel								
37	774 Power								
38	775 Materials								
39	776 Operation Supplies and Expenses								
40	777 Gas Processed by Others								
41	778 Royalties on Products Extracted								
42	779 Marketing Expenses								
43	780 Products Purchased for Resale								
44	781 Variation in Products Inventory								
45	(Less) 782 Extracted Products Used by the Utility-Credit								
46	783 Rents								
47	TOTAL Operation (Total of lines 33 thru 46)								
48	Maintenance								
49	784 Maintenance Supervision and Engineering								
50	785 Maintenance of Structures and Improvements								
51	786 Maintenance of Extraction and Refining Equipment								
52	787 Maintenance of Pipe Lines								
53	788 Maintenance of Extracted Products Storage Equipment								
54	789 Maintenance of Compressor Equipment								
55	790 Maintenance of Gas Measuring and Regulating Equipment								
56	791 Maintenance of Other Equipment								
57	TOTAL Maintenance (Total of lines 49 thru 56)								
58	TOTAL Products Extraction (Total of lines 47 and 57)								

Reconciliation of Funded Status to Accrued Other Post-Retirement Benefit Costs

Year Ended December 31, 2024

(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
Change in Benefit Obligation								
Accumulated post retirement benefit obligation at prior measurement date	$ 347	$ 69	$ 146	$ 84	$ 60	$ 19	$ 24	$ 15
Service cost	2	—	—	—	—	—	—	—
Interest cost	17	3	7	4	3	1	1	1
Plan participants' contributions	3	1	1	—	—	—	—	—
Actuarial losses (gains)	2	(2)	7	5	3	—	(2)	—
Benefits paid	(37)	(8)	(15)	(6)	(6)	(2)	(3)	(1)
Accumulated post retirement benefit obligation at measurement date	$ 334	$ 63	$ 146	$ 87	$ 60	$ 18	$ 20	$ 15
Change in Fair Value of Plan Assets								
Plan assets at prior measurement date	$ 156	$ 102	$ (1)	$ (1)	$ (1)	$ 7	$ 3	$ 27
Actual return on plan assets	7	4	—	—	—	—	—	3
Benefits paid	(37)	(8)	(15)	(6)	(6)	(2)	(3)	(1)
Tax refund	5	4	—	—	—	—	—	—
Employer contributions	27	4	14	7	7	2	—	—
Plan participants' contributions	3	1	1	—	—	—	—	—
Plan assets at measurement date	$ 161	$ 107	$ (1)	$ —	$ —	$ 7	$ —	$ 29
Funded status of plan	$ (173)	$ 44	$ (147)	$ (87)	$ (60)	$ (11)	$ (20)	$ 14

Year Ended December 31, 2023

(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Duke Energy Piedmont
Change in Benefit Obligation								
Accumulated post retirement benefit obligation at prior measurement date	$ 437	$ 112	$ 168	$ 95	$ 69	$ 20	$ 30	$ 21
Service cost	2	1	—	—	—	—	—	—
Interest cost	22	5	9	5	4	1	1	1
Plan participants' contributions	4	1	1	1	1	—	—	—
Actuarial (gains) losses	(10)	(2)	(10)	(6)	(4)	1	(1)	1
Transfers	(50)	(34)	—	—	—	—	—	(6)
Benefits paid	(58)	(14)	(22)	(11)	(10)	(3)	(6)	(2)
Accumulated post retirement benefit obligation at measurement date	$ 347	$ 69	$ 146	$ 84	$ 60	$ 19	$ 24	$ 15
Change in Fair Value of Plan Assets								

Plan assets at prior measurement date	$ 162	$ 105	$ —	$ (2)	$ (2)	$ 7	$ 3	$ 31						
Acq (h) asset transfers	—	(8)	—	—	—	—	—	—						
Actual return on plan assets	19	8	—	—	—	1	—	4						
Benefits paid	(58)	(14)	(22)	(11)	(10)	(3)	(6)	(2)						
Transfers	(13)	4	—	—	—	—	—	(7)						
Employer contributions	42	6	20	11	10	2	6	1						
Plan participants' contributions	4	—	1	1	1	—	—	—						
Plan assets at measurement date	$ 156	$ 102	$ (1)	$ (1)	$ (1)	$ 7	$ 3	$ 27						
Funded status of plan	$ (191)	$ 33	$ (147)	$ (85)	$ (61)	$ (12)	$ (21)	$ 12						
Amounts Recognized in the Consolidated Balance Sheets														
					December 31, 2024									
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont						
(In millions)														
Prefunded post-retirement benefits (a)	$ —	$ 44	$ —	$ —	$ —	$ 1	$ —	$ 14						
Current post-retirement liability (b)	8	—	5	3	(37,185,650)	1	—	(24,774,659)						
Noncurrent post-retirement liability (c)	165	—	142	84	58	11	20	—						
Net liability (asset) recognized	$ 173	$ (44)	$ 147	$ 87	$ 98,901,671	$ 11	$ 20	$ 139,522,909						
Regulatory assets	$ 81	$ 17	$ 62	$ 46	$ (346,284)	$ 1	$ 20	$ (22,110,491)						
Regulatory liabilities	$ 154	$ 35	$ 12	$ 12	$ —	$ 14	$ 62	$ —						
Accumulated other comprehensive (income) loss														
Deferred income tax expense	$ —	$ —	$ —	$ —	$ 1,059,723	$ —	$ —	$ 1,047,630						
Net actuarial gain	(1)	—	(1)	—	224,024	—	—	393,096						
Net amounts recognized in accumulated other comprehensive income	$ (9)	$ —	$ (1)	$ —	$ 638,391	$ —	$ —	$ 591,095						
					December 31, 2023									
	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont						
(In millions)														
Prefunded post-retirement benefits	$ —	$ 61	$ —	$ —	$ —	$ 1	$ —	$ 12						
Current post-retirement liability	12	3	5	3	2	1	—	—						
Noncurrent post-retirement liability	171	25	142	82	59	12	21	—						
Net liability (asset) recognized	$ 183	$ (33)	$ 147	$ 85	$ 61	$ 12	$ 21	$ (12)						
Regulatory assets	$ 123	$ 19	$ 39	$ 29	$ 11	$ 2	$ 23	$ 1						
Regulatory liabilities	$ 230	$ 106	$ —	$ —	$ —	$ 17	$ 74	$ —						
Accumulated other comprehensive (income) loss														
Deferred income tax expense	$ 3	$ —	$ —	$ —	$ 100,477,525	$ —	$ —	$ 119,444,239						
Net actuarial gain	(13)	—	(1)	—	100,478,768	—	—	119,450,789						
Net amounts recognized in accumulated other comprehensive income	$ (10)	$ —	$ (1)	$ —	$ —	$ —	$ —	$ —						

(a) Included in Other within Other Noncurrent Assets on the Consolidated Balance Sheets.
(b) Included in Other within Current Liabilities on the Consolidated Balance Sheets.
(c) Included in Accrued pension and other post-retirement benefit costs on the Consolidated Balance Sheets.

Assumptions Used for Other Post-Retirement Benefits Accounting

The discount rate used to determine the current year other post-retirement benefits obligation and following year's other post-retirement benefits expense is based on a bond selection-settlement portfolio approach. This approach develops a discount rate by selecting a portfolio of high-quality corporate bonds that generate sufficient cash flow to provide for projected benefit payments of the plan. The selected bond portfolio is derived from a universe of non-callable corporate bonds rated Aa quality or higher. After the bond portfolio is selected, a single interest rate is determined that equates the present value of the plan's projected benefit payments discounted at this rate with the market value of the bonds selected.

The average remaining service period of active covered employees is seven years for Duke Energy, Duke Energy Carolinas and Duke Energy Florida, six years for Duke Energy Ohio, Duke Energy Indiana and Piedmont and five years for Progress Energy and Duke Energy Progress.

The following tables present the assumptions used for other post-retirement benefits accounting.

	December 31,		
	2024	2023	2022
Benefit Obligations			
Discount rate	5.70 %	5.40 %	5.60 %
Net Periodic Benefit Cost			
Discount rate	5.40 %	5.60 %	2.90 %
Expected long-term rate of return on plan assets	6.50 % – 8.25 %	6.50 % – 8.25 %	6.50 %

Assumed Health Care Cost Trend Rate

	December 31,	
	2024	2023

	Health care cost trend rate assumed for next year - pre-65 cost						7.00 %	6.50 %	
	Rate to which the cost trend is assumed to decline (the ultimate trend rate)						4.75 %	4.75 %	
	Year that rate reaches ultimate trend						2034-2035	2031-2032	
	Expected Benefit Payments								
		Duke Energy	**Duke Energy Carolinas**	**Duke Energy Progress**	**Duke Energy Progress**	**Duke Energy Florida**	**Duke Energy Ohio**	**Duke Energy Indiana**	**Piedmont**
	(in millions)								
	Years ending December 31:								
2025		$ 52	$ 13	$ 18	$ 11	$ 8	$ 3	$ 4	$ 2
2026		45	11	16	10	7	3	3	2
2027		41	9	16	9	7	2	3	2
2028		38	8	15	9	6	2	3	2
2029		35	7	14	8	6	2	2	2
2030-2034		124	21	59	35	24	6	8	6
	PLAN ASSETS								
	Description and Purpose								
	Duke Energy Corporation Master Retirement Trust								
	Assets for both the qualified pension and other post-retirement benefits are maintained in the Duke Energy Corporation Master Retirement Trust. Approximately 98% of the Duke Energy Corporation Master Retirement Trust assets were allocated to qualified pension plans and approximately 2% were allocated to other post-retirement plans (comprised of 401(h) accounts), as of December 31, 2024, and 2023. The investment objective of the Duke Energy Corporation Master Retirement Trust is to invest in a diversified portfolio of assets that is expected to generate positive surplus return over time (i.e., asset growth greater than liability growth) subject to a prudent level of portfolio risk, for the purpose of promoting the security of plan benefits for participants.								
	As of December 31, 2024, Duke Energy assumes qualified pension and other post-retirement plan assets will generate a long-term rate of return of 8.50% for the RCBP pension and RCBP 401(h) account assets and 7.00% for the DELPP pension and DELPP 401(h) account assets. The expected long-term rate of return was developed using a weighted average calculation of expected returns based primarily on future expected returns across asset classes considering the Trust's asset allocations. Target asset allocation targets were set after considering the investment objective and the risk profile. Equity securities are held for their higher expected returns. Debt securities are primarily held to hedge the qualified pension plan's defined benefit obligations. Hedge funds and other global securities are held for diversification. Investments within asset classes are diversified to achieve broad market participation and reduce the impact of individual managers or investments.								
	Effective January 1, 2025, the target asset allocation for the RCBP assets is 35% liability hedging and 65% return-seeking assets and the target asset allocation for the DELPP assets is 80% liability hedging assets and 20% return-seeking assets. Duke Energy periodically reviews its asset allocation targets, and over time, as the funded status of the benefit plans increase, the level of asset risk relative to plan liabilities may be reduced to better manage Duke Energy's benefit plan liabilities and reduce funded status volatility.								
	Qualified pension and other post-retirement benefits for the Subsidiary Registrants are derived from the Duke Energy Corporation Master Retirement Trust, as such, each are allocated their proportionate share of the assets discussed below.								
	The following table includes the target asset allocations by asset class at December 31, 2024, and the actual asset allocations for the RCBP assets.								
							Target Allocation	**Actual Allocation at December 31, 2024**	**2023**
	Global equity securities						45 %	**44 %**	45 %
	Global private equity securities						2 %	**1 %**	2 %
	Debt securities						35 %	**33 %**	35 %
	Return seeking debt securities						7 %	**7 %**	6 %
	Hedge funds						4 %	**5 %**	4 %
	Real estate and cash						7 %	**10 %**	8 %
	Total						100 %	**100 %**	100 %
	The following table includes the target asset allocations by asset class at December 31, 2024, and the actual asset allocations for the DELPP assets.								
							Target Allocation	**Actual Allocation at December 31, 2024**	**2023**
	Global equity securities						14 %	**15 %**	14 %
	Global private equity securities						1 %	**— %**	— %
	Debt securities						80 %	**79 %**	79 %
	Return seeking debt securities						2 %	**2 %**	2 %
	Hedge funds						1 %	**— %**	2 %
	Real estate and cash						2 %	**4 %**	3 %
	Total						100 %	**100 %**	**100 %**
	Other post-retirement assets								
	Duke Energy's other post-retirement assets are comprised of Voluntary Employees' Beneficiary Association (VEBA) trusts and 401(h) accounts held within the Duke Energy Corporation Master Retirement Trust. Duke Energy's investment objective is to achieve sufficient returns, subject to a prudent level of portfolio risk, for the purpose of promoting the security of plan benefits for participants.								
	The following table presents target and actual asset allocations for the VEBA trusts at December 31, 2024.								
							Target Allocation	**Actual Allocation at December 31, 2024**	**2023**

185	855 Other Fuel and Power for Compressor Stations				
186	856 Mains Expenses		(2,998,222)		
187	857 Measuring and Regulating Station Expenses				
188	858 Transmission and Compression of Gas by Others				
189	859 Other Expenses		19,895		4,714
190	860 Rents				
191	TOTAL Operation (Total of lines 180 thru 190)		(2,978,327)		4,714
192	Maintenance				
193	861 Maintenance Supervision and Engineering				
194	862 Maintenance of Structures and Improvements				
195	863 Maintenance of Mains		807,631		108,656
196	864 Maintenance of Compressor Station Equipment				
197	865 Maintenance of Measuring and Regulating Station Equipment				
198	866 Maintenance of Communication Equipment				
199	867 Maintenance of Other Equipment				
200	TOTAL Maintenance (Total of lines 193 thru 199)		807,631		108,656
201	TOTAL Transmission Expenses (Total of lines 191 and 200)		(2,170,696)		113,370
202	4. DISTRIBUTION EXPENSES				
203	Operation				
204	870 Operation Supervision and Engineering				
205	871 Distribution Load Dispatching		495,404		572,352
206	872 Compressor Station Labor and Expenses				
207	873 Compressor Station Fuel and Power				
208	874 Mains and Services Expenses		7,489,090		6,611,778
209	875 Measuring and Regulating Station Expenses-General		448,334		458,881
210	876 Measuring and Regulating Station Expenses-Industrial		515,774		663,174
211	877 Measuring and Regulating Station Expenses-City Gate Check Station				
212	878 Meter and House Regulator Expenses		2,313,383		2,544,835
213	879 Customer Installations Expenses		7,530,235		6,126,116
214	880 Other Expenses		6,612,766		6,492,172
215	881 Rents				
216	TOTAL Operation (Total of lines 204 thru 215)		25,404,986		23,469,308
217	Maintenance				
218	885 Maintenance Supervision and Engineering				
219	886 Maintenance of Structures and Improvements				
220	887 Maintenance of Mains		4,639,342		4,525,236
221	888 Maintenance of Compressor Station Equipment				
222	889 Maintenance of Measuring and Regulating Station Equipment-General		393,552		539,902
223	890 Maintenance of Meas. and Reg. Station Equipment-Industrial				
224	891 Maintenance of Meas. and Reg. Station Equip-City Gate Check Station				
225	892 Maintenance of Services		1,627,536		509,307
226	893 Maintenance of Meters and House Regulators		354,209		375,161
227	894 Maintenance of Other Equipment		(778,793)		273,933
228	TOTAL Maintenance (Total of lines 218 thru 227)		6,235,846		6,223,539
229	TOTAL Distribution Expenses (Total of lines 216 and 228)		31,640,832		29,692,847
230	5. CUSTOMER ACCOUNTS EXPENSES				
231	Operation				
232	901 Supervision		529,363		470,814
233	902 Meter Reading Expenses		164,877		330,922
234	903 Customer Records and Collection Expenses		11,989,717		12,374,398
235	904 Uncollectible Accounts		9,898,130		5,468,915
236	905 Miscellaneous Customer Accounts Expenses		447		385
237	TOTAL Customer Accounts Expenses (Total of lines 232 thru 236)		22,582,534		18,645,434
238	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES				
239	Operation				
240	907 Supervision				
241	908 Customer Assistance Expenses		500,880		543,588
242	909 Informational and Instructional Expenses		58,030		35,716
243	910 Miscellaneous Customer Service and Informational Expenses		3,817,323		3,926,787
244	TOTAL Customer Service and Information Expenses (Total of lines 240 thru 243)		4,376,233		4,506,091

Fair Value Measurements

Duke Energy classifies recurring and nonrecurring fair value measurements based on the fair value hierarchy as discussed in Note 17.

Valuation methods of the primary fair value measurements disclosed in the above tables are:

Investments in equity securities

Investments in equity securities are typically valued at the closing price in the principal active market as of the last business day of the reporting period. Principal active markets for equity prices include published exchanges such as NASDAQ and NYSE. Foreign equity prices are translated from their trading currency using the currency exchange rate in effect at the close of the principal active market. Prices have not been adjusted to reflect after-hours market activity. The majority of investments in equity securities are valued using Level 1 measurements. When the price of an institutional commingled fund is unpublished, it is not categorized in the fair value hierarchy, even though the funds are readily available at the fair value.

Investments in corporate debt securities and U.S. government securities

Investments in debt securities are valued using a yield curve or discounted cash flow analysis applied to the terms of the debt instrument (maturity and interest rate) and consider the counterparty credit rating. Most debt valuations are Level 2 measurements. If the market for a particular fixed-income security is relatively inactive or illiquid, the measurement is Level 3. U.S. Treasury debt is typically Level 2.

Investments in short-term investment funds

Investments in short-term investment funds are valued at the net asset value of units held at year end and are readily redeemable at the measurement date. Investments in short-term investment funds with published prices are valued as Level 1. Investments in short-term investment funds with unpublished prices are valued as Level 2.

Duke Energy Corporation Master Retirement Trust

The following tables provide the fair value measurement amounts for the Duke Energy Corporation Master Retirement Trust qualified pension and other post-retirement plan assets.

	December 31, 2024				
(in millions)	Total Fair Value	Level 1	Level 2	Level 3	Not Categorized[b]
Equity securities	$ 2,461	$ 2,216	$ 231	$ —	$ 14
Corporate debt securities	2,415	—	2,415	—	—
Short-term investment funds	310	—	310	—	—
Partnership interests	68	—	—	68	—
Hedge funds	164	—	—	—	164
U.S. government securities	1,398	—	1,398	—	—
Governments bonds – foreign	128	—	128	—	—
Cash	15	15	—	—	—
Government and commercial mortgage-backed securities	1	—	1	—	—
Net pending transactions and other investments	9	11	(2)	—	—
Total assets[a]	$ 6,969	$ 2,242	$ 4,461	$ 68	$ 178

(a) Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont were allocated approximately 27%, 33%, 15%, 18%, 5%, 7% and 3%, respectively, of the Duke Energy Corporation Master Retirement Trust at December 31, 2024. Accordingly, all amounts included in the table above are allocable to the Subsidiary Registrants using these percentages.

(b) Certain investments that are measured at fair value using the net asset value per share practical expedient have not been categorized in the fair value hierarchy.

	December 31, 2023				
(in millions)	Total Fair Value	Level 1	Level 2	Level 3	Not Categorized[b]
Equity securities	$ 2,221	$ 1,995	$ 211	$ —	$ 15
Corporate debt securities	2,807	—	2,807	—	—
Short-term investment funds	233	—	233	—	—
Partnership interests	76	—	—	76	—
Hedge funds	164	—	—	—	164
U.S. government securities	1,571	—	1,571	—	—
Governments bonds – foreign	107	—	107	—	—
Cash	7	7	—	—	—
Government and commercial mortgage-backed securities	1	—	1	—	—
Net pending transactions and other investments	54	40	14	—	—
Total assets[a]	$ 7,241	$ 2,042	$ 5,144	$ 76	$ 179

(a) Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont were allocated approximately 27%, 33%, 15%, 18%, 5%, 7% and 3%, respectively, of the Duke Energy Corporation Master Retirement Trust at December 31, 2023. Accordingly, all amounts included in the table above are allocable to the Subsidiary Registrants using these percentages.

(b) Certain investments that are measured at fair value using the net asset value per share practical expedient have not been categorized in the fair value hierarchy.

The following table provides a reconciliation of beginning and ending balances of Duke Energy Corporation Master Retirement Trust qualified pension and other post-retirement assets at fair value on a recurring basis where the determination of fair value includes significant unobservable inputs (Level 3).

(in millions)	2024	2023
Balance at January 1	$ 76	$ 62
Sales	(10)	(8)

245	7. SALES EXPENSES		
246	Operation		
247	911 Supervision		1
248	912 Demonstrating and Selling Expenses	140,057	149,055
249	913 Advertising Expenses	95	1,874
250	916 Miscellaneous Sales Expenses		
251	TOTAL Sales Expenses (Total of lines 247 thru 250)	140,152	150,930
252	8. ADMINISTRATIVE AND GENERAL EXPENSES		
253	Operation		
254	920 Administrative and General Salaries	7,726,472	7,789,013
255	921 Office Supplies and Expenses	7,226,294	5,966,178
256	(Less) 922 Administrative Expenses Transferred-Credit		
257	923 Outside Services Employed	3,266,910	2,427,421
258	924 Property Insurance	80,224	276,264
259	925 Injuries and Damages	(1,305,843)	5,045,207
260	926 Employee Pensions and Benefits	5,486,487	5,761,993
261	927 Franchise Requirements		
262	928 Regulatory Commission Expenses	113,104	1,169,459
263	(Less) 929 Duplicate Charges-Credit	778,044	977,457
264	930.1General Advertising Expenses	122,801	206,793
265	930.2Miscellaneous General Expenses	1,472,624	317,746
266	931 Rents	2,272,374	2,050,870
267	TOTAL Operation (Total of lines 254 thru 266)	25,683,403	30,033,487
268	Maintenance		
269	932 Maintenance of General Plant	984,911	1,280,978
270	TOTAL Administrative and General Expenses (Total of lines 267 and 269)	26,668,314	31,314,465
271	TOTAL Gas O&M Expenses (Total of lines 97,177,201,229,237,244,251, and 270)	155,716,157	205,873,926

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(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Years ended December 31,								
2024	$ 257	$ 81	$ 72	$ 43	$ 29	$ 6	$ 13	$ 14
2023	238	75	62	40	22	6	13	13
2022	246	76	65	43	22	6	12	13

24. INCOME TAXES

Inflation Reduction Act

In August 2022, the IRA was signed into law. Among other provisions, the IRA implemented a new 15% corporate alternative minimum tax based on GAAP net income, with certain adjustments as defined by the IRA, and clean energy-related provisions. The IRA's clean energy provisions included, among other provisions, the extension and modification of existing investment and PTCs for projects placed in service through 2024 and introduced new technology-neutral clean energy-related credits beginning in 2025. In addition, the IRA created a new, zero-emission nuclear power PTC and a clean hydrogen PTC.

For the year ended December 31, 2024, Duke Energy Carolinas and Duke Energy Progress have recorded nuclear PTCs of approximately $449 million and $73 million, respectively. These amounts represent the estimated net realizable value of the PTCs, which were deferred to a regulatory liability. The Company will continue to assess its calculations and interpretations as new information and guidance becomes available. The Subsidiary Registrants are working with the state utility commissions on the appropriate regulatory process to pass the net realizable value back to customers over time. In 2024, net proceeds of $558 million was received related to the sale of tax credits, which includes primarily $428 million of nuclear power PTCs at Duke Energy Carolinas, $65 million of nuclear power PTCs at Duke Energy Progress, and $43 million of solar PTCs at Duke Energy Florida. See Note 4 for further details on the IRA as it relates to Duke Energy Florida and Duke Energy Carolinas' approval for a stand-alone rider starting January 1, 2025.

Income Tax Expense

Components of Income Tax Expense

Tax benefit from discontinued operations, in the following tables, includes income tax benefits related to the Commercial Renewables Disposal Groups. See Note 2 for further details.

	Year Ended December 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 income taxes								
Federal	$ (365)	$ 178	$ 359	$ 373	$ 14	$ 52	$ 70	$ 40
State	31	75	34	40	(12)	3	12	(6)
Foreign	2	—	—	—	—	—	—	—
Total current income taxes	(332)	253	393	413	2	55	82	34
Deferred income taxes								
Federal	858	10	(22)	(215)	181	8	(19)	40
State	81	(25)	59	(6)	86	1	8	21

This report is:
(1) ☑ An Original
(2) ☐ A Resubmission

Name of Respondent: Duke Energy Ohio, Inc
Date of Report: 04/30/2025
Year/Period of Report: End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: ManufacturedGasProduction

Total deferred income taxes[a]	939	(15)	37	(221)	267	9	(11)	61
ITC amortization	(17)	(12)	(4)	(3)	(1)	—	—	—
Income tax expense from continuing operations	590	226	426	189	268	64	71	95
Tax benefit from discontinued operations	(50)	—	—	—	—	—	—	—
Total income tax expense included in Consolidated Statements of Operations	$ 540	$ 226	$ 426	$ 189	$ 268	$ 64	$ 71	$ 95

(a) Total deferred income taxes includes the generation of NOL carryforwards and tax credit carryforwards of $523 million at Duke Energy and $8 million at Duke Energy Indiana. In addition, total deferred income taxes include the generation of NOL carryforwards and tax credit carryforwards of $47 million at Duke Energy Carolinas, $85 million at Progress Energy, $66 million at Duke Energy Progress, $30 million at Duke Energy Florida, $26 million at Duke Energy Ohio, and $8 million at Piedmont.

	Q4 2024	Q4 2023
Gas Boiler Labor	0	0
Other Power Expenses	968	813
Liquified Petroleum Gas Expense	0	0
Liquified Petroleum Gas	0	0
Misc. Production Expense	0	0
Gas Raw Material - Rents	0	0
Current income taxes		
Total Operation:	968	813
Production Equipment	275	5,737
Total Maintenance:	275	5,737
Total Manufactured Gas Production:	1,243	6,550

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Year Ended December 31, 2023							
(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current income taxes								
Federal[b]	$ 71	$ 173	$ 459	$ 198	$ 279	$ (46)	$ 10	$ 44
State	1	22	38	4	71	(3)	9	3
Foreign	3	—	—	—	—	—	—	—
Total current income taxes	75	195	497	202	350	(49)	19	47
Deferred income taxes								
Federal	319	(43)	(154)	(69)	(89)	111	77	25
State	53	(7)	38	19	—	1	14	12
Total deferred income taxes[a]	372	(50)	(116)	(50)	(89)	112	91	37
ITC amortization	(9)	(4)	(4)	(3)	—	—	—	—
Income tax expense from continuing operations	438	141	377	149	261	63	110	84
Tax benefit from discontinued operations	(359)	—	—	—	—	—	—	—
Total income tax expense included in Consolidated Statements of Operations	$ 79	$ 141	$ 377	$ 149	$ 261	$ 63	$ 110	$ 84

(a) Total deferred income taxes includes the generation of NOL carryforwards and tax credit carryforwards of $214 million at Duke Energy and $54 million at Duke Energy Indiana. In addition, total deferred income taxes includes the generation of NOL carryforwards and tax credit carryforwards of $2 million at Duke Energy Carolinas, $116 million at Progress Energy, $59 million at Duke Energy Progress, $5 million at Duke Energy Florida, $22 million at Duke Energy Ohio, and $15 million at Piedmont.

(b) Total current federal income tax at Duke Energy includes corporate alternative minimum tax, net of tax credit utilization, of $69 million. In addition, under the IRA transferability provision, Progress Energy elected to sell $28 million of PTCs generated by Duke Energy Florida.

Year Ended December 31, 2022							
(in millions)	Duke Energy	Duke Energy Carolinas	Duke Energy Progress	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Current income taxes								
Federal	$ 1	$ (71)	$ (13)	$ 37	$ (37)	$ (2)	$ 38	$ 32
State	(8)	(13)	(3)	—	(23)	1	2	2
Foreign	4	—	—	—	—	—	—	—
Total current income taxes	(3)	(84)	(16)	37	(60)	(1)	40	34
Deferred income taxes								
Federal	328	230	310	118	201	(22)	(63)	12
State	(14)	(16)	59	7	84	3	—	(7)
Total deferred income taxes[a]	314	214	369	125	285	(19)	(63)	5
ITC amortization	(11)	(4)	(5)	(4)	—	(1)	(1)	—
Income tax expense (benefit) from continuing operations	300	126	348	158	225	(21)	(24)	39
Tax benefit from discontinued operations	(503)	—	—	—	—	—	—	—
Total income tax (benefit) expense included in Consolidated Statements of Operations	$ (203)	$ 126	$ 348	$ 158	$ 225	$ (21)	$ (24)	$ 39

(a) Total deferred income taxes includes the generation of NOL carryforwards and tax credit carryforwards of $550 million at Duke Energy, $97 million at Duke Energy Carolinas, $128 million at Progress Energy, $9 million at Duke Energy Progress, $111 million at Duke Energy Florida, $7 million at Duke Energy Ohio, $13 million at Duke Energy Indiana, and $12 million at Piedmont.

Duke Energy Income from Continuing Operations before Income Taxes

	Years Ended December 31,		
(in millions)	2024	2023	2022
Domestic	$ 5,145	$ 4,700	$ 3,991
Foreign	49	67	87
Income from continuing operations before income taxes	$ 5,194	$ 4,767	$ 4,078

Statutory Rate Reconciliation

The following tables present a reconciliation of income tax expense at the U.S. federal statutory tax rate to the actual tax expense from continuing operations.

Year Ended December 31, 2024							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont

Income tax expense, computed at the statutory rate of 21%	$ 1,090	$ 443	$ 545	$ 284	$ 279	$ 85	$ 108	$ 107
State income tax, net of federal income tax effect	88	40	72	27	33	7	16	12
Amortization of EDIT	(436)	(225)	(121)	(98)	(23)	(23)	(49)	(18)
AFUDC equity income	(48)	(24)	(16)	(13)	(3)	(1)	(3)	(4)
AFUDC equity depreciation	38	19	12	7	7	2	4	—
Production tax credits	(46)	—	(46)	—	(46)	—	—	—
Other tax credits	(43)	(23)	(16)	(12)	(6)	(2)	(2)	(2)
Other items, net	(54)	(14)	(7)	(6)	(1)	(3)	(3)	—
Income tax expense from continuing operations	$ 590	$ 226	$ 426	$ 189	$ 268	$ 64	$ 71	$ 95
Effective tax rate	11.4 %	10.7 %	16.4 %	14.0 %	20.2 %	15.8 %	13.9 %	18.7 %

Name of Respondent: Duke Energy Ohio, Inc

This report is: (1) ☑ An Original (2) ☐ A Resubmission

Date of Report: 04/30/2025

Year/Period of Report: End of: 2024/ Q4

Exchange and Imbalance Transactions

1. Report below details by zone and rate schedule concerning the gas quantities and related dollar amount of imbalances associated with system balancing and no-notice service. Also, report certificated natural gas exchange transactions during the year. Provide subtotals for imbalance and no-notice quantities for exchanges. If respondent does not have separate zones, provide totals by rate schedule. Minor exchange transactions (less than 100,000 Dth) may be grouped.

Line No.	Zone/Rate Schedule (a)	Gas Received from Others Amount (b)	Gas Received from Others Dth (c)	Gas Delivered to Others Amount (d)	Gas Delivered to Others Dth (e)
1	Texas Gas Transmission - Zone 4 NNS	56,464	(90,459)	56,464	(90,459)
2	Duke Energy Ohio Enhanced Firm Billing Service	(402,749)	669,200	(402,749)	669,200
25	Total	(346,285)	578,741	(346,285)	578,741

Year Ended 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
Income tax expense, computed at the statutory rate of 21%	$ 1,001	$ 338	$ 490	$ 241	$ 268	$ 83	$ 128	$ 97
State income tax, net of federal income tax effect	43	12	60	18	56	(2)	18	12
Amortization of EDIT	(388)	(197)	(114)	(91)	(23)	(22)	(33)	(20)
AFUDC equity income	(41)	(19)	(14)	(11)	(3)	(2)	(2)	(4)
AFUDC equity depreciation	37	18	13	6	7	2	4	—
Tax credits[b]	(63)	(11)	(46)	(7)	(39)	(2)	(2)	(1)
Interest on company-owned life insurance[a]	(114)	—	—	—	—	—	—	—
Other items, net	(37)	—	(12)	(7)	(5)	6	(3)	—
Income tax expense from continuing operations	$ 438	$ 141	$ 377	$ 149	$ 261	$ 63	$ 110	$ 84
Effective tax rate	9.2 %	8.8 %	16.2 %	13.0 %	20.4 %	15.9 %	18.1 %	18.1 %

(a) During 2023, the Company evaluated the deductibility of certain items spanning periods currently open under federal statute, including items related to interest on company-owned life insurance. As a result of this analysis, the Company recorded a favorable federal adjustment of approximately $114 million and a favorable state adjustment of approximately $6 million. The favorable state adjustment is included in State income tax, net of federal income tax effect, in the above table.

(b) Tax credits at Progress Energy and Duke Energy Florida include $28 million of certain eligible PTCs, net of discount, that were elected to be sold in 2023 under the transferability provisions of the IRA.

Year Ended December 31, 2022

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Income tax expense, computed at the statutory rate of 21%	$ 856	$ 362	$ 457	$ 245	$ 238	$ 59	$ 24	$ 76
State income tax, net of federal income tax effect	(17)	(23)	44	6	48	3	2	(4)
Amortization of EDIT	(481)	(195)	(133)	(74)	(59)	(79)	(48)	(23)
AFUDC equity income	(41)	(20)	(14)	(11)	(3)	(1)	(2)	(2)
AFUDC equity depreciation	36	18	12	6	6	1	4	—
Other tax credits	(43)	(12)	(16)	(9)	(7)	(2)	(3)	(8)
Other items, net	(10)	(4)	(2)	(5)	2	(2)	(1)	—
Income tax expense (benefit) from continuing operations	$ 300	$ 126	$ 348	$ 158	$ 225	$ (21)	$ (24)	$ 39
Effective tax rate	7.4 %	7.3 %	16.0 %	13.6 %	19.8 %	(7.5)%	(21.2)%	10.8 %

Valuation allowances have been established for certain state NOL carryforwards and state income tax credits that reduce deferred tax assets to an amount that will be realized on a more-likely-than-not basis. The net change in the total valuation allowance is included in state income tax, net of federal income tax effect, in the above tables.

Valuation allowances have been established for foreign tax credits and certain tax attributes that reduce deferred tax assets to an amount that will be realized on a more-likely-than-not basis. The net change in the total valuation allowance is included in Other items, net in the above tables.

DEFERRED TAXES

Net Deferred Income Tax Liability Components

December 31, 2024

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Deferred credits and other liabilities	$ 284	$ 217	$ 84	$ 43	$ 41	$ 17	$ 15	$ 40
Lease obligations	430	88	265	179	86	2	12	2
Pension, post-retirement and other employee benefits	89	(33)	(23)	(1)	(26)	6	1	(2)
Progress Energy merger purchase accounting adjustments[a]	227	—	—	—	—	—	—	—
Tax credits and NOL carryforwards	3,845	522	783	312	449	70	145	57
Regulatory liabilities and deferred credits	—	—	—	—	—	—	10	—
Other	35	11	5	3	2	4	—	8
Valuation allowance	(517)	—	—	—	—	—	—	—
Total deferred income tax assets	4,393	805	1,114	536	552	99	183	105
Investments and other assets	(2,114)	(1,350)	(724)	(671)	(69)	—	—	(48)

Accelerated depreciation rates	(11,942)	(3,203)	(4,608)	(1,624)	(3,047)	(1,361)	(1,677)	(1,019)
Regulatory assets and deferred debits, net	(1,761)	(304)	(1,045)	(585)	(66)	(52)	—	(56)
Total deferred income tax liabilities	(15,817)	(4,857)	(6,377)	(2,880)	(3,578)	(1,413)	(1,677)	(1,123)
Net deferred income tax liabilities	$ (11,424)	$ (4,052)	$ (5,263)	$ (2,344)	$ (3,024)	$ (1,314)	$ (1,494)	$ (1,018)

(a) Primarily related to lease obligations and debt fair value adjustments.

The following table presents the expiration of tax credits and NOL carryforwards:

	December 31, 2024			
(in millions)	Amount	Earliest Year	Latest Year	
General Business Credits	$ 2,186	2032	—	2044
Foreign Tax Credits[c]	615	2027		2028
State Carryforwards and Credits[a]	316	2025	—	Indefinite
Corporate AMT Credits	717			Indefinite
Foreign NOL carryforwards[b]	11	2027	—	2042
Total tax credits and NOL carryforwards	$ 3,845			

(b) A valuation allowance of $102 million has been recorded on the state NOL and attribute carryforwards, as presented in the Net Deferred Income Tax Liability Components table.

(b) A valuation allowance of $11 million has been recorded on the foreign NOL carryforwards, as presented in the Net Deferred Income Tax Liability Components table.

(c) A valuation allowance of $404 million has been recorded on the foreign tax credits, as presented in the Net Deferred Income Tax Liability Components table.

In 2024, the Company recorded a corporate alternative minimum tax liability, net of tax credit utilization, of $133 million. In addition, under the IRA transferability provision, the Company received net proceeds of $558 million related to the sale of certain tax credits generated by Duke Energy Carolinas, Duke Energy Progress and Duke Energy Florida.

	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
Deferred credits and other liabilities	$ 327	$ 194	$ 77	$ 21	$ 56	$ 13	$ 18	$ 42
Lease obligations	418	86	256	179	77	4	15	3
Pension, post-retirement and other employee benefits	65	(41)	(22)	(1)	(25)	5	2	(5)
Progress Energy merger purchase accounting adjustments[a]	260	—	—	—	—	—	—	—
Tax credits and NOL carryforwards	4,489	445	686	230	425	44	154	50
Regulatory liabilities and deferred credits	—	—	—	—	—	—	47	—
Investments and other assets	—	—	—	—	—	—	1	—
Other	102	29	22	12	8	5	5	9
Valuation allowance	(544)	—	—	—	—	—	—	—
Total deferred income tax assets	5,117	713	1,019	441	541	71	242	99
Investments and other assets	(1,812)	(1,213)	(596)	(520)	(91)	—	—	(37)
Accelerated depreciation rates	(11,969)	(3,411)	(4,557)	(1,823)	(2,778)	(1,314)	(1,678)	(944)
Regulatory assets and deferred debits, net	(1,892)	(468)	(1,063)	(658)	(405)	(29)	—	(51)
Total deferred income tax liabilities	(15,673)	(5,092)	(6,216)	(3,001)	(3,274)	(1,343)	(1,678)	(1,032)
Net deferred income tax liabilities	$ (10,556)	$ (4,379)	$ (5,197)	$ (2,560)	$ (2,733)	$ (1,272)	$ (1,436)	$ (933)

(a) Primarily related to lease obligations and debt fair value adjustments.

UNRECOGNIZED TAX BENEFITS

The following tables present changes to unrecognized tax benefits.

	Year Ended December 31, 2024							
(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
Unrecognized tax benefits – January 1	$ 62	$ 21	$ 24	$ 18	$ 6	$ 2	$ 3	$ 11
Gross increases – current period tax positions	12	4	5	4	1	—	—	2
Unrecognized tax benefits – December 31	$ 74	$ 25	$ 29	$ 22	$ 7	$ 2	$ 3	$ 13

	Year Ended 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
Unrecognized tax benefits – January 1	$ 65	$ 17	$ 19	$ 13	$ 5	$ 1	$ 2	$ 9
Gross decreases – tax positions in prior periods	(15)	—	—	—	—	—	—	—
Gross increases – current period tax positions	12	4	5	5	1	1	1	2
Total changes	(3)	4	5	5	1	1	1	2
Unrecognized tax benefits – December 31	$ 62	$ 21	$ 24	$ 18	$ 6	$ 2	$ 3	$ 11

	Year Ended December 31, 2022				
	Duke	Duke	Duke	Duke	Duke

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Gas Used in Utility Operations

1. Report below details of credits during the year to Accounts 810, 811, and 812.
2. If any natural gas was used by the respondent for which a charge was not made to the appropriate operating expense or other account, list separately in column (c) the Dth of gas used, omitting entries in column (d).

Line No.	Purpose for Which Gas Was Used (a)	Account Charged (b)	Natural Gas Gas Used Dth (c)	Natural Gas Amount of Credit (in dollars) (d)
1	810 Gas Used for Compressor Station Fuel - Credit			
2	811 Gas Used for Products Extraction - Credit			
3	Gas Shrinkage and Other Usage in Respondent's Own Processing - Credit			
4	Gas Shrinkage, etc. for Respondent's Gas Processed by Others - Credit			
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25	Total			

	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
(in millions)								
Unrecognized tax benefits – January 1	$ 51	$ 13	$ 10	$ 9	$ 1	$ 2	$ 4	
Gross increases – current period tax positions	14	4	4	3	1	—	—	5
Total changes	14	4	4	3	1	—	—	5
Unrecognized tax benefits – December 31	$ 65	$ 17	$ 19	$ 13	$ 5	$ 1	$ 2	9

The following table includes additional information regarding the Duke Energy Registrants' unrecognized tax benefits at December 31, 2024. None of Duke Energy Registrants anticipates a material increase or decrease in unrecognized tax benefits within the next 12 months.

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
	December 31, 2024							
Amount that if recognized, would affect the effective tax rate or regulatory liability[a]	$ 68	$ 24	$ 27	$ 20	$ 7	$ 2	$ 3	11

(a) The Duke Energy Registrants are unable to estimate the specific amounts that would affect the ETR versus the regulatory liability.

Duke Energy and its subsidiaries are no longer subject to federal, state, local or non-U.S. income tax examinations by tax authorities for years before 2019, aside from certain tax attributes carried forward for utilization in future years.

25. OTHER INCOME AND EXPENSES, NET

The components of Other income and expenses, net on the Consolidated Statements of Operations are as follows.

(in millions)	Duke Energy	Duke Energy Carolinas	Progress Energy	Duke Energy Progress	Duke Energy Florida	Duke Energy Ohio	Duke Energy Indiana	Piedmont
	Year Ended December 31, 2024							
Interest income	$ 63	$ 9	$ 18	$ 14	$ 4	$ 8	$ 5	$ 19
AFUDC equity	233	113	74	61	13	7	19	21
Post-in-service equity returns	52	31	20	20	—	1	1	—
Nonoperating income, other	313	94	123	48	69	3	37	14
Other income and expense, net	$ 661	$ 247	$ 235	$ 143	$ 86	$ 19	$ 62	$ 54
	Year Ended December 31, 2023							
Interest income	$ 29	$ 10	$ 14	$ 9	$ 7	$ 25	$ 25	$ 19
AFUDC equity	198	91	67	52	15	9	10	21
Post-in-service equity returns	39	19	19	19	—	1	—	—
Nonoperating income, other	332	118	101	44	56	6	41	17
Other income and expense, net	$ 598	$ 238	$ 201	$ 124	$ 78	$ 41	$ 76	$ 57
	Year Ended December 31, 2022							
Interest income	$ 27	$ 2	$ 24	$ 4	$ 20	$ 11	$ 15	$ 19
AFUDC equity	197	98	68	52	16	7	13	11
Post-in-service equity returns	34	14	18	18	—	1	1	—
Nonoperating income, other	134	107	71	40	38	—	7	16
Other income and expense, net	$ 392	$ 221	$ 181	$ 114	$ 74	$ 19	$ 36	$ 46

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Other Gas Supply Expenses (Account 813)

1. Report other gas supply expenses by descriptive titles that clearly indicate the nature of such expenses. Show maintenance expenses, revaluation of monthly encroachments recorded in Account 117.4, and losses on settlements of imbalances and gas losses not associated with storage separately. Indicate the functional classification and purpose of property to which any expenses relate. List separately items of $250,000 or more.

Line No.	Description (a)	Amount (in dollars) (b)
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25	Total	

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Miscellaneous General Expenses (Account 930.2)

1. Provide the information requested below on miscellaneous general expenses.
2. For Other Expenses, show the (a) purpose, (b) recipient and (c) amount of such items. List separately amounts of $250,000 or more however, amounts less than $250,000 may be grouped if the number of items of so grouped is shown.

Line No.	Description (a)	Amount (b)
1	Industry association dues.	3
2	Experimental and general research expenses	
2a	a. Gas Research Institute (GRI)	
2b	b. Other	
3	Publishing and distributing information and reports to stockholders, trustee, registrar, and transfer agent fees and expenses, and other expenses of servicing outstanding securities of the respondent	
4	Other Expenses	119
5	Business and Service Company Support	1,359,549
6	Dues and Subscriptions to Various Organizations	35,438
7	Directors Fees and Expenses	76,782
8	Shareholder's Communications/Systems	
9	Account Analysis Reconciliation Adjustments	733
25	TOTAL	1,472,624

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Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments)

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
2. Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.
3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.
4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.

Section A. Summary of Depreciation, Depletion, and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (d)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (e)	Amortization of Other Limited-term Gas Plant (Account 404.3) (f)	Amortization of Other Gas Plant (Account 405) (g)	Total (b to g) (h)
1	Intangible plant				8,553,535			8,553,535
2	Production plant, manufactured gas	(1,304)						(1,304)
3	Production and Gathering Plant							0
4	Products extraction plant							0
5	Underground Gas Storage Plant (footnote details)							0
6	Other storage plant							0
7	Base load LNG terminaling and processing plant							0
8	Transmission Plant							0
9	Distribution plant	80,394,020						80,394,020
10	General Plant (footnote details)	6,104,327			1,551,337			7,655,664
11	Common plant-gas	4,780,669						4,780,669
12	Total	91,277,712	0	0	10,104,872	0	0	101,382,584

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Depreciation, Depletion and Amortization of Gas Plant (Accts 403, 404.1, 404.2, 404.3, 405) (Except Amortization of Acquisition Adjustments)

1. Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.
2. Report in Section B, column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than those pre-printed in column (a). Indicate in a footnote the manner in which column (b) balances are obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves.
3. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.
4. Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.

Section B. Factors Used in Estimating Depreciation Charges

Line No.	Functional Classification (a)	Plant Bases (in thousands) (b)	Applied Depreciation or Amortization Rates (percent) (c)
1	Production and Gathering Plant		
2	Offshore (footnote details)		
3	Onshore (footnote details)		
4	Underground Gas Storage Plant (footnote details)		
5	Transmission Plant		
6	Offshore (footnote details)		
7	Onshore (footnote details)		
8	General Plant (footnote details)		
9	Distribution Plant		
10	Other Storage Plant		
11	Intangible Plant		
12	Gas - Manufactured Production Plant		
13	Footnote		

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Particulars Concerning Certain Income Deductions and Interest Charges Accounts

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts.

a. Miscellaneous Amortization (Account 425)-Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.
b. Miscellaneous Income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than $250,000 may be grouped by classes within the above accounts.
c. Interest on Debt to Associated Companies (Account 430)-For each associated company that incurred interest on debt during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.
d. Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.

Line No.	Item (a)	Amount (b)
1	Account 425 - Miscellaneous Amortization	
2		
3		
4		
5	TOTAL Account 425 - Miscellaneous Amortization	
6	Account 426.1 - Donations	
7	Community Involvement	570,541
8	State Marketing	484,199
9	Customer Assistance Programs	100,103
10	Items Under Threshold	754,075
11	TOTAL Account 426.1 - Donations	1,908,918
12	Account 426.2 - Life Insurance	
13	Life Insurance Expense	
14	TOTAL Account 426.2 - Life Insurance	
15	Account 426.3 - Penalties	
16	Settlement Agreement	950,120
17	TOTAL Account 426.3 - Penalties	950,120
18	Account 426.4 Expenditures for Certain Civic, Political, and Related Activities	
19	Civil, Political & Related Activities	2,229,053
20	Total Account 426.4 - Expenditues for Certain Civic, Political, and Related Activities	2,229,053
21	Account 426.5 - Other Deductions	
22	Sale of A/R Fees	5,346,469
23	Inc Deduction - Other Inc & Exp	2,700,000
24	PPE Impairments	
25	Items Under Threshold	(223,037)
26	TOTAL Account 426.5 - Other Deductions	7,823,432
27	Account 430 - Interest on Debt to Associated Companies	
28	Money Pool - Duke Energy Ohio to Duke Energy Corporation	14,173,391
29	Money Pool - Duke Energy Ohio to Duke Energy Florida	201,235
30	Money Pool - Duke Energy Ohio to Duke Energy Progress	
31	Money Pool - Duke Energy Ohio to Duke Energy Carolinas	758,203
32	Money Pool - Duke Energy Ohio to Piedmont Natural Gas	
33	Money Pool - Duke Energy Ohio to Duke Energy Kentucky	319,997
34	Money Pool - Duke Energy Ohio to Duke Energy Indiana	110,089
35	Money Pool - Items Under Threshold	
36	TOTAL Account 430 - Interest on Debt to Associated Companies	15,562,915
37	Account 431 - Other Interest Expense	
38	Interest Assigned from Service Company	3,764,504
39	Customer Service Deposits	739,014
40	Credit Faciltiy	1,877,531
41	Certified Retail Energy Suppliers	124,313
42	Interest Revenue Refunds	7
43	Regulatory Interest	
44	Items Under Threshold	2
45	Capital Meter Lease Interest	(264,318)
46	TOTAL Account 431 - Other Interest Expense	6,241,053

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Regulatory Commission Expenses (Account 928)

1. Report below details of regulatory commission expenses incurred during the current year (or in previous years, if being amortized) relating to formal cases before a regulatory body, or cases in which such a body was a party.
2. In column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.
3. Show in column (k) any expenses incurred in prior years that are being amortized. List in column (a) the period of amortization.
4. Identify separately all annual charge adjustments (ACA).
5. List in column (f), (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.
6. Minor items (less than $250,000) may be grouped.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expenses to Date (d)	Deferred in Account 182.3 at Beginning of Year (e)	Expenses Incurred During Year Charged Currently To Department (f)	Expenses Incurred During Year Charged Currently To Account No. (g)	Expenses Incurred During Year Charged Currently To Amount (h)	Expenses Incurred During Year Deferred to Account 182.3 (i)	Amortized During Year Contra Account (j)	Amortized During Year Amount (k)	Deferred in Account 182.3 End of Year (l)
1	Regulatory Fees - Gas											
2	Public Utilities Commission of Ohio	833,664		833,664		Gas	928	833,664				
3	Ohio Consumers' Counsel	124,711		124,711		Gas	928	124,711				
4	Public Utilities Commission of OhioDivision of Forecast	(51,080)		(51,080)		Gas	928	(51,080)				
5	Regulatory Fees - Electric											
6	Public Utilities Commission of Ohio	2,275,641		2,275,641		Electric	928	2,275,641				
7	Ohio Consumers' Counsel	317,108		317,108		Electric	928	317,108				
8	Public Utilities Commission of Ohio -Division of Forecast	111,239		111,239		Electric	928	111,239				
9	Public Utilities Commission of Ohio											
10	Case No. 21-0887-EL-AIR Request for Rate Increase - Electric		110,741	110,741	442,965	Electric	928	110,741			110,741	332,224
11	Case No. 22-0507-GA-AIR Request for Rate Increase - Gas		130,967	130,967	633,894	Gas	928	130,967	6,071		130,967	508,998
12	Misc Regulatory Legal Expenses											
13	Gas - Other & Transmission		17,985	17,985		Gas	928	17,985				
14	Electric - Transmission		137,446	137,446		Electric	928	137,446				
15	Electric - Other		(11,194)	(11,194)		Electric	928	(11,194)				
16	Non Regulatory Expenses											
17	Gas - Other		(943,143)	(943,143)		Gas	928	(943,143)				
25	TOTAL	3,611,283	(557,198)	3,054,085	1,076,859			3,054,085	6,071		241,708	841,222

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Employee Pensions and Benefits (Account 926)

1. Report below the items contained in Account 926, Employee Pensions and Benefits.

Line No.	Expense (a)	Amount (in dollars) (b)
1	Pensions - defined benefit plans	(961,274)
2	Pensions - other	1,651,776
3	Post-retirement benefits other than pensions (PBOP)	(12,256)
4	Post-employment benefit plans	(244,438)
5	Other (Specify)	
6	Medical and Dental	2,703,209
7	Life Insurance	25,822
8	Service/Safety Awards	19,811
9	Other Work/Family Benefits/Tuition	14,176
10	Allocated S&E	
11	Benefits Distribution	2,150,193
12	Other	139,468
40	Total	5,486,487

FERC FORM No. 2 (NEW 12-07)

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Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Distribution of Salaries and Wages

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals and Other Accounts, and enter such amounts in the appropriate lines and columns provided. Salaries and wages billed to the Respondent by an affiliated company must be assigned to the particular operating function(s) relating to the expenses.

In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used. When reporting detail of other accounts, enter as many rows as necessary numbered sequentially starting with 75.01, 75.02, etc.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts (d)	Total (e)
1	Electric				
2	Operation				
3	Production				
4	Transmission	280,816	3,465,313	2,117	3,748,246
5	Distribution	5,273,168	4,253,807	5,382	9,532,357
6	Customer Accounts	1,507,268	7,708,585	5,206	9,221,059
7	Customer Service and Informational	835,020	2,576,854	1,928	3,413,802
8	Sales				
9	Administrative and General	(1,801,162)	22,204,082	11,526	20,414,446
10	TOTAL Operation (Total of lines 3 thru 9)	6,095,110	40,208,641	26,159	46,329,910
11	Maintenance				
12	Production		72,598		72,598
13	Transmission	531,952	1,546,204		2,078,156
14	Distribution	7,854,055	2,291,488		10,145,543
15	Administrative and General	218			218
16	TOTAL Maintenance (Total of lines 12 thru 15)	8,386,225	3,910,290		12,296,515
17	Total Operation and Maintenance				
18	Production (Total of lines 3 and 12)		72,598		72,598
19	Transmission (Total of lines 4 and 13)	812,768	5,011,517	2,117	5,826,402
20	Distribution (Total of lines 5 and 14)	13,127,223	6,545,295	5,382	19,677,900
21	Customer Accounts (line 6)	1,507,268	7,708,585	5,206	9,221,059
22	Customer Service and Informational (line 7)	835,020	2,576,854	1,928	3,413,802
23	Sales (line 8)				
24	Administrative and General (Total of lines 9 and 15)	(1,800,944)	22,204,082	11,526	20,414,664
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)	14,481,335	44,118,931	26,159	58,626,425
26	Gas				
27	Operation				
28	Production - Manufactured Gas				
29	Production - Natural Gas(Including Exploration and Development)				
30	Other Gas Supply	6,454	1,141,786	3,700	1,151,940
31	Storage, LNG Terminaling and Processing				
32	Transmission				
33	Distribution	4,480,718	7,249,954	37,801	11,768,473
34	Customer Accounts	827,487	4,824,733	18,214	5,670,434
35	Customer Service and Informational		1,658,791	5,345	1,664,136
36	Sales				
37	Administrative and General	(823,244)	5,951,065	16,524	5,144,345
38	TOTAL Operation (Total of lines 28 thru 37)	4,491,415	20,826,329	81,584	25,399,328
39	Maintenance				
40	Production - Manufactured Gas		11		11
41	Production - Natural Gas(Including Exploration and Development)				
42	Other Gas Supply				
43	Storage, LNG Terminaling and Processing				
44	Transmission				

45	Distribution	1,979,177	1,601,966		3,581,143
46	Administrative and General	110,965	462,110		573,075
47	TOTAL Maintenance (Total of lines 40 thru 46)	2,090,142	2,064,087		4,154,229
49	Total Operation and Maintenance				
50	Production - Manufactured Gas (Total of lines 28 and 40)		11		11
51	Production - Natural Gas (Including Expl. and Dev.)(ll. 29 and 41)				
52	Other Gas Supply (Total of lines 30 and 42)	6,454	1,141,786	3,700	1,151,940
53	Storage, LNG Terminaling and Processing (Total of ll. 31 and 43)				
54	Transmission (Total of lines 32 and 44)				
55	Distribution (Total of lines 33 and 45)	6,459,895	8,851,920	37,801	15,349,616
56	Customer Accounts (Total of line 34)	827,487	4,824,733	18,214	5,670,434
57	Customer Service and Informational (Total of line 35)		1,658,791	5,345	1,664,136
58	Sales (Total of line 36)				
59	Administrative and General (Total of lines 37 and 46)	(712,279)	6,413,175	16,524	5,717,420
60	Total Operation and Maintenance (Total of lines 50 thru 59)	6,581,557	22,890,416	81,584	29,553,557
61	Other Utility Departments				
62	Operation and Maintenance				
63	TOTAL ALL Utility Dept. (Total of lines 25, 60, and 62)	21,062,892	67,009,347	107,743	88,179,982
64	Utility Plant				
65	Construction (By Utility Departments)				
66	Electric Plant	36,561,784	33,084,359	4,193,060	73,839,203
67	Gas Plant	4,801,095	19,878,482	545,011	25,224,588
68	Other				
69	TOTAL Construction (Total of lines 66 thru 68)	41,362,879	52,962,841	4,738,071	99,063,791
70	Plant Removal (By Utility Departments)				
71	Electric Plant	5,388,048	1,901,306		7,289,354
72	Gas Plant	905,038	1,956,034		2,861,072
73	Other				
74	TOTAL Plant Removal (Total of lines 71 thru 73)	6,293,086	3,857,340		10,150,426
75.1	Projects For Duke's Subsidiaries & Merchandising	151,600	165,100		316,700
75.2	Other Work in Progress	(13,141,518)	13,657,317		515,799
75.3	Other Accounts	703,382	1,124,235		1,827,617
76	TOTAL Other Accounts	(12,286,536)	14,946,652		2,660,116
77	TOTAL SALARIES AND WAGES	56,432,321	138,776,180	4,845,814	200,054,315

FERC FORM No. 2 (REVISED)

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Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Charges for Outside Professional and Other Consultative Services

1. Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, labor relations, and public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation partnership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than $250,000, including payments for legislative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities. (a) Name of person or organization rendering services. (b) Total charges for the year.
2. Sum under a description "Other", all of the aforementioned services amounting to $250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned services.
4. Charges for outside professional and other consultative services provided by associated (affiliated) companies should be excluded from this schedule and be reported on Page 358, according to the instructions for that schedule.

Line No.	Description (a)	Amount (in dollars) (b)
1	MOTT MACDONALD GROUP INC	1,350,493
2	KCI TECHNOLOGIES INC	1,077,010
3	EN ENGINEERING LLC	670,090
4	G J BERDING SURVEYING INC	649,934
5	COGNIZANT WORLDWIDE LIMITED	458,740
6	SURVEYING AND MAPPING LLC	453,089
7	BURNS & MCDONNELL ENGINEERING CO INC	387,662
8	METRO CONSULTING ASSOCIATES LLC	319,716
9	EVERSHEDS SUTHERLAND USA LLP	314,762
10	Other	2,513,651
11	TOTAL	8,195,147

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Transactions with Associated (Affiliated) Companies

1. Report below the information called for concerning all goods or services received from or provided to associated (affiliated) companies amounting to more than $250,000.
2. Sum under a description "Other", all of the aforementioned goods and services amounting to $250,000 or less.
3. Total under a description "Total", the total of all of the aforementioned goods and services.
4. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote the basis of the allocation.

Line No.	Description of the Good or Service (a)	Name of Associated/Affiliated Company (b)	Account(s) Charged or Credited (c)	Amount Charged or Credited (d)
1	Goods or Services Provided by Affiliated Company			
2	(a) Services provided by Duke Energy Business Services	Duke Energy Business Services, LLC	Various	485,889,296
3	Customer and Market Services	Duke Energy Carolinas, LLC	Various	20,018,900
4	Generation Services	Duke Energy Carolinas, LLC	Various	114,965
5	Other Goods and Services	Duke Energy Carolinas, LLC	Various	537,664
6	Transmission and Distribution Services	Duke Energy Carolinas, LLC	Various	8,814,346
7	Customer and Market Services	Duke Energy Progress, LLC	Various	847,132
8	Generation Services	Duke Energy Progress, LLC	Various	33,586
9	Other Goods and Services	Duke Energy Progress, LLC	Various	400,651
10	Transmission and Distribution Services	Duke Energy Progress, LLC	Various	1,276,086
11	Customer and Market Services	Duke Energy Florida, LLC	Various	344,706
12	Generation Services	Duke Energy Florida, LLC	Various	40
13	Other Goods and Services	Duke Energy Florida, LLC	Various	2,447
14	Transmission and Distribution Services	Duke Energy Florida, LLC	Various	383,210
15	Customer and Market Services	Duke Energy Indiana, LLC	Various	722,203
16	Generation Services	Duke Energy Indiana, LLC	Various	(89,008)
17	Other Goods and Services	Duke Energy Indiana, LLC	Various	394,946
18	Transmission and Distribution Services	Duke Energy Indiana, LLC	Various	9,459,178
19	Customer and Market Services	Duke Energy Kentucky, Inc.	Various	369,586
20	Gas Distribution Services	Duke Energy Kentucky, Inc.	Various	(2,134,311)
21	Other Goods and Services	Duke Energy Kentucky, Inc.	Various	1,833,024
22	Transmission and Distribution Services	Duke Energy Kentucky, Inc.	Various	1,031,502
23	Generation Services	Duke Energy Kentucky, Inc.	Various	(30)
24	Customer and Market Services	Piedmont Natural Gas Company, Inc.	Various	117,607
25	Gas Distribution Services	Piedmont Natural Gas Company, Inc.	Various	30,449,666
26	Other Goods and Services	Piedmont Natural Gas Company, Inc.	Various	2,851,396
27	Other Goods and Services	Duke Energy Commercial Enterprises, Inc.	Various	222
28	Other Goods and Services	Duke Energy Carolinas, LLC	Various	
29	Gas Distribution Services	Duke Energy Business Services LLC	Various	
30	Gas Distribution Services	KO Transmission Company	Various	
31	Customer and Market Services	Duke Energy One, Inc.	Various	
32	Transmission and Distribution Services	Duke Energy One, Inc.	Various	
19	TOTAL			563,669,010
20	Goods or Services Provided for Affiliated Company			
21	Customer and Market Services	Duke Energy Carolinas, LLC	Various	138,556
22	Gas Distribution Services	Duke Energy Carolinas, LLC	Various	3,933
23	Other Goods and Services	Duke Energy Carolinas, LLC	Various	
24	Transmission and Distribution Services	Duke Energy Carolinas, LLC	Various	2,731,488
25	Customer and Market Services	Duke Energy Progress, LLC	Various	83,516
26	Gas Distribution Services	Duke Energy Progress, LLC	Various	1,317
27	Transmission and Distribution Services	Duke Energy Progress, LLC	Various	1,316,056
28	Customer and Market Services	Duke Energy Florida, LLC	Various	90,992
29	Gas Distribution Services	Duke Energy Florida, LLC	Various	24
30	Transmission and Distribution Services	Duke Energy Florida, LLC	Various	2,035,538
31	Customer and Market Services	Duke Energy Business Services LLC	Various	751,429
32	Gas Distribution Services	Duke Energy Business Services LLC	Various	
33	Other Goods and Services	Duke Energy Business Services LLC	Various	8,025,131
34	Transmission and Distribution Services	Duke Energy Business Services LLC	Various	114,538
35	Customer and Market Services	Duke Energy Indiana, LLC	Various	6,554,905
36	Gas Distribution Services	Duke Energy Indiana, LLC	Various	175
37	Other Goods and Services	Duke Energy Indiana, LLC	Various	(21,559)

38	Transmission and Distribution Services	Duke Energy Indiana, LLC	Various	6,542,563
39	Customer and Market Services	Duke Energy Kentucky, Inc.	Various	1,843,706
40	Gas Distribution Services	Duke Energy Kentucky, Inc.	Various	1,470,777
41	Other Goods and Services	Duke Energy Kentucky, Inc.	Various	1,446,668
42	Transmission and Distribution Services	Duke Energy Kentucky, Inc.	Various	10,651,537
43	Gas Distribution Services	KO Transmission Company	Various	
44	Customer and Market Services	Duke Energy One, Inc.	Various	
45	Transmission and Distribution Services	Duke Energy One, Inc.	Various	
46	Gas Distribution Services	Piedmont Natural Gas Company, Inc.	Various	(569,310)
47	Transmission and Distribution Services	Piedmont Natural Gas Company, Inc.	Various	6,671
40	TOTAL			43,218,651

FERC FORM No. 2 (NEW 12-07)

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Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: DescriptionOfTheGoodOrService

When an employee of the Service Company performs services for a Client Company, costs will be directly assigned or distributed or allocated. For allocated services, the allocation method will be on a basis reasonably related to the service performed. The Service Company Utility Service Agreement prescribes 23 Service Company functions and approximately 20 allocation methods.

Functions and Allocation Methods:

Information Systems

Number of Central Processing Unit Seconds Ratio/Millions of Instructions per Second

Number of Personal Computer Workstations Ratio

Number of Information Systems Servers Ratio

Number of Employees Ratio

Meters

Number of Customers Ratio

Transportation

Number of Employees Ratio

Three Factor Formula

Electric System Maintenance

Circuit Miles of Electric Transmission Lines Ratio

Circuit Miles of Electric Distribution Lines Ratio

Marketing and Customer Relations and Grid Solutions

Number of Customers Ratio

Electric Transmission & Distribution Engineering & Construction

Electric Transmission Plant's Construction - Expenditures Ratio

Electric Distribution Plant's Construction - Expenditures Ratio

Power Engineering & Construction

Electric Production Plant's Construction - Expenditures Ratio

Human Resources

Number of Employees Ratio

Supply Chain

Procurement Spending Ratio

Inventory Ratio

Facilities

Square Footage Ratio

Accounting

Three Factor Formula

Generating Unit MW Capability Ratio

Power Planning and Operations

Electric Peak Load Ratio

Weighted Avg of the Circuit Miles of Electric Distribution Lines Ratio and the Electric Peak Load Ratio

Sales Ratio

Weighted Avg of the Circuit Miles of Electric Transmission Lines Ratio and the Electric Peak Load Ratio

Generating Unit MW Capability Ratio

Public Affairs

Three Factor Formula

Weighted Avg of Number of Customers Ratio and Number of Employees Ratio

Legal

Three Factor Formula

Rates

Sales Ratio

Finance

Three Factor Formula

Rights of Way

Circuit Miles of Electric Transmission Lines Ratio

Circuit Miles of Electric Distribution Lines Ratio

Electric Peak Load Ratio

Internal Auditing

Three Factor Formula

Environmental, Health and Safety

Three Factor Formula

Sales Ratio

Fuels

Sales Ratio

Investor Relations

Three Factor Formula

Planning

Three Factor Formula

Executive

Three Factor Formula

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Compressor Stations

1. Report below details concerning compressor stations. Use the following subheadings: field compressor stations, products extraction compressor statio underground storage compressor stations, transmission compressor stations, distribution compressor stations, and other compressor stations.
2. For column (a), indicate the production areas where such stations are used. Group relatively small field compressor stations by production areas. Shov stations grouped. Identify any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of resp and percent of ownership if jointly owned.

Line No.	Name and Location of Compressor Station (a)	Compressor Type (b)	Number of Units at Compressor Station (c)	Certificated Horsepower for Each Compressor Station (d)	Plant Cost (e)	Expenses (except depreciation and taxes) Fuel (f)	Expenses (except depreciation and taxes) Power (g)	Expenses (except depreciation and taxes) Other (h)	Gas for Compressor Fuel in Dth (i)	Electricity for Compressor Station in kWh (j)	Operational Data Total Compressor Hours of Operation During Year (k)	Opera Data N Compr Opera Tim Statio
1												
2												
3												
4												
5												
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19												
20												
21												
22												
23												
24												
25	Total											

Name of Respondent:	This report is:	Date of Report:	Year/Period of Report:
Duke Energy Ohio, Inc	(1) ☑ An Original (2) ☐ A Resubmission	04/30/2025	End of: 2024/ Q4

Gas Storage Projects

1. Report injections and withdrawals of gas for all storage projects used by respondent.

Line No.	Item (a)	Gas Belonging to Respondent (Dth) (b)	Gas Belonging to Others (Dth) (c)	Total Amount (Dth) (d)
	STORAGE OPERATIONS (in Dth)			
1	Gas Delivered to Storage			
2	January			
3	February			
4	March			
5	April			
6	May			
7	June			
8	July			
9	August			
10	September			
11	October			
12	November			
13	December			
14	TOTAL (Total of lines 2 thru 13)			
15	Gas Withdrawn from Storage			
16	January			
17	February			
18	March			
19	April			
20	May			
21	June			
22	July			
23	August			
24	September			
25	October			
26	November			
27	December			
28	TOTAL (Total of lines 16 thru 27)			

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Gas Storage Projects

1. On line 4, enter the total storage capacity certificated by FERC.
2. Report total amount in Dth or other unit, as applicable on lines 2, 3, 4, 7. If quantity is converted from Mcf to Dth, provide conversion factor in a footnote.

Line No.	Item (a)	Total Amount (b)
	STORAGE OPERATIONS	
1	Top or Working Gas End of Year	
2	Cushion Gas (Including Native Gas)	
3	Total Gas in Reservoir (Total of line 1 and 2)	
4	Certificated Storage Capacity	
5	Number of Injection - Withdrawal Wells	
6	Number of Observation Wells	
7	Maximum Days' Withdrawal from Storage	
8	Date of Maximum Days' Withdrawal	
9	LNG Terminal Companies (in Dth)	
10	Number of Tanks	
11	Capacity of Tanks	
12	**LNG Volume**	
13	Received at "Ship Rail"	
14	Transferred to Tanks	
15	Withdrawn from Tanks	
16	"Boil Off" Vaporization Loss	

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Transmission Lines

1. Report below, by state, the total miles of transmission lines of each transmission system operated by respondent at end of year.
2. Report separately any lines held under a title other than full ownership. Designate such lines as True or False, in column (d) and in a footnote state the name of owner, or co-owner, nature of respondent's title, and percent ownership if jointly owned.
3. Report separately any line that was not operated during the past year. Enter in a footnote the details and state whether the book cost of such a line, or any portion thereof, has been retired in the books of account, or what disposition of the line and its book costs are contemplated.
4. Report the number of miles of pipe to one decimal point.

Line No.	Designation (Identification) of Line or Group of Lines (a)	State (b)	Operation Type (c)	Indication of Ownerships (d)	Total Miles of Pipe (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
25	TOTAL				

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Transmission System Peak Deliveries

1. Report below the total transmission system deliveries of gas (in Dth), excluding deliveries to storage, for the period of system peak deliveries indicated below, during the 12 months embracing the heating season overlapping the year's end for which this report is submitted. The season's peak normally will be reached before the due date of this report, April 30, which permits inclusion of the peak information required on this page. Add rows as necessary to report all data. Number additional rows 6.01, 6.02, etc.

Line No.	Description (a)	Dth of Gas Delivered to Interstate Pipelines (b)	Dth of Gas Delivered to Others (c)	Total (b) + (c) (d)
	SECTION A: SINGLE DAY PEAK DELIVERIES			
1	Date(s):			
2	Volumes of Gas Transported			
3	No-Notice Transportation			
4	Other Firm Transportation			
5	Interruptible Transportation			
6	Other (Specify)			
6.1				
7	TOTAL			
8	Volumes of gas Withdrawn form Storage under Storage Contract			
9	No-Notice Storage			
10	Other Firm Storage			
11	Interruptible Storage			
12	Other (Specify)			
12.1				
13	TOTAL			
14	Other Operational Activities			
15	Gas Withdrawn from Storage for System Operations			
16	Reduction in Line Pack			
17	Other (Specify)			
17.1				
18	TOTAL			
19	SECTION B: CONSECUTIVE THREE-DAY PEAK DELIVERIES			
20	Date(s):			
22	No-Notice Transportation			
23	Other Firm Transportation			
24	Interruptible Transportation			
25	Other (Specify)			
25.1				
26	TOTAL			
27	Volumes of gas Withdrawn form Storage under Storage Contract			
28	No-Notice Storage			
29	Other Firm Storage			
30	Interruptible Storage			
31	Other (Specify)			
31.1				
32	TOTAL			
33	Other Operational Activities			
34	Gas Withdrawn from Storage for System Operations			
35	Reduction in Line Pack			
36	Other (Specify)			
36.1				
37	TOTAL			

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Auxiliary Peaking Facilities

1. Report below auxiliary facilities of the respondent for meeting seasonal peak demands on the respondent's system, such as underground storage projects, liquefied petroleum gas installations, gas liquefaction plants, oil gas sets, etc.
2. For column (c), for underground storage projects, report the delivery capacity on February 1 of the heating season overlapping the year-end for which this report is submitted. For other facilities, report the rated maximum daily delivery capacities.
3. For column (d), include or exclude (as appropriate) the cost of any plant used jointly with another facility on the basis of predominant use, unless the auxiliary peaking facility is a separate plant as contemplated by general instruction 12 of the Uniform System of Accounts.

Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility Dth (c)	Cost of Facility (in dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery? (e)
1					
2					
3					
4					
5					
6					
7					
8					
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Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Gas Account - Natural Gas

1. The purpose of this schedule is to account for the quantity of natural gas received and delivered by the respondent.
2. Natural gas means either natural gas unmixed or any mixture of natural and manufactured gas.
3. Enter in column (c) the year to date Dth as reported in the schedules indicated for the items of receipts and deliveries.
4. Enter in column (d) the respective quarter's Dth as reported in the schedules indicated for the items of receipts and deliveries.
5. Indicate in a footnote the quantities of bundled sales and transportation gas and specify the line on which such quantities are listed.
6. If the respondent operates two or more systems which are not interconnected, submit separate pages for this purpose.
7. Indicate by footnote the quantities of gas not subject to Commission regulation which did not incur FERC regulatory costs by showing (1) the local distribution volumes another jurisdictional pipeline delivered to the local distribution company portion of the reporting pipeline (2) the quantities that the reporting pipeline transported or sold through its local distribution facilities or intrastate facilities and which the reporting pipeline received through gathering facilities or intrastate facilities, but not through any of the interstate portion of the reporting pipeline, and (3) the gathering line quantities that were not destined for interstate market or that were not transported through any interstate portion of the reporting pipeline.
8. Indicate in a footnote the specific gas purchase expense account(s) and related to which the aggregate volumes reported on line No. 3 relate.
9. Indicate in a footnote (1) the system supply quantities of gas that are stored by the reporting pipeline, during the reporting year and also reported as sales, transportation and compression volumes by the reporting pipeline during the same reporting year, (2) the system supply quantities of gas that are stored by the reporting pipeline during the reporting year which the reporting pipeline intends to sell or transport in a future reporting year, and (3) contract storage quantities.
10. Also indicate the volumes of pipeline production field sales that are included in both the company's total sales figure and the company's total transportation figure. Add additional information as necessary to the footnotes.

Line No.	Item (a)	Ref. Page No. of (FERC Form Nos. 2/2-A) (b)	Total Amount of Dth Year to Date (c)	Current Three Months Ended Amount of Dth Quarterly Only (d)
1	Name of System			
2	GAS RECEIVED			
3	Gas Purchases (Accounts 800-805)		14,962,797	
4	Gas of Others Received for Gathering (Account 489.1)	303		
5	Gas of Others Received for Transmission (Account 489.2)	305		
6	Gas of Others Received for Distribution (Account 489.3)	301	54,794,032	
7	Gas of Others Received for Contract Storage (Account 489.4)	307		
8	Gas of Others Received for Production/Extraction/Processing (Account 490 and 491)			
9	Exchanged Gas Received from Others (Account 806)	328	(90,459)	
10	Gas Received as Imbalances (Account 806)	328	669,200	
11	Receipts of Respondent's Gas Transported by Others (Account 858)	332		
12	Other Gas Withdrawn from Storage (Explain)			
13	Gas Received from Shippers as Compressor Station Fuel			
14	Gas Received from Shippers as Lost and Unaccounted for			
15	Other Receipts (Specify) (footnote details)			
15.1	Other Receipts			
16	Total Receipts (Total of lines 3 thru 15)		70,335,570	
17	GAS DELIVERED			
18	Gas Sales (Accounts 480-484)		14,256,779	
19	Deliveries of Gas Gathered for Others (Account 489.1)	303		
20	Deliveries of Gas Transported for Others (Account 489.2)	305		
21	Deliveries of Gas Distributed for Others (Account 489.3)	301	55,087,530	
22	Deliveries of Contract Storage Gas (Account 489.4)	307		
23	Gas of Others Delivered for Production/Extraction/Processing (Account 490 and 491)			
24	Exchange Gas Delivered to Others (Account 806)	328	(90,459)	
25	Gas Delivered as Imbalances (Account 806)	328	669,200	
26	Deliveries of Gas to Others for Transportation (Account 858)	332		

27	Other Gas Delivered to Storage (Explain)		(a) 22,038	
28	Gas Used for Compressor Station Fuel	509		
29	Other Deliveries and Gas Used for Other Operations			
30	Total Deliveries (Total of lines 18 thru 29)		69,945,088	
31	GAS LOSSES AND GAS UNACCOUNTED FOR			
32	Gas Losses and Gas Unaccounted For		390,485	
33	TOTALS			
34	Total Deliveries, Gas Losses & Unaccounted For (Total of lines 30 and 32)		70,335,573	

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

FOOTNOTE DATA

(a) Concept: QuantityOfNaturalGasDeliveredByUtilityOtherGasDeliveredToStorage

Line 27 consists of Company Use

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Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Shipper Supplied Gas for the Current Quarter

1. Report monthly (1) shipper supplied gas for the current quarter and gas consumed in pipeline operations, (2) the disposition of any excess, the accoun disposition and the specific account(s) charged or credited, and (3) the source of gas used to meet any deficiency, the accounting recognition given to deficiency, including the accounting basis of the gas and the specific account(s) charged or credited.
2. On lines 7, 14, 22 and 30 report only the dekatherms of gas provided by shippers under tariff terms and conditions for gathering , production/ extractio distribution and storage service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dekatherms functional categories on Lines 2-6, 9-13, 16-21 and 24-29. The dekatherms must be reported in column (d) unless the company has discounted or neg reported in columns (b) and (c).
3. On lines 7, 14, 22 and 30 report only the dollar amounts of gas provided by shippers under tariff terms and conditions for gathering, production/ extract distribution and storage service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dollar amou functional categories on Lines 2-6, 9-13, 16-21 and 23-29. The dollar amounts must be reported in column (h) unless the company has discounted or r reported in columns (f) and (g). The accounting should disclose the account(s) debited and credited in columns (n) and (o).
4. Indicate in a footnote the basis for valuing the gas reported in Columns (f), (g) and (h).
5. Report in columns (j), (k) and (l) the amount of fuel waived, discounted or reduced as part of a negotiated rate agreement.
6. On lines 32-37 report the dekatherms and dollar value of the excess or deficiency in shipper supplied gas broken out by functional category and wheth negotiated rate.
7. On lines 39 through 51 report the dekatherms, the dollar amount and the account(s) credited in Column (o) for the dispositions of gas listed in column
8. On lines 53 through 65 report the dekatherms, the dollar amount and the account(s) debited in Column (n) for the sources of gas reported in column (a
9. On lines 66 and 67, report forwardhaul and backhaul volume in Dths of throughput.
10. Where appropriate, provide a full explanation of the allocation process used in reported numbers in a footnote.

Line No.	Item (a)	Month 1										
						Amount Collected (Dollars)				Volume (in Dth) Not Colle		
		Discounted rate Dth (b)	Negotiated Rate Dth (c)	Recourse Rate Dth (d)	Total Dth (e)	Discounted Rate, Amount (f)	Negotiated Rate Amount (g)	Recourse rate Amount (h)	Total Amount (i)	Waived Dth (j)	Discounted Dth (k)	Negotiat Dth (l)
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)											
2	Gathering											
3	Production/Extraction/Processing											
4	Transmission											
5	Distribution											
6	Storage											
7	Total Shipper Supplied Gas											
	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)											
9	Gathering											
10	Production/Extraction/Processing											
11	Transmission											
12	Distribution											
13	Storage											
14	Total gas used in compressors											
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)											
16	Gathering											
17	Production/Extraction/Processing											
18	Transmission											
19	Distribution											
20	Storage											
21	Other Deliveries (specify) (footnote details)											
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations											
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)											
24	Gathering											
25	Production/Extraction/Processing											
26	Transmission											
27	Distribution											
28	Storage											
29	Other Losses (specify) (footnote details)											
30	Total Gas Lost And Unaccounted For											

30.1	NET EXCESS OR (DEFICIENCY)											
31	Other Losses											
32	Gathering											
33	Production/Extraction/Processing											
34	Transmission											
35	Distribution											
36	Storage											
37	Total Net Excess Or (Deficiency)											
38	DISPOSITION OF EXCESS GAS:											
39	Gas sold to others											
40	Gas used to meet imbalances											
41	Gas added to system gas											
42	Gas returned to shippers											
43.1												
43.2												
43.3												
43.4												
43.5												
43.6												
43.7												
43.8												
51	Total Disposition Of Excess Gas											
52	GAS ACQUIRED TO MEET DEFICIENCY:											
53	System gas											
54	Purchased gas											
55.1												
55.2												
55.3												
55.4												
55.5												
55.6												
55.7												
55.8												
55.9												
55.10												
65	Total Gas Acquired To Meet Deficiency											

SEPARATION OF FORWARDHAUL AND BACKHAUL THROUGHPUT		
Line No.	**Item (a)**	**Quarter Dth (b)**
66	Forwardhaul Volume in Dths for the Quarter	
67	Backhaul Volume in Dths for the Quarter	
68	TOTAL (Lines 66 and 67)	

FERC FORM No. 2 (REVISED 02-11)

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Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Shipper Supplied Gas for the Current Quarter

1. Report monthly (1) shipper supplied gas for the current quarter and gas consumed in pipeline operations, (2) the disposition of any excess, the accoun disposition and the specific account(s) charged or credited, and (3) the source of gas used to meet any deficiency, the accounting recognition given to deficiency, including the accounting basis of the gas and the specific account(s) charged or credited.
2. On lines 7, 14, 22 and 30 report only the dekatherms of gas provided by shippers under tariff terms and conditions for gathering , production/ extractio distribution and storage service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dekatherms functional categories on Lines 2-6, 9-13, 16-21 and 24-29. The dekatherms must be reported in column (d) unless the company has discounted or neg reported in columns (b) and (c).
3. On lines 7, 14, 22 and 30 report only the dollar amounts of gas provided by shippers under tariff terms and conditions for gathering, production/ extract distribution and storage service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dollar amou functional categories on Lines 2-6, 9-13, 16-21 and 23-29. The dollar amounts must be reported in column (h) unless the company has discounted or r reported in columns (f) and (g). The accounting should disclose the account(s) debited and credited in columns (n) and (o).
4. Indicate in a footnote the basis for valuing the gas reported in Columns (f), (g) and (h).
5. Report in columns (j), (k) and (l) the amount of fuel waived, discounted or reduced as part of a negotiated rate agreement.
6. On lines 32-37 report the dekatherms and dollar value of the excess or deficiency in shipper supplied gas broken out by functional category and wheth negotiated rate.
7. On lines 39 through 51 report the dekatherms, the dollar amount and the account(s) credited in Column (o) for the dispositions of gas listed in column
8. On lines 53 through 65 report the dekatherms, the dollar amount and the account(s) debited in Column (n) for the sources of gas reported in column (a
9. On lines 66 and 67, report forwardhaul and backhaul volume in Dths of throughput.
10. Where appropriate, provide a full explanation of the allocation process used in reported numbers in a footnote.

Line No.	Item (a)	Month 2										
						Amount Collected (Dollars)				Volume (in Dth) Not Colle		
		Discounted rate Dth (b)	Negotiated Rate Dth (c)	Recourse Rate Dth (d)	Total Dth (e)	Discounted Rate, Amount (f)	Negotiated Rate Amount (g)	Recourse rate Amount (h)	Total Amount (i)	Waived Dth (j)	Discounted Dth (k)	Negotiat Dth (l)
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)											
2	Gathering											
3	Production/Extraction/Processing											
4	Transmission											
5	Distribution											
6	Storage											
7	Total Shipper Supplied Gas											
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)											
9	Gathering											
10	Production/Extraction/Processing											
11	Transmission											
12	Distribution											
13	Storage											
14	Total gas used in compressors											
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)											
16	Gathering											
17	Production/Extraction/Processing											
18	Transmission											
19	Distribution											
20	Storage											
21	Other Deliveries (specify) (footnote details)											
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations											
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)											
24	Gathering											
25	Production/Extraction/Processing											
26	Transmission											
27	Distribution											
28	Storage											
29	Other Losses (specify) (footnote details)											
30	Total Gas Lost And Unaccounted For											

30.1	NET EXCESS OR (DEFICIENCY)											
31	Other Losses											
32	Gathering											
33	Production/Extraction/Processing											
34	Transmission											
35	Distribution											
36	Storage											
37	Total Net Excess Or (Deficiency)											
38	DISPOSITION OF EXCESS GAS:											
39	Gas sold to others											
40	Gas used to meet imbalances											
41	Gas added to system gas											
42	Gas returned to shippers											
43.1												
43.2												
43.3												
43.4												
43.5												
43.6												
43.7												
43.8												
51	Total Disposition Of Excess Gas											
52	GAS ACQUIRED TO MEET DEFICIENCY:											
53	System gas											
54	Purchased gas											
55.1												
55.2												
55.3												
55.4												
55.5												
55.6												
55.7												
55.8												
55.9												
55.10												
65	Total Gas Acquired To Meet Deficiency											

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

Shipper Supplied Gas for the Current Quarter

1. Report monthly (1) shipper supplied gas for the current quarter and gas consumed in pipeline operations, (2) the disposition of any excess, the accoun disposition and the specific account(s) charged or credited, and (3) the source of gas used to meet any deficiency, the accounting recognition given to deficiency, including the accounting basis of the gas and the specific account(s) charged or credited.
2. On lines 7, 14, 22 and 30 report only the dekatherms of gas provided by shippers under tariff terms and conditions for gathering , production/ extractio distribution and storage service and the use of that gas for compressor fuel, other operational purposes and lost and unaccounted for. The dekatherms functional categories on Lines 2-6, 9-13, 16-21 and 24-29. The dekatherms must be reported in column (d) unless the company has discounted or neg reported in columns (b) and (c).
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4. Indicate in a footnote the basis for valuing the gas reported in Columns (f), (g) and (h).
5. Report in columns (j), (k) and (l) the amount of fuel waived, discounted or reduced as part of a negotiated rate agreement.
6. On lines 32-37 report the dekatherms and dollar value of the excess or deficiency in shipper supplied gas broken out by functional category and wheth negotiated rate.
7. On lines 39 through 51 report the dekatherms, the dollar amount and the account(s) credited in Column (o) for the dispositions of gas listed in column
8. On lines 53 through 65 report the dekatherms, the dollar amount and the account(s) debited in Column (n) for the sources of gas reported in column (a
9. On lines 66 and 67, report forwardhaul and backhaul volume in Dths of throughput.
10. Where appropriate, provide a full explanation of the allocation process used in reported numbers in a footnote.

Line No.	Item (a)	Month 3										
						Amount Collected (Dollars)				Volume (in Dth) Not Colle		
		Discounted rate Dth (b)	Negotiated Rate Dth (c)	Recourse Rate Dth (d)	Total Dth (e)	Discounted Rate, Amount (f)	Negotiated Rate Amount (g)	Recourse rate Amount (h)	Total Amount (i)	Waived Dth (j)	Discounted Dth (k)	Negotiat Dth (l)
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)											
2	Gathering											
3	Production/Extraction/Processing											
4	Transmission											
5	Distribution											
6	Storage											
7	Total Shipper Supplied Gas											
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)											
9	Gathering											
10	Production/Extraction/Processing											
11	Transmission											
12	Distribution											
13	Storage											
14	Total gas used in compressors											
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)											
16	Gathering											
17	Production/Extraction/Processing											
18	Transmission											
19	Distribution											
20	Storage											
21	Other Deliveries (specify) (footnote details)											
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations											
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)											
24	Gathering											
25	Production/Extraction/Processing											
26	Transmission											
27	Distribution											
28	Storage											
29	Other Losses (specify) (footnote details)											
30	Total Gas Lost And Unaccounted For											

30.1	NET EXCESS OR (DEFICIENCY)											
31	Other Losses											
32	Gathering											
33	Production/Extraction/Processing											
34	Transmission											
35	Distribution											
36	Storage											
37	Total Net Excess Or (Deficiency)											
38	DISPOSITION OF EXCESS GAS:											
39	Gas sold to others											
40	Gas used to meet imbalances											
41	Gas added to system gas											
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51	Total Disposition Of Excess Gas											
52	GAS ACQUIRED TO MEET DEFICIENCY:											
53	System gas											
54	Purchased gas											
55.1												
55.2												
55.3												
55.4												
55.5												
55.6												
55.7												
55.8												
55.9												
55.10												
65	Total Gas Acquired To Meet Deficiency											

Name of Respondent: Duke Energy Ohio, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/30/2025	Year/Period of Report: End of: 2024/ Q4

System Maps

1. Furnish five copies of a system map (one with each filed copy of this report) of the facilities operated by the respondent for the production, gathering, transportation, and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with a previous year's annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished.
2. Indicate the following information on the maps: (a) Transmission lines. (b) Incremental facilities. (c) Location of gathering areas. (d) Location of zones and rate areas. (e) Location of storage fields. (f) Location of natural gas fields. (g) Location of compressor stations. (h) Normal direction of gas flow (indicated by arrows). (i) Size of pipe. (j) Location of products extraction plants, stabilization plants, purification plants, recycling areas, etc. (k) Principal communities receiving service through the respondent's pipeline.
3. In addition, show on each map: graphic scale of the map; date of the facts the map purports to show; a legend giving all symbols and abbreviations used; designations of facilities leased to or from another company, giving name of such other company.
4. Maps not larger than 24 inches square are desired. If necessary, however, submit larger maps to show essential information. Fold the maps to a size not larger then this report. Bind the maps to the report.

1		
2		
3		
4		
5		