



Lighting the way



2013 Sustainability Report



The Road Ahead – Lighting The Way

As the largest U.S. electric utility, Duke Energy has the strength – and the responsibility – to make a positive difference for our customers, communities and the future we share. It's an important balancing act that drives us to provide affordable, reliable and increasingly clean energy.

No easy task – but one we embrace. Knowing that our work affects the lives of customers both today and tomorrow inspires us to continuously improve our company's sustainability.

That mission is fueled by the dedicated service of our 28,000 employees, who showcase the Duke Energy culture and values every day.

OUR PURPOSE

Duke Energy is dedicated to the energy experience that customers value and trust. We strive for leadership and excellence that benefit our customers, shareholders and employees.

OUR CULTURE AND BEHAVIORS

- **Safety:** Put safety first.
- **Customer-focused:** Keep customers central to all we do.
- **Trust:** Act with integrity and transparency.
- **Accountability:** Own responsibility for excellence.
- **Agility:** Embrace ideas and change that make us stronger.
- **Collaboration:** Work as one team – inclusive and unified.

OUR BUSINESS IMPERATIVES

- Excel in customer focus, operational efficiency and financial discipline.
- Grow the business to benefit our customers, shareholders and employees.
- Develop and engage employees to prepare for the road ahead.
- Promote the success of our communities and a sustainable future.
- Embrace a sense of urgency to get better every day.

2013|2014 RECOGNITIONS

- For the eighth consecutive year, Duke Energy was named to the 2013 Dow Jones Sustainability Index for North America.
MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM
- Corporate Responsibility Magazine named Duke Energy to its 2013 "100 Best Corporate Citizens List" for the fifth consecutive year, with a rank of No. 26.
- Target Rock Advisors awarded Duke Energy a 2013 Best In Class Sustainability Achievement Award.
- The Southeastern Corporate Sustainability Rankings named Duke Energy the Top Ranked Energy Company in 2013.
- Corporate Knights named Duke Energy to its 2014 list of the "Global 100 Most Sustainable Corporations in the World," with a rank of No. 47.



Shawn Heath | Vice President and Chief Sustainability Officer

About This Report

This year's Sustainability Report reflects the first full year of operation since the merger of Duke Energy and Progress Energy in July 2012. The successful integration of these companies has established Duke Energy as the largest utility in the nation.

Inside, we describe the company's progress in serving our customers, reducing our environmental footprint, engaging our employees, strengthening our communities and increasing our financial strength.

Key features include:

- In July 2013, Lynn Good became president and chief executive officer of Duke Energy. Her letter stresses the company's continued commitment to sustainability – and spells out the challenges ahead.
- We also list accomplishments, challenges and opportunities for each of our five focus areas.
- Duke Energy is only as strong as its employees. We feature a number of them inside – highlighting their commitment to sustainability.
- Finally, our performance metrics and data throughout the report offer a concise and transparent view of how Duke Energy is living up to its sustainability goals.

Again this year, we offer print and online versions of our Sustainability Report. We also provide a detailed index to the Global Reporting Initiative on our website. Duke Energy International's Sustainability Report, which covers our Latin American operations, is also available at duke-energy.com.

We welcome your feedback. Please email us at sustainability@duke-energy.com.

CONTENTS

Duke Energy At A Glance 2

A Message From Our CEO. 4

Our Sustainability
Plan And Goals. 6

Innovative Products
And Services 8

Environmental Footprint. 14

Quality Workforce. 22

Strong Communities. 26

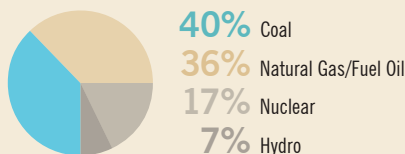
Governance And Transparency. 30

About the cover: Bridge photo taken in the Ellerbe Creek watershed, part of an urban nature preserve in Durham, North Carolina, that includes land donated by Duke Energy Corporation.

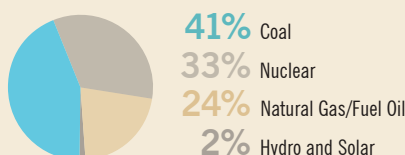
Duke Energy At A Glance

REGULATED UTILITIES

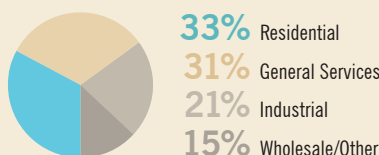
Generation Diversity (percent owned capacity)¹



Generated (net output gigawatt-hours (GWh))²



Customer Diversity (in billed GWh sales)²



Regulated Utilities consists of Duke Energy's regulated generation, electric and natural gas transmission and distribution systems. Regulated Utilities generation portfolio is a balanced mix of energy resources having different operating characteristics and fuel sources designed to provide energy at the lowest possible cost.

Electric Operations

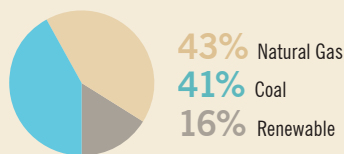
- Owns approximately 49,600 megawatts (MW) of generating capacity
- Service area covers about 104,000 square miles with an estimated population of 21 million
- Service to approximately 7.2 million residential, commercial and industrial customers
- 261,700 miles of distribution lines and a 32,300-mile transmission system

Gas Operations

- Regulated natural gas transmission and distribution services to approximately 500,000 customers in southwestern Ohio and northern Kentucky

COMMERCIAL POWER

Generation Diversity (percent owned capacity)¹

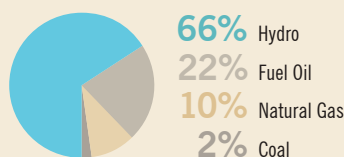


Commercial Power owns, operates and manages power plants, primarily located in the Midwest, and a renewable energy portfolio. Commercial Power's subsidiary, Duke Energy Retail, serves retail electric customers primarily in Ohio with generation and other energy services at competitive rates. Through Duke Energy Generation Services, Inc., Commercial Power engages in the development, construction and operation of renewable energy projects.

- Owns and operates a balanced generation portfolio of approximately 6,600 net MW of power generation (excluding wind and solar generation assets)³
- Duke Energy Renewables currently has approximately 1,800 MW of wind and solar energy in operation (pie chart excludes 440 MW, which are from equity investments), and has a significant pipeline of development projects

INTERNATIONAL ENERGY

Generation Diversity (percent owned capacity)¹



International Energy operates and manages power generation facilities and engages in sales and marketing of electric power and natural gas outside the U.S. International Energy's activities target power generation in Latin America. International Energy also has an equity investment in National Methanol Co., a Saudi Arabian regional producer of MTBE, a gasoline additive.

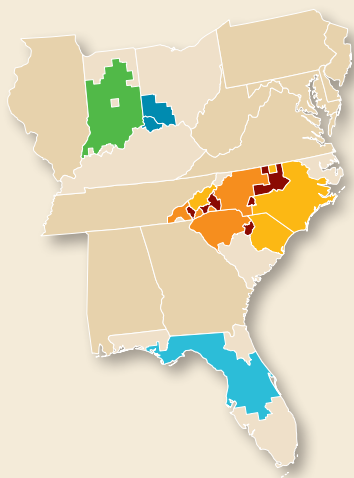
- Owns, operates or has substantial interests in approximately 4,600 net MW of generation facilities
- Nearly two-thirds of International Energy's generating capacity is hydroelectric

¹ As of December 31, 2013

² For the year-ended December 31, 2013

³ The company announced in February 2014 it has begun the process to exit all of its unregulated generation in Ohio, Illinois and Pennsylvania.

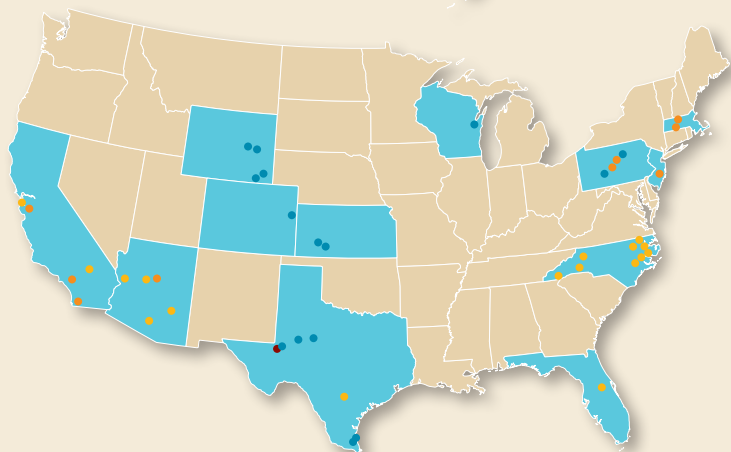
Maps Of Operations



SERVICE TERRITORIES

Counties Served

- Duke Energy Indiana
- Duke Energy Ohio/Kentucky
- Duke Energy Progress
- Duke Energy Carolinas
- Overlapping Territory
- Duke Energy Florida



RENEWABLE ENERGY PROJECTS

Solar and Wind

- Solar Power Projects
- Wind Power Projects
- Battery Storage Facility
- INDU Solar Projects



INTERNATIONAL OFFICES AND ASSETS

- Office
- Fuel Oil
- Natural Gas
- Coal
- Hydro
- Gas Operation

A Message From Our CEO

DEAR STAKEHOLDERS:

Sustainability means different things to different people. To me, it comes down to enduring business success and responsible stewardship. We'll do this by understanding stakeholders' needs, running our business with excellence and adapting to an ever-changing industry.

Duke Energy is the largest electric utility in the U.S. Although our size is a strength, it's not a guarantee that we will continue to be successful. We must be responsible, creative and driven to demonstrate that big can also mean agile, flexible and innovative.

Lighting the way, the theme for this year's publication, signifies our ongoing commitment to our stakeholders. It means we will strive for leadership, excellence and integrity in everything we do. And it reflects our desire to approach the future in a way that strengthens relationships, anticipates change and seizes new opportunities.

SUCCESSFUL COMMUNITIES

Beginning in 1904, our company's founders constructed hydroelectric power plants in an effort to create new opportunities for economic growth in the Carolinas.

This mission to advance our communities continues today. We work with local officials to attract businesses and jobs, including more than \$2.9 billion in capital investment and more than 13,700 new jobs to our six-state region in 2013.

Our charitable giving – including funding from The Duke Energy Foundation, company donations, employee and retiree gifts, and the value of volunteer hours – totaled about \$73 million last year.

EMPOWERED CUSTOMERS

Improving our customers' experience with Duke Energy is just as important as helping our communities prosper. Now more than ever, customers want more – more control of their energy use, more opportunities to save and more ways to interact with us. We've responded with technologies and enhanced energy efficiency programs that aim to strengthen our role as a trusted energy partner.

One way we're helping customers thrive is by modernizing the power grid. We recently installed our 1 millionth smart meter in Ohio. This technology helps customers use energy more efficiently, and paves the way for us to introduce new products and services. Smart meters and other digital grid technologies also help improve power reliability by reducing the frequency and duration of outages.

Beyond the meter, we're giving customers options to save through energy efficiency initiatives, like our appliance recycling program. In 2013, we helped our customers recycle more than 25,000 inefficient refrigerators and freezers. With each recycled appliance, customers can save up to \$150 a year on their energy bills.

Customers are also seeing the benefits of our 2012 merger with Progress

Energy. Through reduced fuel costs and jointly dispatching our power plants, we've already achieved more than 25 percent of the guaranteed \$687 million in savings for our Carolinas customers.

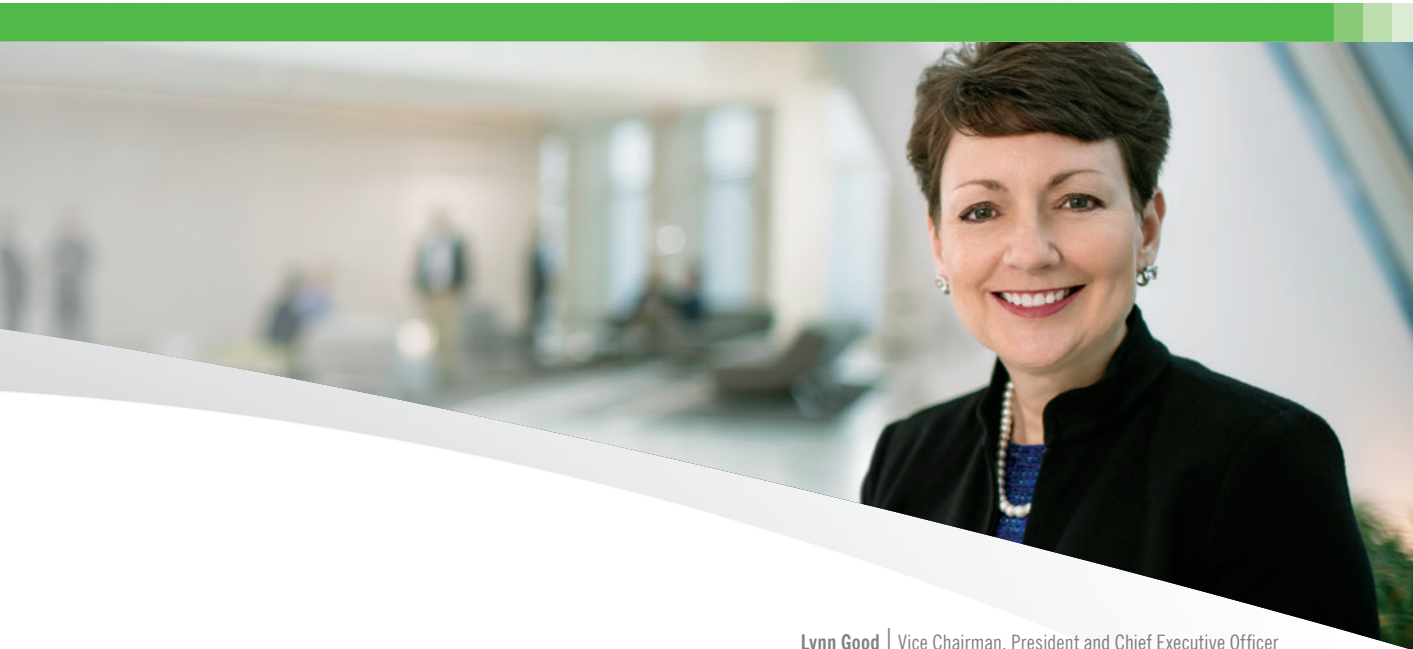
CLEANER ENERGY

In 2013, we completed a decade-long, \$9 billion program to modernize our generation fleet. These investments improved our fuel diversity and enabled us to retire more than 3,800 megawatts of older coal-fired units. That number will grow to nearly 6,300 megawatts – roughly 25 percent of our coal capacity – by 2018.

We've also invested \$7.5 billion in recent years to add environmental controls to our power plants. Our fleet modernization – along with lower natural gas prices – enabled us to cut our U.S. carbon emissions by 20 percent and reduce our carbon emissions intensity by 19 percent since 2005. We've also decreased our U.S. emissions of sulfur dioxide by 84 percent and nitrogen oxides by 63 percent during the same period.

Beyond cleaner energy from fossil fuels, Duke Energy is committed to promoting and using cost-effective renewable energy options. Solar power, for instance, complements our nuclear and fossil-fueled baseload plants that meet our customers' energy needs when the sun isn't shining.

Solar energy is an important part of the energy future, and we want to encourage its development in ways that are fair to all customers. That's why, in 2013, we created a new organization to



Lynn Good | Vice Chairman, President and Chief Executive Officer

develop renewable energy projects for our regulated utilities.

This work is in addition to projects spearheaded by Duke Energy Renewables, which has invested \$3 billion since 2007 to build utility-scale wind and solar farms in 12 states.

WORKFORCE SAFETY

Cleaner energy is important, but safety is our top priority. I'm proud of our 28,000 employees for their safety performance last year. However, we didn't meet our most important goal: zero employee and contractor fatalities. Tragically, one employee and two contractors lost their lives in work-related vehicle and on-site accidents in 2013. And earlier this year another two veteran employees died while working in the field.

These tragedies are reminders that many of our teammates work in hazardous environments. Regardless, we must do better; injury or death is not a cost of doing business. As a company, we're committed to a healthy and injury-free workplace. We will continue to investigate and learn from all safety incidents, and we'll make changes to help each employee return home safely at the end of the day.

ENVIRONMENTAL RESPONSIBILITY

While we have made many meaningful improvements to our environmental footprint in recent years, our commitment to sustainability means we must do a better job of safely managing our coal ash ponds. In February 2014, ash from one of our North Carolina basins was accidentally released into the Dan River. We worked around the clock to permanently stop the leak. Duke Energy, along with various state and federal agencies, continues to closely monitor the river. Drinking water remained safe and river water quality has returned to pre-event levels.

In the weeks that followed the incident, we initiated a near-term engineering review of all our ash basins to detect and address potential risks. Moving forward, we will work with our state and federal stakeholders as we update our long-term, comprehensive ash management strategy – a plan that protects the environment and lays the groundwork for continued safe, reliable and cost-effective electricity for our customers.

THE ROAD AHEAD

Now more than ever, we must operate with a great sense of focus and urgency.

In the end, we believe responsible, forward-looking actions will lead to continued long-term success for Duke Energy.

We know we will be measured by financial results as well as by our ability to keep our prices competitive, restore power after a storm and reduce our environmental footprint – just to name a few. Balancing these competing priorities is a challenge, and often requires difficult trade-offs. Regardless, we remain focused on the road ahead to benefit our customers, communities, employees and investors.

Sincerely,

Lynn J. Good
*Vice Chairman, President and
Chief Executive Officer*

April 4, 2014

Our Sustainability Plan And Goals

1

Innovative Products And Services

WHAT IT MEANS: Provide affordable, reliable and increasingly clean energy.

WHY IT MATTERS: Our customers expect us to provide the essentials, while innovating for the future.

GOALS:

● **Affordable Energy:** Maintain rates lower than the national average.

2013 Status: Duke Energy's rates were lower than the national averages for the three customer categories (residential, commercial and industrial) in all six states we serve, with one exception. Duke Energy Florida's commercial rates averaged 11.77 cents, exceeding the national average by 0.33 cents.

● **Reliable Energy:** During 2013, maintain the high reliability of our generation fleet with a nuclear capacity factor of at least 93.25%, regulated fossil commercial availability of at least 87.92%, and nonregulated fossil commercial availability and renewables yield of at least 92.63%.

2013 Status: The generation fleets performed well, consistently meeting customer demand, but did not achieve these aggressive goals. Nuclear capacity factor improved to 92.8%, up from 2012, but just shy of the goal. Regulated fossil commercial availability was 85.7%, and nonregulated fossil commercial availability and renewables yield was 91.9%.

continued on next column

● **Reliable Energy:** During 2013, maintain the high reliability of our distribution system with an average number of outages* of 1.19 or less, and an average time without power* of 130 minutes or less.

* Outages longer than 5 minutes, per customer

2013 Status: Average number of outages was 1.14, and average time without power was 121 minutes.

● **Energy Efficiency:** Achieve a cumulative reduction in customer energy consumption of 15,000 gigawatt-hours (GWh) (equivalent to the annual usage of 1.25 million homes) by 2020.

2013 Status: As of year-end 2013, energy consumption was reduced by 6,045 GWh.

● **Energy Efficiency:** Achieve a cumulative reduction in peak demand of 4,800 MW (equivalent to eight 600-MW power plants) by 2020.

2013 Status: As of year-end 2013, peak demand was reduced by 3,600 MW.

Potential changes in state energy efficiency requirements may have an impact on our future energy efficiency goals.

● **Renewables:** Own or contract 6,000 MW of wind, solar and biomass by 2020.

2013 Status: As of year-end 2013, Duke Energy owned or had under contract more than 2,620 MW of wind, solar and biomass.

2

Environmental Footprint

WHAT IT MEANS: Reduce our environmental footprint.

WHY IT MATTERS: As an energy company, we have a large impact on the environment and depend on natural resources for our fuel.

GOALS:

● **Carbon*:** Reduce or offset carbon dioxide (CO₂) emissions from our generation fleet 17% from 2005 emissions by 2020 (i.e., go from 169 million tons in 2005 to 141 million tons in 2020).

2013 Status: Our generation fleet emitted about 136 million tons of CO₂, lower than our 2020 goal for the second straight year. Current forecasts indicate that CO₂ emissions could slightly exceed 141 million tons in 2020.

● **Carbon*:** Reduce the carbon intensity (pounds of CO₂ emitted per net kilowatt-hour (kWh) of electricity produced) of our generation fleet from 1.28 in 2005 to 0.94 by 2020.

2013 Status: Generation carbon intensity decreased from 1.08 in 2012 to 1.05 in 2013.


* We plan to reassess our carbon goals in 2014 based on impending U.S. EPA regulations.

(New) Solid Waste: Increase the percentage of solid waste that is recycled from 69% in 2013 to 80% in 2018. (This goal excludes Duke Energy International and Duke Energy Renewables.)

(New) Coal Ash Management: During 2014, 1) conduct an engineering review of the company's ash management practices to identify potential opportunities for improvement and 2) develop a long-term strategy to manage the closure of coal ash basins across our system.

PROGRESS KEY

- Achieved or on track
- Currently not on track
- Goal not achieved

 Additional content online at sustainabilityreport.duke-energy.com.

3 Quality Workforce

WHAT IT MEANS: Attract, develop and retain a diverse, high-quality workforce.

WHY IT MATTERS: Our future success largely depends on the quality, creativity and engagement of our workforce.

GOALS:

- **Safety:** Achieve zero work-related fatalities.

2013 Status: Tragically, one employee and two contractor fatalities occurred in 2013.

- **Safety:** Achieve top-decile safety performance in employee Total Incident Case Rate (TICR) by 2015.

2013 Status: We improved employee TICR to 0.62, from 0.69 in 2012. Employee TICR has improved 36% since 2009. We are on track to be in the top decile of our industry peers in 2014.

- **Employee Engagement:** Maintain management and employee engagement scores of 75% and 65%, respectively, or higher, measured by favorable responses to survey questions.

2013 Status: Management and employee engagement were 75.9% and 69.9%, respectively.

4 Strong Communities

WHAT IT MEANS: Help build strong and resilient communities.

WHY IT MATTERS: In good and bad economic times, our success depends on the strength of the communities we serve.

GOALS:

- **Economic Development:** Stimulate growth in our communities and help attract at least 40,000 jobs and \$10 billion in capital investments from 2013 to 2017.

2013 Status: In 2013, Duke Energy helped our communities attract more than 13,700 jobs and \$2.9 billion in capital investments to our service territories.

- **Charitable Giving:** Continue to engage key community partners to measure the number of lives positively affected by our largest grants.

2013 Status: We continued our engagement with community partners to measure our impact on communities. Through this engagement we evaluated 10 of our most significant recent grants, totaling over \$12.5 million, and learned that nearly 2 million lives are being positively affected by the projects these grants support.

- **Community Leader Ratings:** During 2013, develop a consistent approach for conducting community leader surveys across all of our service territories.

2013 Status: In 2013, we developed an approach and process to survey leaders in the communities we serve. We will administer our new Community Leader Study in 2014 to establish baseline performance.

5 Governance And Transparency

WHAT IT MEANS: Deliver industry-leading shareholder value, governance and transparency.

WHY IT MATTERS: Being profitable and earning the trust and confidence of our many stakeholders keeps us in business.

GOALS:

- **Total Shareholder Return (TSR):** Outperform other investor-owned utilities in TSR, annually and over a three-year period, as measured by the Philadelphia Utility Index.

2013 Status: Duke Energy achieved a total shareholder return of 13% for 2013, outperforming the Philadelphia Utility Index (UTY) return of 11%. We also outperformed the UTY for the last three-, five- and 10-year periods.

- **Governance:** Keep abreast of developments regarding corporate governance principles and recommend internal improvements as appropriate.

2013 Status: In 2013, we made these improvements in corporate governance practices:

- Adopted majority voting for the election of directors
- Appointed an independent chairman of the board
- Began an annual process of communicating with our larger shareholders about corporate governance issues outside of the proxy season.

- **Transparency:** Achieve top-quartile performance in disclosure, as measured by Bloomberg Environmental, Social and Governance (ESG) Disclosure Scores for our industry.

2013 Status: As of February 21, 2014, Duke Energy had a Bloomberg ESG Disclosure Score of 68.7, the highest score among our peer U.S. utilities. This score reflects our 2013 disclosures.

1 Innovative Products And Services

2013 Highlights

- Formed the Renewable Generation Development organization to focus on renewable generation in our regulated service territories
- Implemented the Green Source Rider in North Carolina, allowing certain large customers to offset some or all of their energy consumption from new load with renewable energy
- Established the Shared Savings plan in North Carolina, creating a consistent model for offering energy efficiency products in five of the six states we serve

Challenges

- Continue to grow our regulated renewable generation fleet
- Continue to improve our customer satisfaction ratings

Opportunities

- Continue to develop energy efficiency offerings to help customers manage and reduce their energy costs
- Continue to modernize our grid, reducing outages and improving outage response times

DELIVERING CUSTOMERS MORE OPTIONS TO SAVE ENERGY AND MONEY

That old refrigerator in your garage might be among your biggest energy wasters. Encouraging Duke Energy customers to recycle old, secondary refrigerators and freezers is one of the ways we're promoting energy efficiency.

In 2013, Duke Energy recycled 25,719 inefficient refrigerators and freezers through its appliance recycling programs. Almost 26 million kWh of energy were saved last year alone. That's enough to power nearly 2,100 homes.

Appliance recycling is one of 20-plus energy efficiency and demand response programs offered by Duke Energy Carolinas under our new Shared Savings plan. The plan not only helps the environment, it rewards the company for helping customers save energy and money.

In January 2014, the Shared Savings plan replaced the save-a-watt program in the Duke Energy Carolinas service area as the company's model to recover costs associated with these programs. This same model is also used in Ohio, Kentucky and Duke Energy Progress service areas in the Carolinas. Although the model is different, our customers in Indiana also have access to a suite of

energy efficiency products and services to choose from.

Included in the Shared Savings plan is the new Residential Neighborhood Program. Launched in 2013, it offers information and energy-saving tools to customers in the Carolinas, Ohio and Kentucky who live in low-income neighborhoods. More than 3,660 customers have received energy efficiency improvements since the program's launch. The Residential Neighborhood Program joins Neighborhood Energy Saver, a similar program available to customers in Florida and the Duke Energy Progress territories.

Replacing inefficient light bulbs continues to be a popular way to save energy and money plus benefit the environment. Since 2009, Duke Energy has distributed nearly 46 million energy-efficient light bulbs throughout our service areas. That's enough energy saved to power nearly 144,000 homes and offset the carbon output of 266,000 passenger cars. From the comfort and convenience of home, customers in select service areas can now shop online for highly discounted compact fluorescent light (CFL) and light-emitting diode (LED) bulbs through the new Duke Energy Savings Store.

Duke Energy's business and institutional customers also benefit from a suite of energy saving programs. For example, our demand response programs reward businesses for curtailing energy usage. They can also receive cash incentives for installing high-efficiency lighting, HVAC systems and other qualifying equipment. Outdoor LED lighting solutions are also available. We offer complete LED solutions, including design selection, installation, maintenance and 24/7 support.

These are just some of the products and services that deliver energy savings and value to our customers. More information about programs available to business and residential customers is available in the "Save Energy & Money" section of duke-energy.com.

REACHING AGREEMENT ON AFFORDABLE RATES

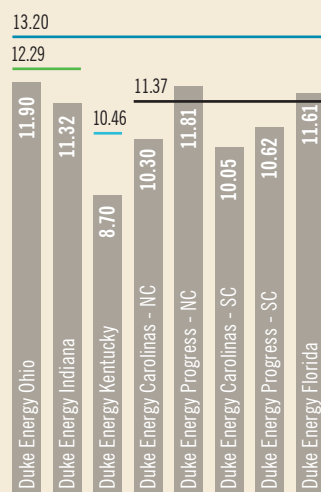
Duke Energy's electric rates remained competitive both nationally and regionally in 2013, even as rate increases were approved to pay for new facilities and infrastructure in three of the six states.

Duke Energy has invested billions of dollars to upgrade its infrastructure, including construction of new advanced-

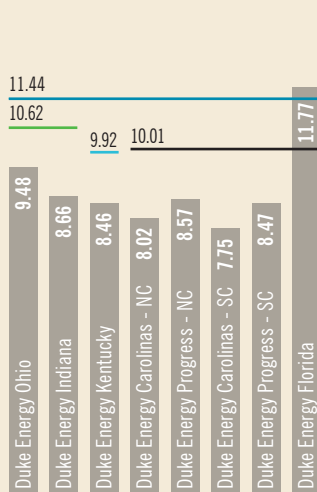
Duke Energy's Regulated Rates

In effect as of July 1, 2013 (cents per kilowatt-hour)

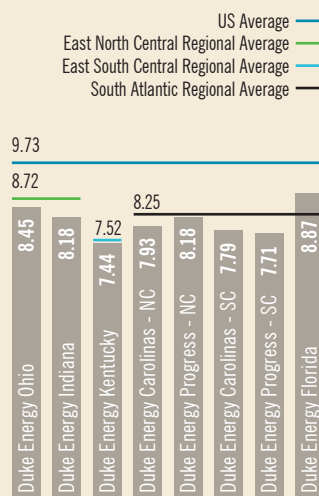
RESIDENTIAL



COMMERCIAL



INDUSTRIAL



Source: Edison Electric Institute Typical Bills and Average Rates Reports, Summer 2013 (latest available). The effective date of the base rate increases for Duke Energy Carolinas (North Carolina and South Carolina) occurred after July 1, 2013, therefore the source does not reflect these 2013 rate cases which increased rates on average in the first year by 4.5% and 5.5%, respectively. Residential rates are based on 1,000 kWh per month usage. Commercial rates are based on 40 kilowatt (kW) demand and 14,000 kWh per month usage. Industrial rates are based on 1,000 kW demand and 400,000 kWh per month usage.

technology power plants, upgrades to existing plants to meet increasingly strict environmental and nuclear security requirements, and modernization of our electric grid. Older, less efficient coal plants, many of which were built in the 1940s, have been replaced with state-of-the-art power plants that are cleaner and more efficient.

To recover the costs incurred in upgrading our infrastructure, Duke

Energy received regulatory approval to increase base rates, see table below.

The Public Utilities Commission of Ohio also approved Duke Energy's natural gas distribution case, along with the recovery of \$56 million in costs. This money was spent to comply with state and federal environmental laws affecting the remediation of the company's former manufactured natural gas plant sites.

A BETTER GRID FOR TOMORROW

Duke Energy has invested more than \$1 billion in digital grid technologies to improve our ability to meet customer electricity demand.

While upgraded meters get a lot of attention, grid modernization also includes technologies such as automated regulators and circuit breakers to bolster performance and reliability. These and other devices create a communications network across the grid that gives our operators more precise data – and delivers better service to our customers, such as fewer outages and improved outage response time.

In 2008, Duke Energy Ohio received regulatory approval to begin installing smart meters that eliminate the need for manual meter reading. In 2013, the company installed our 1 millionth upgraded meter in the state. Combined with other system enhancements,

Electric Rate Cases Filed By Duke Energy

State	Company	Average rate increase	Phase-in period	Total increase in average monthly residential bill
NC	DE Carolinas	4.5% – 5.1%	3 years	\$7 – \$8 by 9/15
NC	DE Progress	4.5% – 5.5%	2 years	\$7 – \$8 by 6/14
SC	DE Carolinas	5.5% – 8.1%	2 years	\$7 – \$10 by 9/14
OH	DE Ohio	2.9%	n/a	\$4

LIGHTING THE WAY

Getting Customers The Right Help

With arctic cold snaps and summer heat waves, energy use can vary greatly from month to month. Sometimes, customers have questions about their bills and whether they're really using that much electricity.

That's where Adrianna Morales comes in. As one of our customer service team leaders in Raleigh, North Carolina, Morales puts her people skills to work each day – listening, explaining and providing guidance to customers who are concerned about their energy bill.

"Often times, it's showing customers the many tools available to help them," said Morales, who serves both English- and Spanish-speaking customers. "It's a good opportunity to educate them on how their energy habits are affecting their bill. In some cases, it's just listening to the customer."

There is no "one size fits all" response. Morales said that only by talking and listening can she steer customers in the right direction. She helps customers better understand their electric usage and the steps they can take to be more energy efficient on a daily basis.



customers have avoided more than about 9 million outage minutes since the program began and now have tools they can use to better manage their energy usage.

In other areas including the Carolinas, many of our customers already have meters that can be read remotely and system modernization is playing a significant role in helping us manage demands on the grid, particularly during extreme weather events.

A modernized grid is also better prepared for the growth of distributed forms of generation such as solar and wind, whose output can fluctuate based on the time of day and weather.

As we modernize our grid to better serve customers, we continually assess and improve our practices to keep pace with data privacy and cybersecurity threats. It is imperative we maintain the trust of those we serve. That is why we keep all of our customer information confidential.

Duke Energy will continue to research and implement new grid technologies that can improve the grid for generations to come. It all goes back to ensuring the company delivers the most value to our customers for the technology investments we make.

ELECTRICITY: THE GROWING TRANSPORTATION FUEL CHOICE

With the rapidly growing plug-in electric vehicle (PEV) market, Duke Energy is preparing to support our customers and maintain a safe, reliable electric grid.

During the past year, we worked closely with many stakeholder groups to help them achieve "plug-in ready" communities. We also became a founding partner in the U.S. Department of Energy's workplace charging initiative.

Duke Energy is in the final phase of one of the largest utility charging station research programs in the country. More than 650 charging stations have been deployed, and the company is collecting installation "best practices"

and information on consumer charging behaviors.

Over the next year, the company expects to double the number of PEVs in our transportation fleet as larger and more utility-capable trucks become available.

GROWING SOLAR IN AMERICA'S STRONGEST MARKETS

Duke Energy Renewables has invested in two of America's strongest solar markets, California and North Carolina, adding 65 MW of solar capacity in 2013 – making us one of the largest solar producers in the United States.

With its abundant sunshine and renewable energy mandate, California leads the nation in solar power capacity. Duke Energy Renewables capitalized on the Golden State's growth opportunities, acquiring the 21-MW Highlander Solar Power Project, our largest solar site to date. In eastern North Carolina, we built five solar power projects – three in Dominion's North Carolina territory and two for the North Carolina Eastern Municipal Power Agency.

Sept. 26, 2013

Duke Energy to build two wind power projects in South Texas:
<http://ow.ly/23P6kP>

[Duke Energy @DukeEnergy](#)





Reliability Is A Priority

Delivering reliable power is a high priority for Duke Energy. Our outage statistics show a long-term trend of improving reliability both in the number and duration of outages.

To keep the trend moving in a positive direction, we identify locations on our system where we can make improvements to prevent outages. We also learn from weather events, which can have a big impact, and work to improve our responses to outages. Our ongoing focus is to take cost-effective actions to improve reliability, while keeping rates low.

OUTAGE STATISTICS

	2010	2011	2012	2013	2013 Target
Average number of outages^{1, 2} (occurrences)	1.27	1.30	1.19	1.14	1.19
Average time without power^{1, 2} (minutes)	133	142	126	121	130

1 Outages with a duration greater than 5 minutes; statistics are reported per customer.

2 Statistics for 2010-2012 are slightly different from those reported last year, because an improved reliability tracking database was implemented in 2013 for the combined Duke Energy and Progress Energy. Lower numbers indicate better performance.

Generation Reliability

Reliable service also requires a dependable fleet of power plants and each year we set aggressive goals to help drive their continuous reliability improvement. Our nuclear fleet's capacity factor, which is a measure of generation reliability, improved from 90.4 percent in 2012 to 92.8 percent in 2013, and exceeded 90 percent for the 15th consecutive year.

Although the regulated fossil fleet performed when needed to meet our customers' demand, it did not meet its aggressive 2013 reliability goal of 87.9 percent commercial availability.

The nonregulated fossil and renewables fleets had another good year of commercial availability and renewables yield above 90 percent, with a 91.9 percent result for 2013.

GENERATION RELIABILITY

	2010	2011	2012	2013	2013 Target
Nuclear capacity factor³	91.8%	93.7%	90.4%	92.8%	93.3%
Regulated fossil commercial availability^{4, 5}	88.7% ⁵	87.8% ⁵	86.5% ⁵	85.7%	87.9%
Nonregulated fossil commercial availability and renewables yield⁴	89.7%	88.9%	92.9%	91.9%	92.6%

3 Crystal River unit 3 is not included in these statistics, because 2009 was the last year it operated.

4 Based on units operated by Duke Energy and ownership share.

5 Former Progress Energy fossil plants, all regulated, are excluded because different measures were used to track their reliability performance before 2013. A common reliability measure for the entire regulated fossil fleet was used starting in 2013.

Feb. 15, 2014

@DukeEnergyStorm Thank you, my family finally has power in Marion, South Carolina. #AppreciateYou

Jennifer Govan @jdgfavor1



WIND POWER UNDER CONSTRUCTION

After a year of heavy construction in 2012, when Duke Energy Renewables added five wind projects with more than 600 MW of capacity to our portfolio, the company focused on developing new opportunities in 2013. We announced two 200-MW South Texas wind power projects, Los Vientos III and IV, which are under construction and expected to be completed within two years.

Our wind project additions mean we are among the top 10 wind power producers in the country.

LIGHTING THE WAY

Indiana Shoppers Get Plugged In

Solar power, battery storage and plug-in electric vehicles (PEVs) all converge at Clay Terrace Mall in Carmel, Indiana, thanks to a project developed by Duke Energy's Emerging Technology team.

The innovative system offers both traditional and quick-charge stations for PEVs – connecting to a 10-kW roof-mounted solar panel. The solar energy is stored in a 42-kWh lithium-ion battery, which could be helpful during times of peak demand.

Thanks to abundant sunshine, shoppers can charge their PEVs for free at the mall. Every year, the system generates more than 10,000 kWh of solar energy. That's enough to power an electric car for about 43,000 miles.

The project works this way: The solar panels turn sunshine into electric energy, which is stored in the battery. When the battery is fully charged, it sends any extra solar energy directly to the local power grid. When a PEV is plugged into one of the vehicle chargers, it gets charged from the local power grid and the battery simultaneously releases that same amount of solar energy to the grid.

But the system is not just a test site. It's a real-world application that allows shoppers to experience and learn about the technology firsthand – while charging their cars using renewable energy.

For Duke Energy, the installation provides a valuable model for how renewable energy can be aligned with advanced storage technologies to provide a practical power source for the future.

MIGRATORY BIRD SETTLEMENT AGREEMENT

In November 2013, Duke Energy Renewables reached a settlement agreement with the U.S. Department of Justice (DOJ) regarding the deaths of golden eagles and other migratory birds at its Top of the World and Campbell Hill wind power projects in Wyoming.

The DOJ brought misdemeanor charges under the Migratory Bird Treaty Act (MBTA) for 14 golden eagle fatalities that occurred over a three-year period. Golden eagles are not listed as threatened or endangered under U.S. law, but are protected under the MBTA. The company agreed to federal fines and restitution of \$1 million, which included ongoing mitigation investments and contributions to wildlife conservation groups.

Duke Energy Renewables is working closely with the U.S. Fish and Wildlife Service on a formal eagle conservation plan to supplement its already rigorous avian protection program. The company had comprehensive measures in place prior to the settlement to safeguard wildlife and protect birds, including radar technology, presence of biologists at sites and a turbine curtailment program. Duke Energy Renewables' goal is to

provide the benefits of wind energy in the most environmentally responsible way possible, leading the industry in implementing technologies to minimize avian impacts at its wind sites.

REGULATED RENEWABLES ON THE FAST TRACK

Given that the cost of renewable generation is declining, don't be surprised to see more of it in Duke Energy's regulated service territories.

In 2013, the company formed the Renewable Generation Development organization to focus on adding cost-effective renewables throughout the six states we serve.

Three of these states the company serves have either mandatory or voluntary renewable portfolio standards for such sources as wind, solar, biomass and energy efficiency.

Duke Energy is already a leader in providing renewables to its customers. In 2013, the Solar Electric Power Association ranked the company eighth among utility companies for buying solar power for customers.

In North Carolina, the company won approval of its Green Source Rider, which allows certain large customers the

Jan. 24, 2014

Rob Caldwell, VP Renewable Gen. Dev., gives a #GoSolar shout out. Thanks @SEIA for the sign! <http://ow.ly/sUwyi> pic.twitter.com/I3nn00Yt86

[@DukeEnergy](https://twitter.com/DukeEnergy)



option of offsetting some or all of their energy consumption from new load – such as a new or expanded facility – with renewable energy. Under the program, the company will purchase or produce renewable energy to meet the new demand – without the additional costs affecting other customers.

In South Carolina, the company helps fund a program through Palmetto Clean Energy that is backing solar installations at five schools in the state.

In Florida, the company committed more than \$5 million in 2014 under its SunSense solar program. This includes \$3.2 million in rebates for residential and commercial solar installations and



\$1.8 million to help 11 schools install solar energy systems.

CUSTOMER SATISFACTION: ALWAYS SEEKING IMPROVEMENTS

Duke Energy uses a number of internal and external benchmark studies to compare customer satisfaction progress from year to year – and against other utilities.

Business customers: Large business customers continue to give Duke Energy high marks for the service they receive, with more than 80 percent ‘highly satisfied’ with Duke Energy as their electricity provider.

Overall satisfaction scores improved for all four Duke Energy operating companies in the 2014 J.D. Power and Associates Electric Utility Business Customer Satisfaction StudySM.

- Duke Energy Carolinas was up 4 points to a score of 666, which placed it in the second quartile nationally among all large utilities.
- Duke Energy Midwest was the biggest mover, up 28 points to 666 and in the second quartile nationally.
- Duke Energy Progress was up 3 points to 664.

- Duke Energy Florida was up 10 points to 655, its highest score in more than six years.

This study judged companies on six factors: power quality and reliability, billing and payment, corporate citizenship, price, communications and customer service.

Residential customers: Overall satisfaction scores were mixed across the four Duke Energy operating companies in the 2013 J.D. Power and Associates Electric Utility Residential Customer Satisfaction StudySM.

- Duke Energy Carolinas was up 19 points to 656, tying its highest score in four years and placing it in the second quartile nationally among all large utilities.
- Duke Energy Progress was down 10 points to 640, placing it in the second quartile nationally.
- Duke Energy Midwest was down 6 points to 631, placing it in the third quartile nationally.
- Duke Energy Florida continued to improve, up 9 points to 620.

The same six factors used to evaluate business customers are also used for residential customers.

Customer satisfaction drivers:

Several factors contributed to declines in customer satisfaction scores:

- Increased rates in the Carolinas
- Adverse effects of merger-related news
- Adverse issues surrounding the Crystal River Nuclear Plant issue in Florida

While disappointed in these declines, we are expanding our energy efficiency programs, investing in the reliability of our power grid and improving communication related to power outages – all of which should contribute to higher customer satisfaction.

@DukeEnergyStorm I live in Charlotte and watched the outage report go from 37k to 5k today. Thanks for working hard, keeping my family warm

Andrew Artemenko
@AndrewDigital



2 Environmental Footprint

2013 Highlights

- Retired 1,507 MW of older, less efficient coal-fired generation
- Began commercial operation of the 618-MW Edwardsport Integrated Gasification Combined Cycle Plant in Indiana — one of the cleanest coal-fired plants in the country
- Began commercial operation of the gas-fired 625-MW Sutton Combined Cycle Station in North Carolina
- Since 2005, we have reduced CO₂ emissions by 20 percent, SO₂ emissions by 84 percent and NO_x emissions by 63 percent

Challenges

- Monitor and inform U.S. EPA's regulatory process for CO₂ emissions from fossil-fueled generation
- Complete the assessment of our ash management practices and develop scientifically appropriate recommendations for going forward

ADDRESSING THE DAN RIVER ASH SPILL

On February 2, 2014, a break in a stormwater pipe beneath an ash basin at the company's retired Dan River Steam Station in North Carolina released coal ash and water into the Dan River.

Between 30,000 and 39,000 tons of ash, along with 24 to 27 million gallons of water, were discharged from the basin. For context, the Dan River incident was about 1 percent of the total ash released during a 2008 dam break at another utility's site in Tennessee. Even though the Dan River release was much smaller in comparison, it doesn't diminish the importance of the event and what the company will learn from it.

Downstream drinking water remained safe during the incident and environmental monitoring teams from multiple agencies and Duke Energy continue to track river conditions. Duke Energy is doing what's right to address effects to the Dan River and has committed that our customers will not pay for the cleanup efforts.

We have undertaken a number of additional activities since the initial days following the ash release, including initiating a near-term third-party

engineering review of all our ash basins to identify and address potential risks.

We also formed an internal team that is identifying ways to strengthen the comprehensive ash management plan we've had in place for years.

In March 2014, we shared plans with North Carolina officials regarding our management of coal ash at Dan River and across our system.

We proposed to move ash at three retired coal plants, accelerate closure at an additional basin, convert to dry fly ash handling at all remaining facilities in North Carolina and begin dewatering the other retired basins.

Of course, implementing these near-term recommendations and longer-term plans depends on state and federal agreement that these are prudent, cost-effective and environmentally sound options.

For more than a century, our company has provided reliable and affordable electricity to our customers. Coal-fired power plants produced a good portion of that electricity. Throughout that time, we have managed our ash basins using industry standard technology and monitoring practices. We continue to place the safe operation of our ash basins as one of our highest priorities.

ACTIVE IN LOWERING CARBON EMISSIONS

Duke Energy believes climate change policy is an important issue. We are committed to working with Congress and the administration to develop reasonable federal policies that would gradually lower greenhouse gas emissions, without adversely affecting our ability to provide affordable, reliable electricity to our more than 7 million customers.

Congress took no action on climate policy in 2013 and is unlikely to address it in 2014 because of deep political divisions on the issue. In the absence of congressional action, the

"Conservation organizations and individuals can't work on conservation in a vacuum. That's why it is important that corporations like Duke Energy join with us to achieve our conservation mission."

Katherine Skinner
Executive Director,
North Carolina TNC

Opportunities

- Demonstrate our commitment to environmental sustainability by addressing the Dan River ash spill in a timely, responsible manner

U.S. Environmental Protection Agency (EPA) is advancing plans to establish regulations to reduce CO₂ emissions from fossil-fueled power plants. In early 2014, the EPA proposed a rule that would limit CO₂ emissions from new fossil-fueled power plants, with a final rule expected sometime in 2015. The EPA is also expected to propose a rule in June 2014 that will begin the process of regulating CO₂ emissions from existing power plants.

Duke Energy established voluntary carbon reduction goals in 2010. The goals – which were updated in the company's 2012 Sustainability Report because of the merger between Duke Energy and Progress Energy – reflect our aspiration to reduce or offset the company's generation fleet CO₂ emissions by 17 percent below their 2005 level by 2020. Duke Energy's 2012 and 2013 CO₂ emissions were each about 20 percent lower than in 2005.

Duke Energy has taken a number of significant actions that have reduced our CO₂ emissions, including the retirement of old coal-fired power plants and the construction of lower CO₂ emitting natural gas power plants. We also continue to offer our customers a variety of energy efficiency and conservation programs to help them

Coal Plant Retirements

RETIRED COAL UNITS

	Location	Units	Total capacity (megawatts)	Actual retirement date
Cliffside Steam Station	N.C.	1, 2, 3, 4	198	2011
Buck Steam Station	N.C.	3, 4	113	2011
Edwardsport Generating Station	Ind.	6, 7, 8	160	2011
W.H. Weatherspoon Plant	N.C.	1, 2, 3	177	2011
Gallagher Generating Station	Ind.	1, 3 ¹	280	2012
Cape Fear Plant	N.C.	5, 6	316	2012
Beckjord Station	Ohio	1	94	2012
Dan River Steam Station	N.C.	1, 2, 3	276	2012
H.F. Lee Plant	N.C.	1, 2, 3	382	2012
Robinson Plant	S.C.	1	177	2012
Buck Steam Station	N.C.	5, 6	256	2013
Riverbend Steam Station	N.C.	4, 5, 6, 7	454	2013
Sutton Plant	N.C.	1, 2, 3	575	2013
Beckjord Station	Ohio	2, 3	222	2013
Beckjord Station	Ohio	4	150	2014
Total			3,830	

1 Per 2009 settlement agreement with the EPA.

POTENTIAL COAL UNIT RETIREMENTS

	Location	Units	Total capacity (megawatts)	Potential retirement date
Wabash River Generating Station	Ind.	2, 3, 4, 5, 6	668	Retire 2-5 by 2015; convert 6 to natural gas or retire by 2015
W.S. Lee Steam Station	S.C.	1, 2, 3	370	Retire 1 and 2 by 2015; convert 3 to natural gas
Beckjord Station	Ohio	5, 6	393	2015
Miami Fort Station	Ohio	6	163	2015
Crystal River Steam Plant	Fla.	1, 2	873	2018
Total			2,467	

TOTAL ACTUAL/POTENTIAL RETIREMENTS 6,297

LIGHTING THE WAY

From Alligators To Eagles

Overseeing environmental compliance at Duke Energy Florida's Hines Energy Complex is no easy task. There are traditional responsibilities in maintaining compliance with state and federal regulations, but there are also nontraditional tasks like keeping alligators and snakes from entering the plant.

That's right. Alligators and snakes are part of the natural landscape at the Hines Plant. On any given day, Environmental Compliance Manager Tommy O'Neal might go from checking the pH levels in the cooling pond to relocating an Eastern Diamondback snake to a safer area of the property. Don't worry – he has his safety equipment with him.

"Some mornings, I have to go around the site to check on things," said O'Neal. "While I'm out there with a cup of coffee watching the sun come up, I can often see eagles catch their morning breakfast. I think my office view is better than the CEO's. Can she say she watches eagles catch fish?"

Nestled on about 8,000 acres of land in Polk County, the Hines Energy Complex is home to a wide variety of wildlife.

Several years ago, the state of Florida estimated that there were about 2,000 alligators at Hines. It's very common to see them swimming in the cooling ponds where the plant boasts a thriving ecosystem. The warm waters of the cooling ponds allow for the algae, tilapia (algae eaters) and alligators (tilapia eaters) to grow year-round.

Working closely with the Florida Fish and Wildlife Conservation Commission, the state monitors the alligator population and, when necessary, will remove some alligators from the property. And 2,000 alligators can produce a lot of eggs. Last year, the commission collected more than 1,000 alligator eggs, which they will raise and sell for commercial use.

reduce their electricity consumption in a cost-effective manner. There have also been market forces – including sluggish electricity demand and low natural gas prices – which have contributed to our lower CO₂ emissions relative to 2005.

Although it is tempting to declare success based on 2012 and 2013, our current forecasts suggest we will experience a gradual increase in CO₂ emissions in the years ahead as the economy continues to recover and demand increases. Our future CO₂ emissions will continue to be influenced largely by fuel prices and customer demand. They may also be influenced by impending EPA regulations that are

difficult to predict. Duke Energy will continue to be actively engaged in the development of EPA's CO₂ regulations with the focus on outcomes that are in the best interest of our customers and shareholders. We will also continue to reassess our carbon reduction goals as new CO₂ standards are developed.

MORE CLEAN PLANTS
SERVE CUSTOMERS

Several new plants and the retirement of older, less efficient ones in 2013 advanced the company's continuing efforts to modernize our fossil fleet with cleaner generation.

The 618-MW advanced gasification Edwardsport Generating Station in Knox County, Indiana, is one of the cleanest coal plants in the world. The technology gasifies coal, removes pollutants and then burns the cleaner gas to generate electricity. This is the first time this technology has been used on this scale. The station will continue to ramp up to its long-term level of availability during 2014 and will serve customers for decades to come with dramatically fewer emissions. Sulfur dioxide, for example, is about 10 percent of the federal standard for new sources.

The 625-MW natural gas Sutton Combined Cycle Plant in Wilmington, North Carolina, began commercial operation in late 2013, allowing for the simultaneous retirement of 575 MW of older, less efficient coal generation at the same site.

Other retirements in 2013 included the 454-MW Riverbend Steam Station and the two remaining coal units (256 MW) at the Buck Steam Station, both in North Carolina. Units 2 and 3 (222 MW) at the Beckjord Generating Station in New Richmond, Ohio, were retired in 2013, and unit 4 (150 MW) was retired in early 2014.

The company announced plans to build two additional natural gas plants to meet customer demand in the coming years. We are moving forward with the permitting required for a potential 750-MW combined cycle plant in Anderson County, South Carolina. We also are evaluating proposals to provide 1,640 MW of generation in Citrus County, Florida, by 2018, which will allow us to retire older coal units nearby.

The merger of Duke Energy and Progress Energy has allowed for the joint dispatch of Carolinas generation. Through this joint dispatching and increased fuel flexibility, the

Dec. 24, 2013

Duke Energy, Google get behind clean-energy program for utilities <http://ow.ly/rZTgx> #sustainability #Duke #Google #energy

SustaiNext @SustaiNext





company saved customers more than \$190 million through the end of 2013. Increased fuel flexibility at Carolinas plants also reduces reliance on coal potentially mined through mountaintop removal methods.

NUCLEAR: PRESENT AND FUTURE

Throughout 2013, Duke Energy's nuclear fleet consistently delivered clean, safe, reliable energy to customers – whether it was during a record heat wave or arctic cold snap.

Operating at six sites, the company's 11 reactors maintained a capacity factor of 92.8 percent. That marked the 15th straight year the combined fleet achieved a mark greater than 90 percent.

Catawba unit 1 and the Oconee Nuclear Station – both in South Carolina – set all-time capacity factor records during the year. Robinson Nuclear Plant and Oconee units 2 and 3, all in South Carolina, completed record runs of 531, 552 and 504 consecutive days, respectively.

The fleet also cut workplace injuries in half from the previous year (23 versus 46 in 2012).

To meet future electricity demands, Duke Energy continues to pursue a construction and operating license (COL) for the Lee Nuclear Station in Cherokee County, South Carolina, and the Levy County Nuclear Station in Levy County, Florida. Both sites feature two Westinghouse AP1000 pressurized water reactors – one of the safest and most economical nuclear power technologies available in the worldwide commercial market.

In early 2013, the Nuclear Regulatory Commission (NRC) notified the company that the schedule for issuing Lee's COL has been moved to the second quarter of 2016 – a three-year delay. The NRC cited, in part, budgetary and resource constraints on new reactor licensing activities.

Later in the year, the company received the Final Environmental Impact Study from the NRC, completing a major milestone toward obtaining the COL. The Levy COL is expected in mid-2015.

DECOMMISSIONING PLANS UNDERWAY AT CRYSTAL RIVER NUCLEAR PLANT

Since making the tough decision in February 2013 to retire the Crystal River Nuclear Plant, known as CR3, plant

leaders and employees have made significant progress.

During 2013, the CR3 team focused on helping employees through the transition, developing a decommissioning plan and submitting various required documents to the NRC. Of the 600 full-time employees, about 260 remain on site as part of the Decommissioning Transition group, and more than 230 employees have successfully redeployed to other positions within the company. About 100 employees left the company with severance benefits.

In 2014, the team will implement tasks outlined in its comprehensive decommissioning plan. Some of the plan's highlights include:

- Duke Energy has selected an NRC-approved decommissioning option in which the plant will remain in a safe, stable condition for 60 years until crews complete decommissioning work in 2074.
- The estimated decommissioning cost is \$1.18 billion in today's dollars. Duke Energy believes the company's existing nuclear decommissioning trust fund – including future growth of the fund and funds from the plant's nine other owners – will be sufficient to decommission the plant. The fund

Lake Norman Celebrates 50 Years

When it comes to regional impact, it's difficult to top the Cowans Ford Hydro Station near Charlotte, North Carolina.

Celebrating 50 years of operation in 2013, the Duke Energy station created the largest man-made lake in North Carolina: Lake Norman.

Located in a vibrant area of the region, Lake Norman is a source of water for power generation, drinking water and wildlife habitat. It also provides a variety of recreational activities for about 3 million people each year. The lake has 520 miles of shoreline and covers 50 square miles.



was valued at \$753 million as of December 31, 2013.

- Radiological and environmental monitoring will continue during the entire decommissioning process to ensure safety and environmental protection.
- The plant's used nuclear fuel will remain in the existing on-site fuel pool until a new, on-site, dry-cask storage facility is built. The plant has safely stored its used fuel on site since the facility's first refueling in 1978.

USING WATER AND IMPROVING IT

Water is a vital part of Duke Energy's power plant operations.

- It is harnessed to flow through our 48 conventional hydroelectric power plants and two pumped-storage hydroelectric facilities.
- It is heated into steam to turn turbines in our fossil-fueled and nuclear plants, then cooled, recycled and used again.
- It is also an integral part of the equipment we use to control air emissions at our fossil stations.

Now Duke Energy is looking at ways to improve the water quality around our facilities.

In the Midwest, an innovative program is underway to improve the water in the Ohio River system – home to five of the company's large power plants. If successful, it can serve as a model for other regions of the country.

The Ohio River Water Quality Trading Project is a market-based approach that will allow utilities, cities and farmers the ability to lower the amount of overall nutrients – compounds of phosphorus and nitrogen in particular – entering the Ohio River system.

Much like the allowance trading system under the Clean Air Act, the project allows stakeholders the ability to buy and sell nutrient credits. Facilities that reduce their nutrient discharges voluntarily will be able to sell credits to other entities.

This trading system will allow stakeholders the flexibility to make improvements at their own facilities, or buy credits to pay for improvements made by other stakeholders.

The end result will be improved water quality for all.

The project is spearheaded by the Electric Power Research Institute, with financial support from the Environmental Protection Agency, the U.S. Department of Agriculture, Duke Energy and other utilities.

In March 2014, stakeholders gathered for the official kickoff. The trading system will be voluntary, but as regulators look for compliance methods to lower nutrient discharges, we hope this type of market-based program will be considered for both its economic and environmental benefits.

Sept. 12, 2013

Duke Energy Named to the Dow Jones Sustainability North America Index for the Eighth Consecutive Year <http://dlvr.it/3y9g1F>

[NonProfitBlogs](#) @NonProfit-Blogs



Environmental Performance Metrics

2013 ELECTRICITY GENERATED (NET MEGAWATT-HOURS) ¹

	United States		Latin America		Total	
	MWh (thousands)	Percent	MWh (thousands)	Percent	MWh (thousands)	Percent
Coal	102,287	42.3%	438	2.5%	102,725	39.6%
Natural gas	64,225	26.5%	1,167	6.7%	65,392	25.2%
Oil	216	0.1%	1,425	8.2%	1,641	0.6%
Total fossil	166,729	68.9%	3,029	17.3%	169,758	65.4%
Nuclear	66,883	27.6%	0	0.0%	66,883	25.8%
Conventional hydro	3,977	1.6%	14,449	82.7%	18,425	7.1%
Wind	4,918	2.0%	0	0.0%	4,918	1.9%
Biomass	0	0.0%	0	0.0%	0	0.0%
Solar	210	0.1%	0	0.0%	210	0.1%
Total carbon-free	75,988	31.4%	14,449	82.7%	90,437	34.8%
Pumped-storage hydro ²	(620)	-0.3%	0	0.0%	(620)	-0.2%
Total	242,097	100.0%	17,478	100.0%	259,575	100.0%

¹ All data based on Duke Energy's ownership share of generating assets. Totals may not add up exactly due to rounding.

² Pumped-storage hydro helps meet peak demand and, like other storage technologies, consumes more energy than it produces.

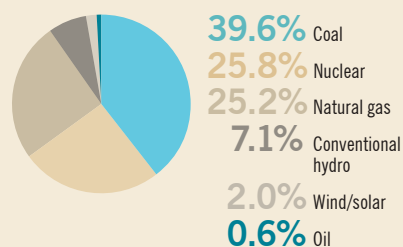
2013 GENERATION CAPACITY (MEGAWATTS) ³

	United States		Latin America		Total	
	MW	Percent	MW	Percent	MW	Percent
Coal	21,937	37.8%	83	1.8%	22,020	35.2%
Natural gas	6,328	10.9%	455	9.9%	6,783	10.8%
Oil	800	1.4%	783	17.0%	1,583	2.5%
Natural gas/oil	15,344	26.5%	240	5.2%	15,584	24.9%
Total fossil	44,409	76.6%	1,561	33.9%	45,970	73.5%
Nuclear	8,277	14.3%	0	0.0%	8,277	13.2%
Conventional hydro	1,407	2.4%	3,039	66.1%	4,446	7.1%
Solar	121	0.2%	0	0.0%	121	0.2%
Wind	1,627	2.8%	0	0.0%	1,627	2.6%
Total carbon-free	11,432	19.7%	3,039	66.1%	14,471	23.1%
Pumped-storage hydro ⁴	2,140	3.7%	0	0.0%	2,140	3.4%
Total	57,981	100.0%	4,600	100.0%	62,581	100.0%

³ All data based on Duke Energy's ownership share of generating assets. Nuclear excludes Crystal River unit 3, because it did not operate in 2013 and is being retired. Wind and solar include equity interests in generating assets. Totals may not add up exactly due to rounding.

⁴ Pumped-storage hydro helps meet peak demand and, like other storage technologies, consumes more energy than it produces.

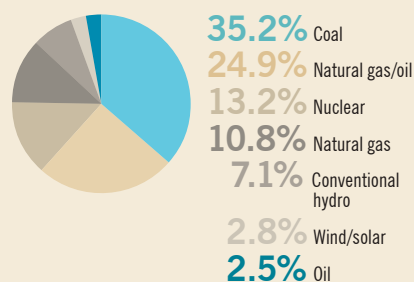
2013 Electricity Generated*



* Pumped-storage hydro, which totaled (0.2%), consumes more energy than it produces. Totals may not add up exactly due to rounding.

Nearly 35% of the electricity we generated in 2013 was from carbon-free sources, including nuclear, hydro, wind and solar. And more than 25% was from natural gas, which emits about half as much CO₂ as coal.

2013 Generation Capacity*



* Pumped-storage hydro, which totaled 3.4%, consumes more energy than it produces. Totals may not add up exactly due to rounding.

Duke Energy has a diverse, increasingly clean generation portfolio.

Environmental Performance Metrics

Fuels consumed for U.S. electric generation

Compared to 2008, coal consumption decreased by about one-third, and oil consumption decreased to less than one-fifth of 2008 volumes. Natural gas consumption tripled in that same time period, mostly because natural gas became a relatively less expensive fuel and we added natural gas generation capacity.

Water withdrawn and consumed

Water withdrawn is the total volume removed from a water source, such as a lake or a river. Because of once-through cooling systems on many of our coal-fired and nuclear plants, about 98 percent of this water is returned to the source and available for other uses. Water consumed is the amount of water removed for use and not returned to the source.

Emissions from generation

Emission levels and intensities depend on many factors, including generation diversity and efficiency, demand for electricity, weather, fuel availability and prices, and emission controls deployed. Since 2005, our U.S. CO₂ emissions decreased by 20%, sulfur dioxide (SO₂) emissions decreased by 84% and nitrogen oxides (NO_x) emissions decreased by 63%. These decreases are primarily because of decreased coal generation, increased natural gas generation, and replacement of higher-emitting plants. In addition, Duke Energy and Progress Energy have invested more than \$7 billion in SO₂ and NO_x emission controls since 1999. (There is currently no demonstrated, commercially available technology to control CO₂ emissions.) Our current forecasts suggest upward pressure on our CO₂ emissions in the years ahead. This will challenge our ability to meet our 2020 emission reduction goals.

FUELS CONSUMED FOR U.S. ELECTRIC GENERATION⁵

	2008	2011	2012	2013
Coal (million tons)	63.1	49.7	44.2	43.6
Oil (million gallons)	230.6	55.2	44.6	41.2
Natural gas (billion cubic feet)	163.4	340.1	452.5	501.2

⁵ All data based on Duke Energy's ownership share of generating assets.

WATER WITHDRAWN AND CONSUMED (BILLION GALLONS)

	2010	2011	2012	2013
Withdrawn	6,100	5,900	5,700	5,665
Consumed	113	105	100	106

EMISSIONS FROM GENERATION⁶

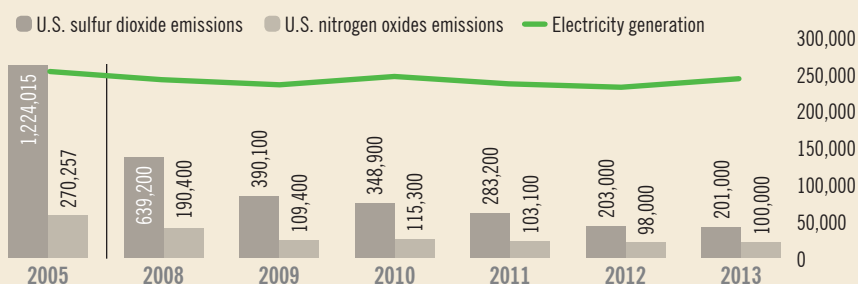
	2008	2009	2010	2011	2012	2013
CO₂ emissions (thousand tons) ⁷						
■ U.S.	160,100	142,800	157,300	140,300	131,700	133,615
■ Latin America	2,700	2,900	2,300	2,300	3,100	2,500
Total	162,800	145,700	159,600	142,600	134,800	136,115
Total CO₂ emissions intensity (pounds per net kWh)	1.34	1.23	1.29	1.21	1.08	1.05
U.S. SO₂ emissions (tons) ⁸	639,200	390,100	348,900	283,200	203,000	201,000
U.S. SO₂ emissions intensity (pounds per net MWh)	5.3	3.4	2.9	2.4	1.8	1.7
U.S. NO_x emissions (tons) ⁸	190,400	109,400	115,300	103,100	98,000	100,000
U.S. NO_x emissions intensity (pounds per net MWh)	1.6	0.9	0.9	0.9	0.8	0.8

⁶ Totals may not add up exactly due to rounding.

⁷ CO₂ reported from Duke Energy's U.S. electric generation and Duke Energy International operations, and based on ownership share of generating assets.

⁸ SO₂ and NO_x reported from Duke Energy's U.S. electric generation based on ownership share of generating assets.

U.S. SULFUR DIOXIDE AND NITROGEN OXIDES EMISSIONS (THOUSAND TONS)⁹ AND U.S. ELECTRICITY GENERATION (NET MEGAWATT-HOURS) (THOUSANDS)



⁹ SO₂ and NO_x reported from Duke Energy's U.S. electric generation based on ownership share of generating assets.

Environmental Performance Metrics

U.S. TOXIC RELEASE INVENTORY (TRI) (THOUSAND POUNDS)¹⁰

	2007	2008	2009	2010	2011	2012
Releases to air	97,969	67,018	41,700	37,206	27,423	20,723
Releases to water	257	299	266	192	140	133
Releases to land	22,052	19,883	16,773	20,915	17,490	14,297
Off-site transfers	155	740	2,485	1,780	2,876	3,100
Total	120,434	87,940	61,225	60,093	47,929	38,253

¹⁰ Data pertain to facilities Duke Energy owns or operates and where Duke Energy is the responsible reporting party. Totals may not add up exactly due to rounding.

U.S. Toxic Release Inventory (TRI)

Duke Energy's TRI releases for 2012 were down 68 percent from 2007, primarily due to the significant investments we've made in environmental controls for our power plants. (Data for 2013 will be available in August 2014.)

WASTE

	2009	2010	2011	2012	2013
U.S. solid waste					
■ Total generated (tons) ¹¹	39,651 ¹²	38,651 ¹²	43,586 ¹²	46,964 ¹²	84,083¹³
■ Percent recycled	55%	63%	64%	73%	69%
Hazardous waste generated (tons) ¹⁴	—	48	55	36	51
Low-level radioactive waste (Class A, B and C) disposed (cubic feet) ¹⁵	210,236	129,608	78,200	84,403	—

¹¹ Weights are estimated based on volumes where necessary.

¹² Excludes Duke Energy Progress, Duke Energy Florida, Duke Energy Renewables, Duke Energy International and large one-time projects.

¹³ Excludes Duke Energy Renewables, Duke Energy International and large one-time projects.

¹⁴ Excludes Duke Energy International.

¹⁵ Total of Class A, B, and C waste disposal as reported to the Nuclear Regulatory Commission. Crystal River unit 3 is not included in these statistics, because it is not part of the operating fleet, and its retirement has been announced. Data for 2013 will be available later in 2014.

Waste

A new U.S. solid waste recycling goal for the merged company has been established. We will increase our solid waste recycling from 69% in 2013 to 80% by 2018.

REPORTABLE OIL SPILLS

	2010	2011	2012	2013
Spills	108	91	48	65
Gallons	28,700	20,300	10,800	4,823

Reportable oil spills

Oil spills include releases of lubricating oil from generating stations, leaks from transformers, or damage caused by weather or by third parties (typically due to auto accidents).

ENVIRONMENTAL REGULATORY CITATIONS¹⁶

	2010	2011	2012	2013
Citations	25	25	16	16
Fines/penalties (dollars)	\$ 326,416	\$ 14,682	\$ 128,562	\$1,006,935

¹⁶ Includes international and U.S. federal, state and local citations and fines/penalties.

Environmental regulatory citations

The increased fines/penalties from 2012 to 2013 were due to the November 2013 settlement agreement addressing golden eagle fatalities at wind power facilities. See the "Migratory Bird Settlement Agreement" article in this report.

3 Quality Workforce

2013 Highlights

- Achieved the lowest total employee injury rate in our history
- Reduced serious injuries from slips, trips and falls from 18 in 2012 to three in 2013
- Partnered with academic institutions throughout our service territory to prepare students and educators for success in the workforce

Challenges

- Achieve zero worker fatalities and continue to improve our safety record
- Continue to manage the transition to a younger workforce as baby boomers retire

Opportunities

- Help employees manage health care costs by focusing on healthy choices in their lives
- Continue to draw top talent by maintaining our reputation as a preferred employer

SAFETY: RECORD-SETTING YEAR, BUT THE GOAL IS ALWAYS ZERO

Safety is central to everything we do at Duke Energy. We put safety first in our workplaces and communities, and our goal is to achieve a zero-injury culture.

We had many successes in 2013. We finished the year with the lowest total injury rate in our history. And we reduced serious injuries by more than 30 percent.

Sadly, three of our co-workers lost their lives last year – two contractors and one employee. In early 2014, we experienced another two employee fatalities. These and other events that resulted in serious injuries are bitter reminders that we can never be satisfied until everyone goes home safely at the end of the workday.

We will accomplish this goal by thoroughly investigating and understanding why failures occur. We will learn from those experiences and determine how to improve flawed systems and processes to better detect

error-likely situations. We will also put processes and procedures in place to prevent situations that might result in serious injuries or fatalities, near-miss events and operational errors.

SLIPS, TRIPS AND FALLS

Hazards are everywhere – even in an office environment. In 2013, we embarked on a companywide campaign to reduce slips, trips and falls by increasing awareness of hazards and potential risks that can lead to an injury. The result was we reduced employees' serious injuries from slip, trip or fall events from 18 in 2012 to three in 2013.

Our improved total injury rate in 2013 is a testament to strong safety leadership and engaged employees who care

Safety At Duke Energy

	2010	2011	2012	2013
Employee and contractor work-related fatalities	8	3	2	3
Employee Total Incident Case Rate (TICR) ^{1, 2}	0.82	0.70	0.69	0.62
Employee Lost Workday Case Rate (LWCR) ^{1, 3}	0.24	0.22	0.20	0.20
Contractor Total Incident Case Rate (TICR) ²	1.16 ⁴	1.37 ⁴	1.60 ⁴	1.27 ⁵
Contractor Lost Workday Case Rate (LWCR) ³	—	0.32 ⁴	0.38 ⁴	0.28 ⁵

¹ Includes both employees and workforce augmentation contractors.

² Number of recordable incidents per 100 workers (based on OSHA criteria). Top decile in 2012 for employee TICR was 0.61 (based on the latest data available from the Edison Electric Institute).

³ Number of lost workday cases per 100 workers.

⁴ Data represent turnkey contractors for pre-merger Duke Energy.

⁵ Systems to gather turnkey contractor safety data throughout the merged company were developed in 2013, and are being implemented. Data represent approximately 75% of turnkey contractors for the merged company.

Aug. 12, 2013

Duke Energy Invests
\$6.7 million in NC
Community College Grants:
<http://ow.ly/nRihx>

Duke Energy @DukeEnergy





for their own safety and that of their teammates. We've built a great safety foundation, and we will stop at nothing less than a zero-injury environment.

DUKE ENERGY: THE NEXT GENERATION

With 60 percent of our employees eligible to retire during the next decade, Duke Energy is partnering with our communities to help transition younger generations into the workforce. In 2013, Duke Energy focused on giving students, educators and skilled workers the resources they need to be successful.

Duke Energy is in the market for young professionals with backgrounds in science, technology, engineering and math (STEM). Given this, we've

Oct. 23, 2013

Duke Energy apprentice wins best in the world at International Lineman's Rodeo: <http://ow.ly/q6MFC> #linemen

Duke Energy @DukeEnergy



LIGHTING THE WAY

From Intern To Full-Time Employee

Many Duke Energy employees began their careers with the company as interns. In 2013 alone, 100 co-op students and 200 interns were hired from around the service territory.

Some of these students become full-time employees. That's what happened with Andrew Johansing of Cincinnati, Danielle Peoples, Justin LaRoche and Danielle Anderson of Charlotte. These former interns now work at Duke Energy and are also members of our Sustainability Corps.

Anderson was going to college at the University of North Carolina at Charlotte when she applied for a paid internship with the company in 2008. Her summer tenure at the Little Rock Operations Center in Charlotte was the start of Anderson's Duke Energy career.

By fall 2009, Anderson was working at Duke Energy part time while completing her civil engineering degree. On June 1, 2010, she joined the company full time. Today, she's part of our Smart Energy Now™ team, promoting sustainable behaviors that will drive energy efficiency in commercial office buildings.

"My internship gave me valuable insight into the company and increased my competitiveness as I entered the workforce," she said.

Duke Energy's internship and co-op programs are critical components of the company's strategic sourcing plan for potential talent. These paid programs are mutually beneficial to the company and to talented college students.

Duke Energy managers are able to evaluate individuals for full-time employment. Those that join the company begin their careers well-prepared to assume high-value positions.

LIGHTING THE WAY

Celebrating Our Differences

Patience and friendliness come naturally to Felix Del Rosario, making him an expert at helping customers resolve complicated problems. Felix joined Duke Energy in 2003, and says he's "enjoyed every minute of it."

Although he's lived in North Carolina for years, Felix was born and raised in the Dominican Republic. His ability to communicate fluently with both English- and Spanish-speaking customers, addressing complex situations with distinct cultural and linguistic nuances, is invaluable.

Using our differences to help customers isn't new to Duke Energy. The company has a number of employee resource groups to strengthen the bond between employees — recognizing our employees are a pretty diverse group, too.

In the past, Del Rosario served as the president of Duke Energy's Latinos Energizing Diversity @ Duke, or L.E.D. He now serves as an adviser to the group. "It's important that we can come together as employees and celebrate our diversity as a company," he said. "The company's employee resource groups are a great way to build on how we are different, but we all share a common goal of making the company successful."



Feb. 13, 2014

RT: @DukeEnergyStorm: 1,000 crews coming from the Midwest and Florida today. More than 3,400 crews working hard out there. #ThankALineman

Katie Nordeen @KatieNordeen



partnered with the Discovery Place STEM Educator Center in Charlotte, North Carolina, to provide about 600 educators with the resources they

need to educate and train students in these fields. Through these educators' impact, the program could potentially reach 100,000 students over a three-year period.

In Florida, Duke Energy partnered with the University of Florida (UF) on its Successful Transition through Enhanced Preparation for Undergraduate Program (STEP-UP), which aims to educate and develop students from backgrounds that are underrepresented in engineering. The program augments the UF College of Engineering's focus on engineering recruiting, retention and increased diversity and inclusion.

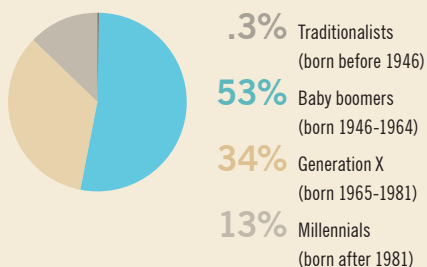
In Indiana, Duke Energy teamed up with key community and business stakeholders to work toward closing

Indiana's skills gap and get Indiana residents working again. Duke Energy invested \$312,000 to create 120 scholarships for training programs aimed at developing critical manufacturing skills. This investment will strengthen Indiana's economic vitality, and increase the overall quality of life of those in our communities.

A slightly younger workforce: Just over half of our current workforce is made up of "baby boomers" and "traditionalists," who are nearing retirement in the next decade or so — down from more than 60 percent in 2011. In 2013, "Generation X" exceeded one-third and "millennials" exceeded 10 percent of the workforce for the first time.

Our workforce planning efforts are paying off, as we recruit new hires and work to ensure a full pipeline of employees with the right qualifications and skills. We will continue to monitor the company's demographics, and forecast areas where more qualified employees are needed.

Four Generations In Duke Energy's U.S. Workforce*



* Total does not add up exactly due to rounding.



“Through Duke Energy’s support, FORE has been able to expose over 12,000 elementary and high school students to scientific concepts by getting them out on the Ohio River where they conduct real-world biological and chemical monitoring. Introducing students to the sciences early is key to developing an educated workforce for the future.”

Heather Mayfield
Executive Director
Foundation for Ohio River Education

Workforce Performance Metrics¹

WORKFORCE STATISTICS

	12/31/11	12/31/12	12/31/13
Full- and part-time employees	18,249	27,885	28,129
■ United States	17,067	26,691	26,883
■ International	1,182	1,194	1,246
Collective bargaining unit/union members as percent of workforce			
■ U.S. (members of a collective bargaining unit)	24.3%	21.7%	21.0%
■ International (dues-paying members of a union)	24.9%	25.2%	26.7%

U.S. WORKFORCE DEMOGRAPHICS²

	12/31/11	12/31/12	12/31/13
Ethnic diversity as percent of workforce			
■ White	86.2%	84.7%	85.4%
■ Black/African-American	11.2%	10.5%	10.6%
■ Hispanic/Latino	1.2%	1.8%	2.1%
■ Asian	1.0%	1.1%	1.2%
■ American Indian/Alaska Native	0.3%	0.5%	0.5%
■ Native Hawaiian/Other Pacific Islander	0.0%	0.0%	0.0%
■ Not specified	0.0%	1.5%	0.2%
Females/minorities as percent of workforce/management			
■ Females as percent of workforce	22.9%	22.4%	22.4%
■ Females as percent of management	17.7%	18.0%	18.2%
■ Minorities as percent of workforce	13.8%	13.8%	14.4%
■ Minorities as percent of management	7.9%	9.4%	9.7%

U.S. EMPLOYEE TURNOVER SUMMARY

	2011	2012	2013
Reason			
■ Severance package volunteers	225	432	332
■ Resignations	286	560	1,040
■ Retirements	163	327	472
■ Employees who were notified they did not have a position in the company and elected to leave with a severance package ³	21	82	156
■ Dismissals	147	145	194
■ Other attrition (e.g., temporary employment ended, deceased, disability) ⁴	91	92	845
Total turnover	933	1,638	3,039
Total U.S. employees	17,067	26,691	26,883
Turnover as percent of workforce	5.5%	6.1%	11.3%
Percentage of employees eligible to retire in 5 years⁵	52.3%	51.5%	48.0%
Percentage of employees eligible to retire in 10 years⁵	66.6%	65.2%	60.3%

1 The 2011 data represent pre-merger Duke Energy. The 2012 and 2013 data represent the newly merged Duke Energy.

2 Ethnic diversity and gender data are not captured for Duke Energy International employees.

3 Employees whose jobs were affected by restructuring were offered an option to transfer into a “transition pool” for a six-month period, during which they could look for other employment opportunities within Duke Energy.

4 Planned end of employment for seasonal workers is included in “Other attrition” beginning in 2013.

5 “Eligible to retire” is defined as 55 years of age or older, with at least five years of service.

4 Strong Communities

2013 Highlights

- Helped our communities attract more than \$2.9 billion in capital investment, creating more than 13,700 jobs
- Donated about \$73 million in funding and volunteer hours to support community vitality, education, environment and energy efficiency, and economic development

Challenges

- Help our communities stay competitive by keeping rates competitive
- Demonstrate that we are accountable for the Dan River ash spill and are responding appropriately

Opportunities

- Develop innovative public/private partnerships to assist our communities with efforts to improve energy management

JOINING TOGETHER FOR ECONOMIC DEVELOPMENT

Strong, vibrant communities do not happen by accident. They are the result of hard work, significant investments of time and key stakeholders partnering to solve daunting challenges.

Low-cost, reliable power is a critical factor, too. Duke Energy is in a key position to meet business clients' energy needs and attract job-creating industry and capital investment to our service territory.

But business clients need more than power. They need readily

available building sites, transportation infrastructure, access to state and local incentives, flexible workforce training programs, and proximity to a community of customers and business partners.

Duke Energy works to make a difference in our communities' economic future through a myriad of ways. The company supports numerous economic development organizations across our six-state service territory. From Florida to the Carolinas to the Midwest – we are at the table.

Duke Energy invests a great deal of time and effort in site readiness for business development. Since 2005, Duke Energy has evaluated and made recommendations on 143 large sites across its entire service footprint. Duke Energy's program helps local economic development organizations locate and prepare potential sites for future investment.

The results have been positive:

Last year, our Duke Energy Economic Development Enterprise team helped attract more than \$2.9 billion in capital investment across our six-state footprint, resulting in the creation of more than 13,700 jobs. As a result, Duke Energy was named by Site Selection magazine as one of the Top 10 utilities in

Feb. 11, 2014

Rep. Kathleen Peters and Carlen Petersen accept check from Duke Energy to support the HLB. Thanks Duke Energy! pic.twitter.com/3YDkyoJHcJ

Homeless Leadership
@PCCH_Updater



economic development for a record 14th straight year.

Not only do we do this because we believe it's the right thing to do, we also know we're helping create new jobs and increasing the tax base for the communities we serve. And, if our communities are thriving, Duke Energy will thrive as well.

A TRADITION OF GIVING BACK

Giving back is another way Duke Energy helps build strong communities. Combined charitable giving in 2013 was about \$73 million. That support includes funding from the Duke Energy Foundation, company donations,

Sept. 12, 2013

Awesome! "@MBC_HRHYMCA: @DukeEnergy Foundation donates \$2,500 to HRH YMCA for After-school programs! #YMCA #thankful pic.twitter.com/RHiOkeUHPp"

Adam Clevenger
@adamclevenger





employee and retiree gifts, and the value of volunteer hours.

The Duke Energy Foundation reviews funding requests at the regional level and targets investments in areas where it believes the company can have the greatest impact on the well-being of our communities – the environment, economic development, education and community vitality.

A breakdown:

- Community vitality – 45 percent (\$10.6 million)
- Economic development – 25 percent (\$5.8 million)
- Education – 23 percent (\$5.4 million)
- Environment and energy efficiency – 7 percent (\$1.6 million)

Employee support: The Duke Energy Foundation gave \$4 million to support employee giving in 2013, including:

- Matching gifts for employee and retiree donations to qualifying nonprofit organizations
- Duke Energy's United Way and community arts campaigns
- Grants to support employee and retiree volunteer efforts

LIGHTING THE WAY

Boy Scout Program At Nuclear Plants

For nearly 30 years, energy and environmental science experts at McGuire Nuclear Station have enthusiastically shared their knowledge with young people through participation in the Boy Scouts of America merit badge program.

The program, which started with 90 scouts at the first encampment at McGuire in 1987, has seen tremendous growth – welcoming nearly 550 young men every year to earn merit badges.

In addition to earning merit badges, Boy Scouts at McGuire and Catawba nuclear stations participate in multiday events and have the chance to pitch a tent and camp out under the stars on the grounds of the power plant or at a nearby campsite.

At Oconee Nuclear Station, scouts participate in a Merit Badge College where they can earn up to four merit badges in one day. Between the three nuclear stations, more than 850 Boy Scouts earn merit badges annually.

Undoubtedly, a big part of the program's success can be attributed to Duke Energy employees – like Reggie Morehead – who have volunteered as instructors, including scientists, engineers, plant operators and trainers, since the start of the program. At McGuire, more than 150 employees have volunteered since the encampment began.

Each year, Duke Energy and the Boy Scouts continue to work together to find fun and innovative ways to enhance science education for young boys. While scouts leave full of knowledge, events like the merit badge program are another way we share the benefits of nuclear power as a safe and reliable energy source.

2013 Charitable Giving (MILLIONS)

**TOTAL
CHARITABLE
GIVING
\$73 MILLION**

\$23.5

Duke Energy
Foundation

\$12.2

Other company
cash contributions
and in-kind¹ gifts
and services

\$28.2

Merger-related
giving

\$5.2

Cash contributions
from employees
and retirees

\$3.9

Estimated value of
volunteers' time

¹ Payment made in the form of goods and services instead of money.

The Duke Energy Foundation also offers employees two types of volunteer grants:

- Community improvement grants, used to purchase supplies for “sweat equity” volunteer projects
- Leadership grants for employees who serve on nonprofit boards

“Duke Energy has demonstrated its commitment to community sustainability through its Urban Revitalization Initiative – creating jobs, eliminating blight, bringing vacant and underutilized buildings back to life and retaining existing businesses. Duke’s leadership is making a major contribution to the economic competitiveness of the Greater Cincinnati/Northern Kentucky region.”

Jeanne Schroer
President/CEO
Catalytic Development Funding
Corp. of Northern Kentucky

Help with energy bills: Our energy assistance programs help those in need cope with extreme heat and cold. In 2013:

- In the Midwest, the company contributed about \$1.2 million to three programs to assist low-income customers with winter heating bills – HeatShare in Ohio, WinterCare in Kentucky and Helping Hand in Indiana.
- In the Carolinas and Florida, the Duke Energy Foundation contributed nearly \$1.8 million to similar programs. Share the Warmth and the Energy Neighbor Fund help low-income families with winter heating bills; Cooling Assistance assists handicapped, elderly and low-income customers with summertime energy costs; and Fan-Heat Relief provides free fans to help senior citizens cope with sweltering summer heat.

LENDING A HAND ... EVERYWHERE

Employee and retiree involvement have been a hallmark of Duke Energy for more than 100 years. In fact, you never know where you’ll see employees making a difference.

Many times working under the banner “Duke Energy In Action,” employees and retirees volunteer for projects – large and small – throughout the year. Whether working on a Habitat for Humanity house in South Carolina, or sorting school supplies for students at Classroom Central in Charlotte, North Carolina, volunteerism is wired into the company’s DNA.

In Florida, our disABILITY Outreach and Inclusion Team (DO-IT!) obtained grant money from the Duke Energy Foundation to fund the renovation of PARC-FL’s Adult Technology Achievement Center.

PARC-FL is a nonprofit organization – providing children and adults with developmental disabilities the tools and knowledge needed to exercise their independence and experience life to the fullest.



This center is used by PARC-FL clients daily. The DO-IT! group partnered with a local home improvement store and flooring contractor to include new flooring and windows in the renovation.

Almost 20 DO-IT! employees tirelessly worked in shifts painting and installing insulation, ceiling tiles and new telecom cabling. The group also put in new outdoor benches and upgraded chairs and bathroom fixtures to meet Americans with Disabilities Act standards.

This is just one of the company's many volunteer projects. They vary in location and in scope, but to those involved – there's nothing bigger.

Nov. 8, 2013

Thanks @DukeEnergy for making a difference! Today, 35 #mentors in #Charlotte met their Littles from @CMS_Schools. pic.twitter.com/TDkOZghp40

BBBS Charlotte @BBBSChar



LIGHTING THE WAY

Help For Our Urban Core

For Rhonda Whitaker, economic development isn't just about acres of land and large manufacturing facilities. The Government and Community Relations manager realized the company's Cincinnati and Northern Kentucky areas were primed for urban redevelopment.

"The company's urban core has different challenges and opportunities than our suburban or rural areas," she said. "If we allow these urban areas to deteriorate, we end up potentially hurting economic development in other areas."

For the past three years, Duke Energy Ohio/Duke Energy Kentucky has overseen the Urban Revitalization Initiative – funded by the Duke Energy Foundation. The initiative has funneled more than \$700,000 to 19 different projects. These funds serve as a catalyst to help redevelop and reinvent the heartbeat of urban communities across the region.

The goal is to sustain the core of Duke Energy's urban communities, reduce blight in neighborhoods and produce something new out of something old – while spurring job creation or retention.

"Our interest is in projects that have real momentum and will become a reality," Whitaker said. "We want to target those projects that can have the greatest impact."

A panel of a dozen urban redevelopment experts help the company pinpoint where Duke Energy can best use its money. Whitaker said a combination of private and public funds is needed to get most projects off the ground.

"When a project comes together, and you helped make it happen – it's rewarding to know that our funding played a role," she said.

5 Governance And Transparency

2013 Highlights

- Achieved adjusted diluted earnings per share of \$4.35, which was in the mid-point of our guidance to Wall Street
- Increased the quarterly dividend by 2%, the 87th consecutive year Duke Energy has paid a quarterly dividend
- Outperformed the Philadelphia Utility Index for total shareholder return

Challenges

- Maintain strong financial performance despite a sluggish economy and rapid technological changes in our industry

Opportunities

- Continue to support diverse suppliers to enhance economic development

FINANCIAL STRENGTH CONTINUES TO SUPPORT SUSTAINABLE GROWTH

In 2013, the company achieved adjusted diluted earnings per share of \$4.35, which was in the mid-point of the company's \$4.25 to \$4.45 earnings guidance to Wall Street.

Those financial results reflect a full year of earnings from Progress Energy resulting from our merger in July 2012,

and customer rate increases to recover our investments in cleaner power plants and digital power delivery systems.

Delivering attractive returns for our investors is one of our primary goals as a sustainable company. Toward that aim, we increased our quarterly dividend by about 2 percent in 2013, the 87th consecutive year Duke Energy has paid a quarterly dividend on its common stock.

Our total shareholder return – the change in stock price plus dividends – for 2013 was approximately 13 percent. This outperformed the 11.0 percent return of the Philadelphia Utility Index (20 U.S. utilities) during the same period. The S&P 500's total shareholder return of 32.4 percent for 2013 was its best year since 1997.

Duke Energy remains well-positioned to achieve long-term average annual growth in adjusted diluted earnings per share of between 4 to 6 percent from a 2013 base (the first full year for the merged company) through 2016.

Financial Highlights^{1, 2}

(In millions, except per-share data) ^{1, 2}	2011	2012	2013
Total operating revenues	\$14,529	\$19,624	\$24,598
Net income attributable to Duke Energy Corporation	\$1,706	\$1,768	\$2,665
Reported diluted earnings per share	\$3.83	\$3.07	\$3.76
Adjusted diluted earnings per share	\$4.38	\$4.32	\$4.35
Dividends per share	\$2.97	\$3.03	\$3.09
Total assets	\$62,526	\$113,856	\$114,779
Long-term debt including capital leases; redeemable preferred stock of subsidiaries, less current maturities	\$18,679	\$36,444	\$38,152

1 This table includes Progress Energy, Duke Energy Progress and Duke Energy Florida activity from July 2, 2012, forward. See the 2013 Duke Energy Annual Report/Form 10-K for detailed notes and explanations of figures above.

2 On July 2, 2012, immediately prior to the merger with Progress Energy, Duke Energy executed a one-for-three reverse stock split. All share and earnings-per-share amounts are presented as if the one-for-three reverse stock split had been effective at the beginning of the earliest period presented.

REALIZING MERGER BENEFITS FOR CUSTOMERS AND INVESTORS

Our fuel and joint generation dispatch savings were important accomplishments for Duke Energy in 2013. Our joint dispatch agreement allows Duke Energy Carolinas and Duke Energy Progress to share power from plants across the Carolinas. This enables us to run the most efficient plants available from our combined generation fleet in order to meet the total demand on both systems at the least cost. Through December 31, 2013, we exceeded our original targets and have recorded about \$190 million of cumulative fuel and joint dispatch

Governance Ratings¹

To help keep our corporate governance practices strong, we benchmark against our peers and other best-in-class companies. Below are the risk ratings for Duke Energy provided by ISS, a leading corporate governance advisory service to the financial community.

	ISS Grid Profile	ISS Governance QuickScore		Scales
	2011	2012	2013 ²	
Board structure	Low Concern	2	5	2011 Low ³ , Medium, High Concern
Compensation	Low Concern	5	4	
Shareholder rights	Medium Concern	6	5	2012 and 2013 Relative risk: 1 = Lowest ³ 10 = Highest
Audit	Low Concern	1	1	

1 The 2011 ratings represent pre-merger Duke Energy. The 2012 and 2013 ratings represent the newly merged Duke Energy. Published with permission of ISS.

2 As of March 24, 2014. The rating system was updated by ISS to Governance QuickScore 2.0.

3 Reflects best rating.

savings for our Carolinas customers since the merger closed.

We have contractually locked-in or generated about 65 percent of the total guaranteed savings of \$687 million over the first five years of the merger.

The efficiencies we gain from fuel and joint dispatch help us mitigate future rate increases as we reinvest in the business for the future to replace aging power plants, modernize our grid, and scale up renewable energy.

DECISION ON MIDWEST COMMERCIAL GENERATION

In February 2014, the company began a process to exit our Midwest commercial generation business, which includes ownership interest in 13 power plants with a total capacity of about 6,600 MW. Although the plants are equipped with significant environmental controls and are competitive in the market, their financial returns have been volatile and not a good long-term strategic fit for the company.

We will continue to safely operate these plants during this process, which we expect will take up to 12 to 18 months. Our regulated utilities in the Midwest are not part of the exit process.

A CULTURE OF HIGH ETHICAL STANDARDS

Utilities are governed by a complex web of laws and regulations – making them one of the most heavily regulated industries in the U.S.

Many stakeholder groups pay close attention to what Duke Energy does: regulators, public officials, community leaders, customers, investors, advocacy groups and the news media.

We have three corporate codes that foster a culture of ethics and compliance at Duke Energy, from the Board of Directors to every employee, contract worker and supplier:

- Code of Business Ethics
- Supplier Code of Conduct
- Board of Directors Code of Business Conduct and Ethics

Duke Energy ensures compliance with the Code of Business Ethics through required annual employee training, systematic monitoring and, when necessary, enforcement. In addition, we consider compatibility with our performance culture and expected behaviors when hiring, and new employees receive ethics training once on the job.

The company expects leaders at all levels to set an ethical tone, and to maintain an “open door” policy for employees to report concerns. Ethics leadership training helps managers and supervisors foster a culture of trust and accountability in their workgroups.

Additionally, the company provides anonymous channels for employees to seek guidance or report concerns regarding any illegal or unethical behavior without fear of retaliation, and solicits employee feedback on company and department ethics through annual surveys.

To learn more about our ethics programs, please visit duke-energy.com.

ENGAGED IN POLITICAL PARTICIPATION

Duke Energy actively participates in the political process to ensure that local, state and federal lawmakers understand and consider the interests of the company and our customers, employees, shareholders and other stakeholders.

Duke Energy provides technical and financial expertise on proposed legislation to help lawmakers make informed decisions. In 2013, the company spent \$7.240 million on reportable lobbying expenses (such as office space, salaries, consulting fees,



event fees, etc.) at the federal and state levels to promote sound and responsible public policies. That amount includes \$383,000 in trade association dues used for policy research, information gathering and federal lobbying.

In 2013, Duke Energy also contributed \$550,000 to political organizations, such as the Republican and Democratic governors associations, that advocate for issues and mobilize voters but do not directly support or oppose candidates.

The company is legally prohibited from making direct contributions to candidates for U.S. federal political offices. It is similarly prohibited from making direct contributions to candidates for state offices in certain states. In 2013, in states where corporate contributions are allowed, Duke Energy gave \$1.361 million to support candidates, political parties and other political organizations and activities.

Duke Energy's Political Activity Policy addresses company compliance with laws and regulations governing political contributions, government contacts and lobbying activities.

EMPLOYEE PARTICIPATION

Many Duke Energy employees participate in the political process through DUKEPAC and Voices In Politics.

DUKEPAC is a voluntary, nonpartisan political action committee that contributes to federal and state candidates. The committee pools employee contributions to support political candidates who, if elected, might be involved in legislation that could have an impact on Duke Energy employees, customers, shareholders and other stakeholders.

Such legislation could involve utility industry structure; nuclear, coal, natural gas, hydro, wind or solar electricity generation; energy efficiency; environmental issues; tax reform; or employee benefits (health insurance, for example). DUKEPAC contributed \$868,000 to state and federal candidates and political organizations in 2013.

Voices In Politics is Duke Energy's grassroots education and advocacy network. It briefs employees on political issues and encourages them to actively support or oppose legislation that could impact the company. The network

issues occasional "calls to action" regarding pending legislative votes that could affect the company's operations.

DUKE ENERGY VALUES SUPPLIER DIVERSITY

Duke Energy's overall supply chain includes more than 20,000 suppliers of non-fuel materials and services, mostly from domestic sources. The company spends about \$8 billion annually, which includes capital expenditures on new power plant construction and other major projects. Our expenditures are split fairly equally between services and materials/equipment purchases.

Diverse suppliers bring great value to Duke Energy and the communities we serve. Diverse suppliers include businesses owned by minorities, women or veterans, service-disabled veterans and those located in Historically Underutilized Business zones (HUBZones).

Our total spend (excluding fuel) has decreased about \$1.5 billion over the past three years, with a \$600 million decrease in 2013 alone. This is primarily because of the completion of several large construction projects. The decrease has negatively affected our spend with

LIGHTING THE WAY

Supply Chain: Power To The Pole

An innovative effort by Duke Energy is turning old utility poles and other waste wood into electricity – creating a recycling effort that is truly full circle.

Duke Energy purchases about 30,000 wooden utility poles annually – a vital component in delivering electricity to customers. Over time, those poles need replacing. So what happens to the old poles and other wood waste?

In the past, a small portion of the material was donated or reused, but more than 90 percent of our 13,000 tons of waste wood was sent to landfills every year. Duke Energy now contracts with a vendor, National Salvage and Service, to collect and repurpose or recycle wood waste from most of our service territories. Today about 30 percent of the wood is repurposed as wood products (poles, fence posts, and pallets), and 60 percent is shredded and used as fuel for electricity generation, leaving less than 10 percent of our wood waste for disposal in landfills.

In the Carolinas, wood that cannot be repurposed is shredded at a new facility near Goldsboro, North Carolina. The area has suffered from high unemployment and this facility has created much-needed jobs for the community. The shredded wood is trucked to a biomass plant where it is burned to generate electricity. In most cases, the power is sold to ... you guessed it ... Duke Energy.

From reduced landfill use, to job creation, to renewable energy, this program is a “win” for our company, our communities and our environment.

diverse suppliers, which fell in 2013 for the first time in several years. However, spend with diverse suppliers as a percentage of total spend continued to increase, rising from about 6 percent in 2010 to 11 percent in 2013.

We work proactively to build relationships with current diverse suppliers as well as identify new suppliers. For example, in 2013 we served as the host sponsor of the 10th Annual Energizing Powerful Connections conference in Charlotte, North Carolina. Along with four other utilities, we provided networking opportunities for utility-experienced diverse suppliers.

We also encourage our Tier I suppliers to focus on and engage with diverse suppliers. As a result of this and other efforts, we saw an 18 percent increase in the number of Tier I suppliers who reported their Tier II diverse supplier spending in 2013. We see this increase as a strong positive sign for future results.

Duke Energy's supplier diversity initiatives received several recognitions in 2013, including:

- A nomination for the National Minority Supplier Development Council Corporation of the Year Award

- The 2013 Corporate Partner of the Year Award, from the North Carolina Institute for Minority Economic Development Working with Diverse Suppliers

GLOBAL REPORTING INITIATIVE

The Global Reporting Initiative (GRI) is a recognized international framework for economic, environmental and social performance disclosure. We provide a detailed response to GRI indicators on our website. We are transitioning our disclosures from G3 Version 3.1 to the new G4 reporting guidelines, and will continue disclosing for indicators in GRI's Electric Utilities Sector Supplement.

ABOUT OUR DATA

Accurately measuring environmental and social data, and combining data from newly merged companies, can be challenging. We continually improve our data measurement, gathering and reporting processes to increase the integrity of information presented. To the extent possible and except where clearly noted, historical data are combined for the merged company. We correct and report errors in prior-year data when found. This report contains the best data available at the time of publication.

Diverse Supplier Spending (MILLIONS)

	2010	2011	2012	2013
Spending with Tier I diverse suppliers¹	\$398	\$487	\$725	\$691
Spending with Tier II diverse suppliers²	\$167	\$211	\$212	\$212
Total	\$565	\$698	\$937	\$903

1 Tier I represents direct purchases from diverse suppliers

2 Tier II consists of diverse businesses working with Tier I suppliers and are reported like subcontractors to Duke Energy

FORWARD-LOOKING INFORMATION

Cautionary statements regarding forward-looking information

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions.

These forward-looking statements are identified by terms and phrases such as "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "outlook," "guidance," and similar expressions. Forward-looking statements involve risks and uncertainties that may cause actual results to be materially different from the results predicted. Factors that could cause actual results to differ materially from those indicated in any forward-looking statement include, but are not limited to: state, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements or climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices; the ability to recover eligible costs, including those associated with future significant weather events, and earn an adequate return on investment through the regulatory process; the costs of decommissioning Crystal River unit 3 could prove to be more extensive than is currently identified and all costs may not be fully recoverable through the regulatory process; the risk that the credit ratings of the combined company or its subsidiaries may be different from what the companies expect; costs and effects of legal and administrative proceedings, settlements, investigations and claims; industrial, commercial and residential growth or decline in service territories or customer bases resulting from customer usage patterns, including energy efficiency effort and use of alternative energy sources including self-generation and distributed generation technologies; additional competition in electric markets and continued industry consolidation; political and regulatory uncertainty in other countries in which Duke Energy conducts business; the influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts and tornadoes; the ability to successfully operate electric generating facilities and deliver electricity to customers; the impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches and other catastrophic events;

the inherent risks associated with the operation and potential construction of nuclear facilities, including environmental, health, safety, regulatory and financial risks; the timing and extent of changes in commodity prices, interest rates and foreign currency exchange rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets; the results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings and general economic conditions; declines in the market prices of equity securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans, and nuclear decommissioning trust funds; changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants; the ability to control operation and maintenance costs; the level of creditworthiness of counterparties to transactions; employee workforce factors, including the potential inability to attract and retain key personnel; the ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent); the performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities; the effect of accounting pronouncements issued periodically by accounting standard-setting bodies; the impact of potential goodwill impairments; the ability to reinvest retained earnings of foreign subsidiaries or repatriate such earnings on a tax free basis; and the ability to successfully complete future merger, acquisition or divestiture plans.

Additional risks and uncertainties are identified and discussed in Duke Energy's reports filed with the SEC and available at the SEC's website at sec.gov. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than Duke Energy has described. Duke Energy undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

NON-GAAP FINANCIAL MEASURES

Management evaluates financial performance in part based on the non-GAAP financial measures, adjusted earnings and adjusted diluted earnings per share (EPS). These items are measured as income from continuing operations after deducting income attributable to noncontrolling interests, adjusted for the dollar and per share impact of special items and mark-to-market impacts of economic hedges in the Commercial Power segment. Special items represent certain charges and credits, which management believes will not be recurring on a regular basis, although it is reasonably possible such charges and credits could recur. Mark-to-market adjustments reflect the impact of derivative contracts, which are used in Duke Energy's hedging of a portion of the economic value of its generation assets in the Commercial Power segment. The mark-to-market impact of derivative contracts is recognized in GAAP earnings immediately as such derivative contracts do not qualify for hedge accounting or regulatory treatment. The economic value of generation assets is subject to fluctuations in fair value due to market price volatility of input and output commodities (e.g., coal, electricity, natural gas). Economic hedging involves both purchases and sales of those input and output commodities related to generation assets. Operations of the generation assets are accounted for under the accrual method. Management believes excluding impacts of mark-to-market changes of the derivative contracts from adjusted earnings until settlement better matches the financial impacts of the derivative contract with the portion of economic value of the underlying hedged asset. Management believes the presentation of adjusted earnings and adjusted diluted EPS provides useful information to investors, as it provides them an additional relevant comparison of Duke Energy's performance across periods. Management uses these non-GAAP financial measures for planning and forecasting and for reporting results to the Board of Directors, employees, shareholders, analysts and investors concerning Duke Energy's financial performance. The most directly comparable GAAP measures for adjusted earnings and adjusted diluted EPS are Net Income Attributable to Duke Energy Corporation and Diluted EPS attributable to Duke Energy Corporation common shareholders, which include the dollar and per share impact of special items, mark-to-market impacts of economic hedges in the Commercial Power segment and discontinued operations.

The following table reconciles non-GAAP measures to the most directly comparable GAAP measures.

	Years Ended December 31,					
	2013		2012		2011	
	Amount	Per diluted share	Amount	Per diluted share	Amount	Per diluted share
<i>(in millions, except per share amounts)</i>						
Adjusted earnings	\$3,071	\$4.35	\$2,483	\$4.32	\$1,943	\$4.38
Edwardsport impairment and other charges	—	—	(402)	(0.70)	(135)	(0.30)
Crystal River unit 3 charges	(215)	(0.31)	—	—	—	—
Costs to achieve Progress Energy merger	(184)	(0.26)	(397)	(0.70)	(51)	(0.12)
Nuclear development charges	(57)	(0.08)	—	—	—	—
Emission allowance impairment	—	—	—	—	(51)	(0.12)
Litigation reserve	(14)	(0.02)	—	—	—	—
Economic hedges (Mark-to-market)	(3)	(0.01)	(6)	(0.01)	(1)	(0.01)
Democratic National Convention Host Committee support	—	—	(6)	(0.01)	—	—
Asset sales	50	0.07	—	—	—	—
Employee severance and office consolidation	—	—	60	0.11	—	—
Income from discontinued operations	17	0.02	36	0.06	1	—
Net Income Attributable to Duke Energy	\$2,665	\$3.76	\$1,768	\$3.07	\$1,706	\$3.83

