Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2017

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A This return/report is for:
- [ ] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [X] a single-employer plan
- [ ] a DFE (specify) ___

B This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
DUKE ENERGY RETIREMENT CASH BALANCE PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1943

2a Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)

DUKE ENERGY CORPORATION

550 SOUTH TRYON STREET
DEC 38A
CHARLOTTE, NC 28202

2b Employer Identification Number (EIN)
20-2777218

2c Plan Sponsor's telephone number
704-382-4703

2d Business code (see instructions)
221100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/15/2018	THOMAS SILINSKI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☐ Same as Plan Sponsor

DUKE ENERGY BENEFITS COMMITTEE

550 SOUTH TRYON STREET
DEC 38A
CHARLOTTE, NC 28202

3b Administrator's EIN: 20-2777218

3c Administrator's telephone number: 704-382-4703

4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:
a Sponsor's name
c Plan Name

4b EIN

4d PN

5 Total number of participants at the beginning of the plan year	**5**	45303
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**).		
a(1) Total number of active participants at the beginning of the plan year	**6a(1)**	19801
a(2) Total number of active participants at the end of the plan year	**6a(2)**	18810
b Retired or separated participants receiving benefits	**6b**	13596
c Other retired or separated participants entitled to future benefits	**6c**	7291
d Subtotal. Add lines **6a(2)**, **6b**, and **6c**	**6d**	39697
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	**6e**	4179
f Total. Add lines **6d** and **6e**.	**6f**	43876
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	0
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	12
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1C 1E 3F 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)	☐	Insurance
(2)	☐	Code section 412(e)(3) insurance contracts
(3)	☒	Trust
(4)	☐	General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	☒	**R** (Retirement Plan Information)
(2)	☐	**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)	☒	**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	☒		**H** (Financial Information)
(2)	☐		**I** (Financial Information – Small Plan)
(3)	☐	0	**A** (Insurance Information)
(4)	☒		**C** (Service Provider Information)
(5)	☒		**D** (DFE/Participating Plan Information)
(6)	☐		**G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2017 Form M-1 annual report. If the plan was not required to file the 2017 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code_____

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2017

This Form is Open to Public Inspection

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
DUKE ENERGY RETIREMENT CASH BALANCE PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
DUKE ENERGY CORPORATION

D Employer Identification Number (EIN)
20-2777218

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2017

2 Assets:

a Market value	**2a**	7004601756
b Actuarial value	**2b**	7099622541

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	18111	2293781848	2293781848
b For terminated vested participants	8186	758625947	758625947
c For active participants	19801	2530235309	2566782730
d Total	46098	5582643104	5619190525

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	5.70 %
6 Target normal cost	**6**	123386624

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary

10/04/2018
Date

MONICA D MARTIN
Type or print name of actuary

17-07271
Most recent enrollment number

TOWERS WATSON DELAWARE INC.
Firm name

678-684-0633
Telephone number (including area code)

5 CONCOURSE PARKWAY, 18TH FLOOR
ATLANTA, GA 30328
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	440487622	600727189
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	440487622	600727189
10	Interest on line 9 using prior year's actual return of 7.60 %	33477059	45655266
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 5.89%		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	473964681	646382455

Part III Funding Percentages

14	Funding target attainment percentage	14	106.40%
15	Adjusted funding target attainment percentage	15	126.34%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	115.16%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
01/02/2018	128000000	0			
			Totals ► 18(b)	128000000	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
	a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
	b Contributions made to avoid restrictions adjusted to valuation date	19b	0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	121078800

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:	1st segment: 4.16%	2nd segment: 5.72%	3rd segment: 6.48%	☐ N/A, full yield curve used
b Applicable month (enter code)			**21b**	4
22 Weighted average retirement age			**22**	62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	**31a**	123386624
b Excess assets, if applicable, but not greater than line 31a	**31b**	123386624

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	121078800
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	121078800
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2017** **This Form is Open to Public Inspection.**

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
DUKE ENERGY RETIREMENT CASH BALANCE PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
DUKE ENERGY CORPORATION

D Employer Identification Number (EIN)
20-2777218

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

NORTHERN TRUST COMPANY

36-1561860

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

AON HEWITT

36-3109431

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	1600802	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

NORTHERN TRUST COMPANY

36-1561860

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21	NONE	446236	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON

52-1868818

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	324554	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MCCONNELL & JONES

76-0488832

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	48171	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2017

This Form is Open to Public Inspection.

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
DUKE ENERGY RETIREMENT CASH BALANCE PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
DUKE ENERGY CORPORATION

D Employer Identification Number (EIN)
20-2777218

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: DUKE ENERGY CORP MASTER TRUST

b Name of sponsor of entity listed in (a): DUKE ENERGY CORPORATION

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
20-2777218-005	M	7528100000

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2017

This Form is Open to Public Inspection

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
DUKE ENERGY RETIREMENT CASH BALANCE PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
DUKE ENERGY CORPORATION

D Employer Identification Number (EIN)
20-2777218

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	128000000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	7169100000	7528100000
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)		
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	7169100000	7656100000
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	7169100000	7656100000

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	128000000	
	(B) Participants	2a(1)(B)		
	(C) Others (including rollovers)	2a(1)(C)		
	(2) Noncash contributions	2a(2)		
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		128000000
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
	(B) U.S. Government securities	2b(1)(B)		
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)		
	(F) Other	2b(1)(F)		
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
	(B) Common stock	2b(2)(B)		
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0
	(5) Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		827600000
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		955600000
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	463000000	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		463000000
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)	372725	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	1600802	
(4) Other	2i(4)	3626473	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		5600000
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		468600000
Net Income and Reconciliation			
k Net income (loss). Subtract line **2j** from line **2d**	2k		487000000
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MCCONNELL & JONES, LLP **(2)** EIN: 76-0488832

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

		Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	

			Yes	No	Amount
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		25000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4106203. (See instructions.)

SCHEDULE R (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2017

This Form is Open to Public Inspection.

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

A Name of plan
DUKE ENERGY RETIREMENT CASH BALANCE PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
DUKE ENERGY CORPORATION

D Employer Identification Number (EIN)
20-2777218

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 36-3046063

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year **3** 1281

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☒ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: 28.0 % Investment-Grade Debt: 60.0 % High-Yield Debt: 0.0 % Real Estate: 2.0 % Other: 10.0 %

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☒ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?
☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Duke Energy
Retirement Cash Balance Plan

Independent Auditors' Report and Financial Statements

December 31, 2017 and 2016

Duke Energy Retirement Cash Balance Plan
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December 31, 2017 and 2016

Independent Auditors' Report 1

Financial Statements

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MJ
McCONNELL & JONES LLP
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Duke Energy Benefits Committee and Participants in
the Duke Energy Retirement Cash Balance Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Duke Energy Retirement Cash Balance Plan (the Plan), which comprise the Statements of Net Assets Available for Benefits as of December 31, 2017 and 2016, and the related Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2017, and the related Notes to Financial Statements.

Plan Management's Responsibility for the Financial Statements

Plan management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America (US GAAS). Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 (ERISA), Plan management instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 3, which was certified by Northern Trust Company (Trustee), the trustee of the Plan and the Duke Energy Corporation Master Trust in which the Plan has a beneficial interest, except for comparing such information with the related information included in the financial statements. We have been informed by Plan management that the Trustee holds the investment assets of the Plan in the Duke Energy Corporation Master Trust and executes investment transactions. Plan management has obtained a certification from the Trustee as of December 31, 2017 and 2016 and for the year ended December 31, 2017, that the information provided to Plan management by the Trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

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Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements, other than that derived from the information certified by the Trustee, has been audited by us in accordance with US GAAS and, in our opinion, is presented in compliance with DOL Rules and Regulations for Reporting and Disclosure under ERISA.

McConnell & Jones LLP

Houston, Texas
October 15, 2018

Duke Energy Retirement Cash Balance Plan
Statements of Net Assets Available for Benefits
December 31, 2017 and 2016
(in millions)

	2017	2016
Assets		
Investments at Fair Value:		
Plan interest in Duke Energy Corporation Master Retirement Trust	$ 7,374.2	$ 7,002.4
Net assets held in 401(h) account	153.9	166.7
Total Investments	7,528.1	7,169.1
Receivables:		
Employer contributions	128.0	-
Total Receivables	128.0	-
Total Assets	7,656.1	7,169.1
Liabilities		
Amounts related to obligation of 401(h) account	153.9	166.7
Total Liabilities	153.9	166.7
Net Assets Available for Benefits	$ 7,502.2	$ 7,002.4

Duke Energy Retirement Cash Balance Plan
Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2017
(in millions)

Additions:		
Plan interest in Duke Energy Corporation Master Retirement Trust net income	$	840.4
Employer contribution		128.0
Total Additions		968.4
Deductions:		
Benefits paid directly to participants		463.0
Administrative expenses		5.6
Total Deductions		468.6
Net Increase		499.8
Net Assets Available for Benefits – Beginning of Year		7,002.4
Net Assets Available for Benefits – End of Year	$	7,502.2

Note 1: Description of the Plan

The following brief description of the Duke Energy Retirement Cash Balance Plan (the Plan) is provided for general information purposes only. Participants should refer to the Summary Plan Description and Plan documents for more complete information.

General

The Plan is a noncontributory defined benefit pension plan sponsored by Duke Energy Corporation (Duke Energy) covering substantially all legacy Duke employees, legacy Cinergy non-union employees, legacy Progress non-union employees, and employees represented by the International Brotherhood of Electrical Workers, Local 1393 (Duke Energy and its participating affiliated companies are collectively referred to as the Employing Company). The Plan generally is closed to new entrants. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Pension Benefits

Under the Plan's cash balance benefit accrual formula, records are maintained on a notional account basis. For each month that a participant is an eligible employee, the participant's account receives a pay credit based upon the participant's eligible compensation for the month multiplied by a percentage that ranges from 4% to 7% depending upon the sum of the participant's age and years of creditable service. An additional 4% applies to eligible compensation above the annual social security wage base. Annual compensation that may be considered for benefit purposes is limited to a maximum amount ($270,000 for 2017 and subject to adjustment in subsequent years by the Internal Revenue Service (IRS) for increases in the cost of living). The participant's account also receives monthly interest credits generally based upon a monthly rate of 0.327% on the account's balance. Participants become eligible to receive a vested benefit from the Plan upon retirement or termination of employment. Generally, normal retirement requires employment (with Duke Energy and its participating or non-participating affiliated companies) until age 65. If employees terminate before rendering three years of service, they generally forfeit the right to receive their accumulated plan benefits. Participating employees who were participants in the Plan before January 1, 1997 or in plans that have been merged into the Plan may be eligible for certain transitional, or prior plan protected benefits.

Vesting service determines the right to receive a benefit if employment ends before qualifying for normal retirement. An employee becomes vested under the Plan after completion of three years of vesting service or upon death, disability or attainment of age 65 while employed by Duke Energy and its participating and non-participating affiliated companies. Vesting service does not begin before age 18.

Participants in the cash balance formula are eligible to take a distribution of their vested cash balance account in the Plan whenever they leave the Employing Company, at any age, for any reason. Upon retirement, a participant may elect to receive a lump sum distribution or an annuity. Generally, participants must start receiving their benefit no later than April 1 following the later of the year in which they attain age 70½ or terminate employment.

If before benefit payment has begun, a vested, married participant dies and no designation of non-spouse beneficiary has been made, the participant's surviving spouse has the option to take the

participant's vested benefit immediately as a lump sum or as a single life annuity or defer the benefit until no later than April 1 following the year in which the participant would have attained age 70½. Should the deceased participant be single, the participant's beneficiary must receive the participant's vested benefit immediately as a lump sum. If a participant receiving a benefit dies, a death benefit is only payable if provided by the optional form of payment in effect.

401(h) Account

In 1991, the Plan was amended to permit, under Section 401(h) of the Internal Revenue Code (IRC), the funding of postretirement medical benefits in a separate trust account, and, in 1992, the Employing Company commenced such funding. Employing Company contributions are discretionary and are determined annually. No contributions were made by the Employing Company to the Duke Energy Retirement Cash Balance Plan 401(h) account in 2017. Participants do not contribute to the 401(h) account. Payment of benefits from the 401(h) account, which began in 1996, is limited to healthcare expenses reimbursable under retiree coverage provided by the Duke Energy Retiree Medical Plan, the Connector Program, the Duke Energy Corporation Nuclear Health Reimbursement Account Opportunity Plan, and/or the Duke Energy Corporation Post-Retirement Health Reimbursement Account Program (the "Retiree Health and Welfare Plan"). Other Plan assets may not be used to fund postretirement healthcare benefits and the 401(h) account may not be used to fund Plan retirement benefits. The obligations of the Retiree Health and Welfare Plan are not obligations of the Plan. The Retiree Health and Welfare Plan obligations are reflected in the financial statements of the Retiree Health and Welfare Plan.

Note 2: Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (US GAAP).

Use of Estimates

The preparation of the financial statements in conformity with US GAAP requires Plan management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Risks and Uncertainties

The Plan invests in various investment securities that are exposed to various risks such as interest rates, credit, and overall market volatility. Market values of investments may decline for a number of reasons, including changes in prevailing market and interest rates, increases in defaults and credit rating downgrades. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that some changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics,

all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates in the near term would be material to the financial statements.

Investment Valuation and Income Recognition

Investments of the Plan are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of the Plan's interest in the Duke Energy Corporation Master Retirement Trust (Master Trust) (see Note 3) is based on the Plan's undivided interest in the underlying assets in the Master Trust. See Note 4 for discussion of fair value measurements.

Realized and unrealized gains and losses are based on the value of these investments as of the later of the beginning of the plan year or at the time of purchase, if purchased during the year, and are reflected currently in the accompanying Statements of Changes in Net Assets Available for Benefits. Purchases and sales of securities are recorded on a settlement-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Investment income from the Master Trust, which includes interest, dividends and realized and unrealized gains and losses, net of administrative expenses, is allocated to each Plan by the trustee on a pro rata basis. Brokerage fees are added to the acquisition cost of assets purchased and subtracted from the proceeds of the assets sold.

Derivative Financial Instruments

The Master Trust holds various instruments that meet the definition of a derivative under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 815, *Derivatives and Hedging*, (FASB ASC 815) including foreign currency contracts and interest rate swaps. The Plan's primary objective in holding these derivatives is investment appreciation and, accordingly, does not designate such derivatives as hedges of risks. Foreign currency exchange rate movements create a degree of risk by affecting the US dollar value of instruments denominated in foreign currencies. Such derivatives are recorded in the accompanying Statements of Net Assets Available for Benefits at their fair value, and changes in fair value are recorded in the Plan interest in Master Trust net income in the accompanying Statement of Changes in Net Assets Available for Benefits.

Contributions

Contributions to the Plan are recorded in the period that the Plan's actuary determines they relate to except that a contribution receivable is recorded to the extent that amounts due are pursuant to formal commitments as well as legal or contractual requirements in existence at the end of the Plan year.

Benefit Payments

Benefit payments to participants or their beneficiaries are recorded when paid.

Administrative Expenses

The Plan pays all investment fees related to the Plan and most other administrative costs, as provided in the Plan document.

Plan Management's Review of Subsequent Events

In preparing the accompanying financial statements, Plan management has reviewed all known events that have occurred after December 31, 2017, and through October 15, 2018, the date the financial statements were available to be issued, for inclusion in the financial statements and footnotes.

Effective as of close of business June 30, 2017 the Retirement Plan of Piedmont Natural Gas Company, Inc. (Piedmont Plan) assets were transferred to the Master Retirement Trust. Wells Fargo, the trustee for the Piedmont Plan was replaced by the Northern Trust, for trustee and custodian services. Wells Fargo was maintained as the paying agent for the Piedmont Plan through the end of 2017.

The Duke Energy Board has approved the reorganization of pension liabilities to be effective as of January 1, 2018, which involves the following plan spin-off and merger transactions in the order listed: (i) spin-off certain inactive participants from the Plan to a newly-created plan called the Duke Energy Legacy Pension Plan (Legacy Plan); (ii) transfer certain inactive participants from the Cinergy Corp. Union Employees' Retirement Income Plan (RIP) to the Legacy Plan; (iii) merge the RIP into the Plan; and (v) merge the Piedmont Plan into the Plan.

New Accounting Pronouncement

In February 2017, FASB issued ASU No. 2017-06, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), and Health and Welfare Benefit Plans (Topic 965) - Employee Benefit Plan Master Trust Reporting (ASU 2017-06). ASU 2017-06 amends the master trust disclosure to require additional disclosures related to the Plan's interest in the master trust. ASU 2017-06 is effective for fiscal years beginning after December 15, 2018, with early application permitted and is required to be applied retrospectively for all comparative periods presented. Plan management elected not to early adopt ASU 2017-06.

Note 3: Investments (Certified by Trustee)

Duke Energy also sponsors the RIP, which covers hourly, weekly and bi-weekly paid employees of the Employing Company represented by the Utility Workers Union of America, Local 600, the International Brotherhood of Electrical Workers, Local 1347 and the United Steelworkers of America, Local 12049 and Local 5541-06. Investments of the RIP are also held in the Master Trust.

Florida Progress Corporation sponsors the Retirement Plan for Bargaining Unit Employees of Florida Progress Corporation, which covers bargaining unit employees of the Employing Company. Investments related to this plan are also held in the Master Trust.

During 2017, plan assets of the Piedmont Plan and the related 401(h) account were transferred to the Master Retirement Trust. The transfer of $365.7 million is reflected in the Statement of Changes in Net Assets Available for Benefits as a transfer in. Investments related to this plan are held in the Master Trust.

The Master Trust has the following Plans and accounts with their respective percentages as of December 31, 2017 and 2016:

	2017	2016
Duke Energy Retirement Cash Balance Plan	80.42	83.74
Duke Energy Retirement Cash Balance Plan 401(h) account	1.68	2.00
Cinergy Corp. Union Employees' Retirement Income Plan	6.65	6.91
Cinergy Corp. Union Employees' Retirement Income Plan 401(h) account	0.06	0.13
Retirement Plan for Bargaining Unit Employees of Florida Progress Corporation	7.09	7.22
Retirement Plan of Piedmont Natural Gas Company, Inc.	4.01	-
Retirement Plan of Piedmont Natural Gas Company, Inc. 401 (h) account	0.09	-
	100.00	100.00

Investment income and administrative expenses relating to the Master Trust are allocated based on average monthly balances invested by each plan, other than items specific to one or the other Plan.

The following presents the Statement of Net Assets Available for Benefits of the Master Trust as of December 31, 2017 and 2016 (in millions):

	2017	2016
Total investments	$ 9,103.6	$ 8,312.5
Receivables	117.2	110.2
Total Assets	9,220.8	8,422.7
Liabilities	50.7	60.9
Total Liabilities	50.7	60.9
Net Assets	$ 9,170.1	$ 8,361.8

The following presents the Statement of Changes in Net Assets Available for Benefits of the Master Trust for the year ended December 31, 2017 (in millions):

Additions:		
Net appreciation in fair value of investments	$	793.4
Interest		207.5
Dividends		38.6
Total additions		1,039.5
Deductions:		
Administrative expenses		20.5
Net Increase Prior to Transfers:		1,019
Transfer in (Retirement Plan of Piedmont Natural Gas Company, Inc.)		365.7
Transfers in (sponsor contributions)		19.0
Transfers out (benefit payments and administrative expenses)		(595.4)
Net transfers		(210.7)
Net Increase After Transfers		808.3
Net Assets – Beginning of Year		8,361.8
Net Assets – End of Year	$	9,170.1

Note 4: Fair Value Measurements

FASB ASC Topic 820, *Fair Value Measurements and Disclosures*, (FASB ASC 820) defines fair value, establishes a framework for measuring fair value in US GAAP and expands disclosure requirements about fair value measurements. Under FASB ASC 820, fair value is considered to be the exchange price in an orderly transaction between market participants to sell an asset or transfer a liability at the measurement date. The fair value definition under FASB ASC 820 focuses on an exit price, which is the price that would be received by the Plan to sell an asset or paid to transfer a liability versus an entry price, which would be the price paid to acquire an asset or received to assume a liability. Although FASB ASC 820 does not require additional fair value measurements, it applies to other accounting pronouncements that require or permit fair value measurements.

The amended guidance of FASB Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosure for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* has been early-adopted by management. See Note 2 for information on recent accounting pronouncements.

The Plan determines fair value of financial assets and liabilities based on the following fair value hierarchy, as prescribed by FASB ASC 820, which prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1
Unadjusted quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access. An active market for the asset or liability is one in which transactions for the asset or liability occurs with sufficient frequency and volume to provide ongoing pricing information.

Level 2
Inputs other than quoted market prices included in Level 1 that are observable, either directly or indirectly, for the asset or liability. Level 2 inputs include, but are not limited to, quoted prices for similar assets or liabilities in an active market, quoted prices for identical or similar assets or liabilities in markets that are not active and inputs other than quoted market prices that are observable for the asset or liability, such as interest rate curves and yield curves observable at commonly quoted intervals, volatilities, credit risk and default rates.

Level 3
Unobservable inputs for the asset or liability. Unobservable inputs reflect the Plan's own assumptions about the factors that other market participants would use in pricing an investment that would be based on the best information available in the circumstances.

The following is a description of the valuation methodologies used for investments measured at fair value for the Master Trust. There have been no changes in the methodologies used at December 31, 2017 and 2016.

Equity securities, corporate debt securities and US government securities: Valued at the closing price in the principal active market in which the individual securities are traded. Principal active markets include published exchanges such as NASDAQ, NYSE, NYMEX and Chicago Board of Trade, as well as pink sheets, which is an electronic quotation system that displays quotes for broker-dealers for many over-the-counter securities.

Government and commercial mortgage backed securities: Valued based on external price data obtained from third party vendors. When position specific external price data are not observable, the valuation is based on comparable securities. When external pricing data is observable, the securities are categorized as Level 2. When the external pricing data is unobservable, the securities are categorized as Level 3.

Short-term investment funds: Valued based on quoted market prices of the securities in the funds.

Real estate limited partnerships: Valued based upon property appraisal reports prepared by independent real estate appraisers. The Chief Real Estate Appraiser of the asset manager is responsible for assuring that the valuation process provides independent and reasonable property market value estimates. An external appraisal management firm not affiliated with the asset manager has been appointed to assist the Chief Real Estate Appraiser in maintaining and monitoring the independence and the accuracy of the appraisal process.

Hedge fund: Valued based on the value provided to the asset manager by the underlying fund. Values of liquid funds are based on observable inputs such as quoted market prices. Values of illiquid funds are based on observable or unobservable inputs to determine the value that might reasonably expect to be received in the normal course of business. If due diligence performed by the asset manager determines the value provided the underlying fund does not represent fair value, the asset manager may consult with its valuation committee in determining fair value.

Interest rate swaps and foreign currency contracts: These instruments are traded in over-the-counter markets. Valuation inputs include interest rate curves, LIBOR yield curve, foreign exchange spot rates, equity prices/equity index prices, volatility and index dividend yields.

The following tables provide by level, within the fair value hierarchy, the Master Trust investments at fair value as of December 31, 2017 and 2016 (in millions):

	December 31, 2017				
	Total Fair Value	**Level 1**	**Level 2**	**Level 3**	**NAV**
Equity securities	$ 2,823.9	$ 1,976.4	$ –	$ –	$ 847.5
Corporate debt securities	4,693.7	–	4,693.7	–	–
Short-term investment funds	245.9	191.7	54.2	–	–
Partnerships	137.3	–	–	–	137.3
Hedge funds	225.9	–	–	–	225.9
Real estate limited Partnerships	134.7	–	–	–	134.7
US government securities	761.9	–	761.9	–	–
Guaranteed investment contracts	28.4	–	–	28.4	–
Government bonds - foreign	38.3	–	38.3	–	–
Cash	5.5	5.5	–	–	–
Government & commercial mortgage backed securities	1.8	–	1.8	–	–
Net pending transactions and other investments	16.3	14.4	1.7	–	0.2
Total assets	$ 9,113.6	$ 2,188.0	$ 5,551.6	$ 28.4	$ 1,345.6

	December 31, 2016				
	Total Fair Value	Level 1	Level 2	Level 3	NAV
Equity securities	$ 2,334.8	$ 1,573.6	$ 1.7	$ –	$ 759.5
Corporate debt securities	4,224.6	–	4,224.6	–	–
Short-term investment funds	475.5	210.8	264.7	–	–
Partnerships	156.7	–	–	–	156.7
Hedge funds	211.8	–	–	–	211.8
Real estate limited Partnerships	126.7	–	–	–	126.7
US government securities	708.7	–	708.7	–	–
Guaranteed investment contracts	29.4	–	–	29.4	–
Government bonds - foreign	32.4	–	32.4	–	–
Cash	6.3	6.3	–	–	–
Net pending transactions and other investments	0.9	(1.0)	1.7	–	0.2
Total assets	$ 8,307.8	$ 1,789.7	$ 5,233.8	$ 29.4	$ 1,254.9

The following table provides a reconciliation of beginning and ending balances of Master Trust investments measured at fair value on a recurring basis where the determination of fair value includes significant unobservable inputs (Level 3) for the year ended December 31, 2017 (in millions):

Balance as of December 31, 2016	$ 29.4
Total gains/(losses), (realized and unrealized), and other	0.6
Purchases	0.1
Sales	(1.7)
Balance as of December 31, 2017	$ 28.4

The Plan's share in gains and losses (realized and unrealized) included in changes in net assets for the period above are reported in net appreciation in fair value of investments in the Master Trust's Statement of Changes in Net Assets Available for Benefits.

Note 5: Net Asset Value (NAV) Per Share

Under the amended guidance of FASB Accounting Standards Update (ASU) No. 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)* (ASU 2009-12), entities are permitted, as a practical expedient, to estimate the fair value of investments within its scope using the NAV per share of the investment as of the reporting entity's measurement dates. The amended guidance also requires additional disclosures to better enable users of the financial statements to understand the nature and risks of the reporting entity's investments that fall under these rules. In accordance with ASU 2009-12, the Plan expanded its disclosure to include the category, fair value, redemption frequency, and redemption notice period for those assets whose fair value is estimated using the NAV per share or its equivalent for which the fair value is not readily determinable.

The following table sets forth a summary of Master Trust investments with a reported estimated fair value using the NAV per share as of December 31, 2017 and 2016 (in millions):

	2017	2016	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Equity securities - Common stock funds (a)	$ 847.5	$ 759.5	$ -	Immediate to Monthly	60-120 days
Equity securities - Partnerships (b)	137.3	156.7	41.4	Non-redeemable	N/A
Hedge funds (c)	225.9	211.8	-	Quarterly/Semi-Annual	91-95 days
Real estate limited partnerships (d)	134.7	126.7	-	Quarterly	45 days

(a) This category consists of institutional funds. Investments of approximately 84% of the total fair value at December 31, 2017 are redeemable either immediately or monthly. Investments of approximately 16% of this category contain liquidity restrictions and require redemption notices ranging from 60-120 days.

(b) This category consists of private equity partnership funds that invest in private equity limited partnerships. The investments in this category are non-redeemable.

(c) This category consists primarily of investments in privately offered hedge funds managed by unaffiliated investment managers. For approximately 53% of this category, quarterly redemptions in excess of 20% of the final NAV may be partially funded, based on the Hedge Fund's Board of director's decision, on a pro rata basis in proportion to all other hedge fund investees, with 91 days' notice. Investments of approximately 47% of the total fair value are semi-redeemable (at June 30th/December 31st) with 95 days written notice. At its discretion, the general partner may apply a 25% fund-level gate.

(d) This category consists of real estate investment funds that invest in portfolios of commercial and residential real estate assets. Fund participants may withdraw from the fund once per quarter subject to available cash, as determined by the Trustee. A written withdrawal request is required 45 days prior to quarter end. To the extent that withdrawal requests exceed available cash, distributions are made on a pro rata basis.

Note 6: Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to service rendered by employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits payable under all circumstances (i.e., retirement, death, disability, and termination of employment) are included, to the extent they are deemed attributable to employee service rendered to the valuation dates.

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as death, disability, withdrawal, or retirement) between the valuation dates and the expected date of payment. The effect of Plan amendments on accumulated plan benefits is recognized during the year in which such amendments become effective.

The significant actuarial assumptions used in the valuations as of January 1, 2018 were:

Discount Rate:	6.50%
Mortality:	RP-2014 healthy no collar table for Annuitants and Non-Annuitants projected generationally with scale MP-2017, with rates increased by 13% (legacy Duke Energy participants) and RP-2014 healthy no collar table for Annuitants and Non-Annuitants projected generationally with scale MP-2017, with rates increased by 9% (legacy Progress Energy participants)
Interest Crediting:	4.00% per annum

The significant actuarial assumptions used in the valuations as of January 1, 2017 were:

Discount Rate:	6.50%
Mortality:	RP-2014 healthy no collar table for Annuitants and Non-Annuitants projected generationally with scale BB-2D, with rates increased by 13% (legacy Duke Energy participants) and RP-2014 healthy no collar table for Annuitants and Non-Annuitants projected generationally with scale BB-2D, with rates increased by 9% (legacy Progress Energy participants)
Interest Crediting:	4.25% per annum

The foregoing actuarial assumptions are based on the presumption the Plan will continue. If the Plan were to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The actuarial present value of accumulated plan benefit information as of January 1, 2018 and 2017 is as follows (in millions):

	January 1, 2018	January 1, 2017
Vested benefits:		
Participants and/or beneficiaries currently receiving benefits	$ 2,167.6	$ 2,224.7
Other participants	3,166.4	3,153.9
Total vested benefits	5,334.0	5,378.6
Nonvested benefits	29.4	35.1
Total Actuarial Present Value of Accumulated Plan Benefits	$ 5,363.4	$ 5,413.7

The computations of the actuarial present value of accumulated Plan benefits were made as of January 1, 2018 and 2017. Had the valuations been performed as of December 31, 2017 and 2016, there would be no material difference.

The changes in actuarial present value of the Plan's accumulated plan benefits are as follows (in millions):

Actuarial present value of accumulated plan benefits as of January 1, 2017	$ 5,413.7
Increase (decrease) during the year attributable to:	
Passage of time	344.1
Benefits accumulated and actuarial experience	97.3
Benefits paid	(463.0)
Assumption changes	(28.7)
Net decrease	(50.3)
Actuarial Present Value of Accumulated Plan Benefits as of January 1, 2018	$ 5,363.4

Note 7: Funding Policy

The Employing Company's policy is to fund amounts on an actuarial basis to provide assets sufficient to meet benefits to be paid to Plan participants. Contributions to provide benefits under the Plan are made solely by the Employing Company. No contributions by the Employing Company to the Plan were necessary in 2017 to meet the minimum funding requirements of ERISA. The Employing Company made voluntary contributions of $128.0 million related to plan year 2017.

Note 8: Plan Termination

Although it has not expressed any intention to do so, Duke Energy has the right under the Plan, to discontinue contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event of any termination of the Plan or upon complete or partial discontinuance of contributions, each participant shall become fully vested, and the net assets of the Plan will be allocated for payment of Plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations there under and the Plan document, generally to provide the following benefits in the order indicated:

a. Benefits attributable to employee contributions, taking into account those paid out before termination.
b. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
c. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a US government agency) up to the applicable limitations (discussed subsequently).
d. All other vested benefits (that is, vested benefits not insured by the PBGC).
e. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal-age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all.

Note 9: Federal Income Tax Status

The Plan is intended to qualify under section 401(a) of the IRC and the Master Trust is intended to be exempt from tax under section 501(a) of the IRC. The IRS has determined and informed the Employing Company by a letter dated November 21, 2014 that the Plan and related trust are designed in accordance with applicable sections of the IRC. The Plan has been amended since receiving the determination letter. The Employing Company and the Plan administrator believe that the Plan is currently designed and operated in compliance with the applicable requirements of the IRC and the Plan and Master Trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

US GAAP requires Plan management to evaluate uncertain tax positions taken by the Plan. The financial statement effects of a tax position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the IRS. Plan management has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2017, there are no uncertain positions taken or expected to be taken. The Plan has recognized no interest or penalties related to uncertain tax positions. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Plan management believes it is no longer subject to income tax examinations for years prior to 2014.

Note 10: Exempt Party-in-Interest Transactions

Northern Trust manages the Master Trust. Northern Trust is also trustee of the Plan. Therefore, these transactions qualify as party-in-interest transactions; however, they are exempt from prohibited transaction rules under ERISA. Administrative expenses paid by the Plan were approximately $5.6 million for the year ended December 31, 2017.

Note 11: Plan Changes

A January 1, 2018 restatement of the Plan, adopted December 15, 2017, provides for the following:

- Modifies beneficiary designation provisions
- Reflects new disability claims regulations
- Adds addendums to reflect Piedmont Plan and RIP mergers
- Freezes accrual for certain transfers
- Modifies timing of asset transfers between plans

An amendment to the January 1, 2016 restatement of the Plan, adopted December 15, 2017, clarifies certain provisions regarding employee transfers and the traditional formula earnings growth freeze and provides service credit for certain coop employment.

An amendment to the Plan, adopted on September 21, 2016, excludes certain Piedmont Company employees from participation and credits certain service with the Piedmont Company under the Plan.

An amendment to the Plan, adopted on December 16, 2016, provides a lump window for certain participants, grants service credit for certain co-op employment, revokes beneficiary designations that are not made through the “Your Benefits Resources” website, eliminates pay growth under the Cinergy non-union transition provisions, and clarifies certain other provisions.

Note 12: Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of net assets available for benefits per the Form 5500 to the financial statements as of December 31, 2017 and 2016 (in millions):

	2017	2016
Net assets per the Form 5500	$ 7,656.1	$ 7,169.1
Less: Net assets held in 401(h) account included as assets in Form 5500	153.9	166.7
Net Assets Available for Benefits per the Financial Statements	$ 7,502.2	$ 7,002.4

The following is a reconciliation of the changes in net assets per the Form 5500 to the financial statements for the year ended December 31, 2017 (in millions):

Net income before transfers per Form 5500	$ 487.0
Less: Net decrease in 401(h) assets	(12.8)
Net increase before transfers per the Financial Statements	$ 499.8

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
Duke Energy Retirement Cash Balance Plan
EIN: 20-2777218/PN: 001
Schedule SB, Line 26 — Schedule of Active Participant Data for participants with cash balance accounts

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Cash Balance	No.	Avg. Cash Balance	No.	Avg. Cash Balance	No.	Avg. Cash Balance	No.	Avg. Cash Balance	No.	Avg. Cash Balance	No.	Avg. Cash Balance	No.	Avg. Cash Balance	No.	Avg. Cash Balance	No.	Avg. Cash Balance
Under 25	17		99	7,381	7		0		0		0		0		0		0		0	
25 - 29	27	596	557	9,870	386	20,141	10		0		0		0		0		0		0	
30 - 34	17		555	12,003	787	27,943	285	42,233	10		0		0		0		0		0	
35 - 39	12		398	15,349	731	34,532	529	49,501	249	64,460	0		0		0		0		0	
40 - 44	7		296	16,419	524	39,018	451	59,945	509	75,255	73	95,621	2		0		0		0	
45 - 49	5		247	18,236	510	42,816	473	68,055	537	90,800	259	125,485	336	123,348	18		0		0	
50 - 54	4		195	20,748	360	47,543	397	79,216	423	108,829	237	133,472	813	152,356	788	188,956	38	149,253	1	
55 - 59	7		113	22,633	248	56,255	254	88,798	377	121,739	196	161,316	496	177,145	1,385	231,734	1,277	255,013	17	
60 - 64	0		51	27,634	109	56,501	116	100,554	153	139,182	104	195,721	216	206,233	415	249,919	986	306,335	403	356,840
65 - 69	0		12		30	60,131	31	78,002	36	137,203	26	180,461	32	187,936	48	282,896	86	345,553	131	484,638
70 & Over	1		1		3		3		8		5		2		5		5		11	

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
Duke Energy Retirement Cash Balance Plan
EIN: 20-2777218/PN: 001
Schedule SB, Line 26 — Schedule of Active Participant Data

Attained Age	Years of Credited Service																			
	Under 1		1 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & Over	
	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.	No.	Avg. Comp.
Under 25	17		99	76,195	7		0		0		0		0		0		0		0	
25 - 29	27	36,019	557	80,780	386	94,186	10		0		0		0		0		0		0	
30 - 34	17		555	90,994	787	102,106	285	110,713	10		0		0		0		0		0	
35 - 39	12		398	98,672	730	111,114	529	113,552	249	113,234	0		0		0		0		0	
40 - 44	9		296	100,324	524	110,482	451	117,988	509	117,061	73	115,102	2		0		0		0	
45 - 49	5		247	102,072	510	110,703	474	117,049	537	122,974	259	130,772	336	119,162	18		0		0	
50 - 54	4		195	102,834	363	108,528	397	119,533	423	121,963	240	120,830	837	122,046	799	122,539	38	111,103	1	
55 - 59	8		114	108,373	248	117,368	255	117,999	378	117,692	204	119,578	523	111,118	1,439	121,686	1,278	119,058	17	
60 - 64	3		51	111,332	109	102,234	117	113,004	155	116,944	110	110,670	230	102,365	427	103,016	1,025	112,161	405	105,525
65 - 69	2		12		30	114,036	31	90,883	36	106,107	26	102,457	33	98,813	49	95,174	86	99,928	133	112,277
70 & Over	1		1		3		3		8		5		2		5		5		12	

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
Duke Energy Retirement Cash Balance Plan
EIN: 20-2777218/PN: 001
Schedule SB, Part V — Statement of Actuarial Assumptions and Methods

Assumptions and methods for contribution purposes

Economic Assumptions

Interest rate basis

- Applicable month: September 2016
- Interest rate basis: Segment Rates with a four-month lookback

Interest rates	Reflecting Corridors	Not Reflecting Corridors
First segment rate	4.16%	1.52%
Second segment rate	5.72%	3.80%
Third segment rate	6.48%	4.79%
Effective interest rate	5.70%	

Annual rates of increase

- Compensation

Minimum Funding Target Normal Cost: Based on estimated 2017 earnings.

Maximum Tax Expected Benefit Increase:

Salary Increase Rates for after 2016			
Age	Rate	Age	Rate
15	11.50%	40	5.50%
16	11.50%	41	5.40%
17	11.50%	42	5.30%
18	11.50%	43	5.20%
19	11.50%	44	5.10%
20	11.50%	45	5.00%
21	11.50%	46	4.90%
22	11.50%	47	4.80%
23	11.50%	48	4.70%
24	11.50%	49	4.60%
25	11.50%	50	4.50%

26	11.10%	51	4.40%
27	10.70%	52	4.30%
28	10.30%	53	4.20%
29	9.90%	54	4.10%
30	9.50%	55	4.00%
31	9.10%	56	3.80%
32	8.70%	57	3.60%
33	8.30%	58	3.50%
34	7.90%	59	3.50%
35	7.50%	60+	3.50%
36	7.10%		
37	6.70%		
38	6.30%		
39	5.90%		

Maximum Tax Expected Benefit Increase:
Former participants in the Cinergy Corp. Non-Union Employees' Pension Plan

Salary Increase Rates for after 2016

Age	Rate	Age	Rate
15	9.50%	40	5.50%
16	9.50%	41	5.50%
17	9.50%	42	5.50%
18	9.50%	43	5.50%
19	9.50%	44	5.50%
20	9.50%	45	4.50%
21	9.50%	46	4.50%
22	9.50%	47	4.50%
23	9.50%	48	4.50%
24	9.50%	49	4.50%
25	9.50%	50	4.50%
26	9.50%	51	4.50%
27	9.50%	52	4.50%
28	9.50%	53	4.50%

	29	9.50%	54	4.50%
	30	8.50%	55+	3.50%
	31	8.50%		
	32	8.50%		
	33	8.50%		
	34	8.50%		
	.			
	35	6.50%		
	36	6.50%		
	37	6.50%		
	38	6.50%		
	39	6.50%		

Maximum Tax Expected Benefit Increase:
Former participants in the Cinergy Corp. Union Employees' Pension Plan

Salary Increase Rates for after 2016

Age	Rate	Age	Rate
15	9.50%	35	4.00%
16	9.50%	36	4.00%
17	9.50%	37	4.00%
18	9.50%	38	4.00%
19	9.50%	39	4.00%
20	9.50%	40	3.50%
21	9.50%	41	3.50%
22	9.50%	42	3.50%
23	9.50%	43	3.50%
24	9.50%	44	3.50%
25	8.50%	45+	3.50%
26	8.50%		
27	8.50%		
28	8.50%		
29	8.50%		
30	5.50%		

31	5.50%
32	5.50%
33	5.50%
34	5.50%

- Future Social Security wage bases: 3.25%
- Cash Balance Interest Credit Rate
  - Balances subject to interest crediting rate based on 30-year Treasury Rate: 4.25%
  - Balances subject to a fixed interest rate as defined by the plan: 4.00%
- Assumed IRC §417(e) Conversion Basis: Based on the segment rates described above and the current §417(e) mortality table.
- Long-term 30-year Treasury Rate Conversion Basis: 3.75%

Demographic Assumptions

Inclusion date	The valuation date coincident with or next following the date on which the employee is hired
New or rehired employees	It was assumed there will be no new or rehired employees
Mortality	
■ Healthy and Disabled	2017 Static Mortality Table for Annuitants and Non-Annuitants Per §430(h)(3)
Termination	Rates vary by age and service

Representative Termination Rates

Percentage leaving during the year						
	Years of Service					
Age	0	1	2	3	4	5+
15	25%	25%	18%	18%	16%	10%
16	25%	25%	18%	18%	16%	10%
17	25%	25%	18%	18%	16%	10%
18	25%	25%	18%	18%	16%	10%
19	25%	25%	18%	18%	16%	10%

20	25%	25%	18%	18%	16%	10%
21	25%	25%	18%	18%	16%	10%
22	25%	25%	18%	18%	16%	10%
23	25%	25%	18%	18%	16%	10%
24	25%	25%	18%	18%	16%	10%
25	25%	15%	12%	12%	12%	10%
26	25%	15%	12%	12%	12%	10%
27	25%	15%	12%	12%	12%	10%
28	25%	15%	12%	12%	12%	10%
29	25%	15%	12%	12%	12%	10%
30	20%	15%	12%	12%	12%	7.50%
31	20%	15%	12%	12%	12%	7.50%
32	20%	15%	12%	12%	12%	7.50%
33	20%	15%	12%	12%	12%	7.50%
34	20%	15%	12%	12%	12%	7.50%
35	20%	15%	15%	15%	10%	5%
36	20%	15%	15%	15%	10%	5%
37	20%	15%	15%	15%	10%	5%
38	20%	15%	15%	15%	10%	5%
39	20%	15%	15%	15%	10%	5%
40	20%	15%	15%	15%	10%	3%
41	20%	15%	15%	15%	10%	3%
42	20%	15%	15%	15%	10%	3%
43	20%	15%	15%	15%	10%	3%
44	20%	15%	15%	15%	10%	3%
45	15%	15%	15%	15%	10%	2.50%
46	15%	15%	15%	15%	10%	2.50%
47	15%	15%	15%	15%	10%	2.50%
48	15%	15%	15%	15%	10%	2.50%
49	15%	15%	15%	15%	10%	2.50%
50	15%	15%	10%	10%	10%	2%
51	15%	15%	10%	10%	10%	2%
52	15%	15%	10%	10%	10%	2%
53	15%	15%	10%	10%	10%	2%

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
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Schedule SB, Part V — Statement of Actuarial Assumptions and Methods

54	15%	15%	10%	10%	10%	2%
55+	0%	0%	0%	0%	0%	0%

Termination:
Former participants in the Cinergy Corp. Non-Union Employees' Pension Plan

Percentage leaving during the year						
	Years of Service					
Age	0	1	2	3	4	5+
15	33%	20%	19%	17%	16%	15%
16	33%	20%	19%	17%	16%	15%
17	33%	20%	19%	17%	16%	15%
18	33%	20%	19%	17%	16%	15%
19	33%	20%	19%	17%	16%	15%
20	33%	20%	19%	17%	16%	15%
21	33%	20%	19%	17%	16%	15%
22	33%	20%	19%	17%	16%	15%
23	33%	20%	19%	17%	16%	15%
24	33%	20%	19%	17%	16%	15%
25	25%	19%	18%	15%	14%	10%
26	25%	19%	18%	15%	14%	10%
27	25%	19%	18%	15%	14%	10%
28	25%	19%	18%	15%	14%	10%
29	25%	19%	18%	15%	14%	10%
30	22%	18%	17%	14%	12%	5.50%
31	22%	18%	17%	14%	12%	5.50%
32	22%	18%	17%	14%	12%	5.50%
33	22%	18%	17%	14%	12%	5.50%
34	22%	18%	17%	14%	12%	5.50%
35	20%	17%	16%	13%	11%	3.50%
36	20%	17%	16%	13%	11%	3.50%
37	20%	17%	16%	13%	11%	3.50%
38	20%	17%	16%	13%	11%	3.50%
39	20%	17%	16%	13%	11%	3.50%
40	17%	16%	15%	12%	10%	2.50%
41	17%	16%	15%	12%	10%	2.50%

42	17%	16%	15%	12%	10%	2.50%
43	17%	16%	15%	12%	10%	2.50%
44	17%	16%	15%	12%	10%	2.50%
45	16%	15%	14%	11%	8%	2%
46	16%	15%	14%	11%	8%	2%
47	16%	15%	14%	11%	8%	2%
48	16%	15%	14%	11%	8%	2%
49	16%	15%	14%	11%	8%	2%
50	15%	14%	13%	10%	7%	2%
51	15%	14%	13%	10%	7%	2%
52	15%	14%	13%	10%	7%	2%
53	15%	14%	13%	10%	7%	2%
54	15%	14%	13%	10%	7%	2%
55+	0%	0%	0%	0%	0%	0%

Termination:
Former participants in the Cinergy Corp. Union Employees' Pension Plan

Percentage leaving during the year			
Age	Rate	Age	Rate
15	15.00%	40	2.00%
16	15.00%	41	2.00%
17	15.00%	42	2.00%
18	15.00%	43	2.00%
19	15.00%	44	2.00%
20	15.00%	45	2.00%
21	15.00%	46	2.00%
22	15.00%	47	2.00%
23	15.00%	48	2.00%
24	15.00%	49	2.00%
25	10.00%	50	2.00%
26	10.00%	51	2.00%
27	10.00%	52	2.00%
28	10.00%	53	2.00%
29	10.00%	54	2.00%
30	5.50%	55	0.00%
31	5.50%		
32	5.50%		

33	5.50%
34	5.50%
35	3.50%
36	3.50%
37	3.50%
38	3.50%
39	3.50%

For all participants, rates vary by age and service. Representative rates shown below.

Termination:
Former participants in the Progress Energy Pension Plan

Percentage leaving during the year	
Age	Rate
20	8.00%
25	7.40%
30	6.40%
35	5.40%
40	4.55%
45	3.95%
50	3.90%
60	10.40%
65	12.00%
70	12.00%

Disability

The rates at which participants become disabled by age are shown below:

Percentage becoming disabled during the year			
Age	Rate	Age	Rate
15	0.08%	40	0.17%
16	0.08%	41	0.19%
17	0.08%	42	0.20%
18	0.08%	43	0.22%
19	0.08%	44	0.23%
20	0.08%	45	0.25%
21	0.08%	46	0.28%
22	0.08%	47	0.32%
23	0.08%	48	0.35%
24	0.08%	49	0.39%
25	0.08%	50	0.42%

26	0.08%	51	0.49%
27	0.08%	52	0.56%
28	0.08%	53	0.62%
29	0.08%	54	0.69%
30	0.10%	55	0.76%
31	0.11%	56	0.91%
32	0.11%	57	1.06%
33	0.12%	58	1.20%
34	0.12%	59	1.35%
35	0.13%	60+	1.50%
36	0.14%		
37	0.15%		
38	0.15%		
39	0.16%		

Disability:

Representative rates at which participants become disabled by age are shown below:

Former participants in the Progress Energy Pension Plan

Percentage becoming disabled during the year	
Age	Rate
20	0.07%
25	0.08%
30	0.10%
35	0.13%
40	0.22%
45	0.34%
50	0.60%
55	1.16%
60	2.26%

Retirement

Rates varying by age

The rates at which participants retire by age are shown below.

Percentage retiring during the year – Active		
Age	Active Rate	Deferred Rate
55	5%	40%
56	5%	15%
57	5%	15%
58	5%	15%
59	8%	15%
60	8%	20%

61	15%	20%
62	20%	20%
63	15%	20%
64	20%	20%
65	30%	50%
66	20%	25%
67	25%	25%
68	25%	25%
69	25%	25%
70+	100%	100%

Retirement:
Former participants in the Cinergy Corp. Non-Union Employees' Pension Plan

Rates varying by age for terminated vested participants and active Cash Balance participants. Rates varying by age and service for active Traditional and Traditional Choice participants.

Retirement Rates – Active Cash Balance Participants

Age	Rate	Age	Rate
50	4%	65	30%
51	4%	66	20%
52	4%	67	25%
53	4%	68	25%
54	4%	69	25%
55	5%	70+	100%
56	5%		
57	5%		
58	5%		
59	8%		
60	8%		
61	15%		
62	20%		
63	15%		
64	20%		

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Retirement Rates – Traditional and Traditional Choice Participants (Years of Service between 0 and 25)

	Years of Service					
Age	0-19	20	21	22-23	24	25
50	4%	4%	4%	4%	4%	4%
51	4%	4%	4%	4%	4%	4%
52	4%	4%	4%	4%	4%	4%
53	4%	4%	4%	4%	4%	4%
54	4%	4%	4%	4%	4%	4%
55	5%	5%	5%	5%	5%	5%
56	5%	5%	5%	5%	5%	5%
57	5%	5%	5%	5%	5%	5%
58	7%	7%	7%	7%	7%	7%
59	10%	10%	10%	10%	10%	10%
60	10%	10%	10%	10%	10%	25%
61	15%	15%	15%	15%	25%	25%
62	30%	30%	30%	30%	30%	30%
63	20%	20%	20%	20%	20%	20%
64	25%	25%	25%	25%	25%	25%
65	55%	55%	55%	55%	55%	55%
66	25%	25%	25%	25%	25%	25%
67	55%	55%	55%	55%	55%	55%
68	75%	75%	75%	75%	75%	75%
69	75%	75%	75%	75%	75%	75%
70+	100%	100%	100%	100%	100%	100%

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Retirement Rates – Traditional and Traditional Choice Participants (Years of Service between 26 and 30+)					
	Years of Service				
Age	26	27	28	29	30+
50	4%	4%	4%	4%	4%
51	4%	4%	4%	4%	4%
52	4%	4%	4%	4%	4%
53	4%	4%	4%	4%	4%
54	4%	4%	4%	4%	4%
55	5%	5%	5%	5%	25%
56	5%	5%	5%	25%	25%
57	5%	5%	25%	25%	25%
58	7%	25%	25%	25%	25%
59	25%	25%	25%	25%	25%
60	25%	25%	25%	25%	25%
61	30%	30%	30%	30%	25%
62	30%	30%	30%	30%	30%
63	20%	20%	20%	20%	20%
64	25%	25%	25%	25%	25%
65	55%	55%	55%	55%	55%
66	25%	25%	25%	25%	25%
67	55%	55%	55%	55%	55%
68	75%	75%	75%	75%	75%
60	75%	75%	75%	75%	75%
70+	100%	100%	100%	100%	100%

Retirement
Former participants in the Cinergy Corp. Union Employees' Pension Plan

Rates varying by age for terminated vested participants and active Cash Balance participants. Rates varying by age and service for active Traditional participants and active Traditional Choice participants.

Retirement Rates – Active Cash Balance Participants			
Age	Rate	Age	Rate
50	1%	60	10%
51	1%	61	5%
52	1%	62	20%
53	1%	63	15%
54	1%	64	15%

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55	2%	65	75%
56	2%	66	20%
57	5%	67+	100%
58	5%		
59	5%		

Retirement Rates – Traditional Participants and Traditional Choice Participants (Years of Service between 0 and 27)

	Years of Service					
Age	0-22	23	24	25	26	27
50	1%	1%	1%	2%	2%	2%
51	1%	1%	1%	2%	2%	2%
52	1%	1%	1%	2%	2%	2%
53	1%	1%	1%	2%	2%	2%
54	1%	1%	1%	2%	2%	2%
55	2%	2%	2%	5%	5%	5%
56	2%	2%	2%	5%	5%	5%
57	5%	5%	5%	5%	5%	5%
58	5%	5%	5%	5%	5%	15%
59	5%	5%	5%	5%	15%	15%
60	10%	10%	10%	15%	15%	15%
61	5%	5%	15%	15%	15%	15%
62	20%	35%	35%	35%	35%	35%
63	15%	15%	15%	15%	15%	15%
64	15%	15%	15%	15%	15%	15%
65	75%	75%	75%	75%	75%	75%
66	20%	20%	20%	20%	20%	20%
67+	100%	100%	100%	100%	100%	100%

Retirement Rates – Traditional Participants and Traditional Choice Participants (Years of Service between 28 and 30+)

	Years of Service		
Age	28	29	30+
50	2%	2%	2%
51	2%	2%	2%

52	2%	2%	2%
53	2%	2%	2%
54	2%	2%	2%
55	5%	5%	15%
56	5%	10%	10%
57	15%	15%	15%
58	15%	15%	15%
59	15%	15%	15%
60	15%	15%	15%
61	15%	15%	15%
62	35%	35%	35%
63	15%	15%	15%
64	15%	15%	15%
65	75%	75%	75%
66	20%	20%	20%
67+	100%	100%	100%

Retirement:
Former Participants in the Progress Energy Pension Plan

The rates at which participants retire by age are shown below:

Percentage retiring during the year – Active & Deferred

Age	Rate
55	10%
56	10%
57	10%
58	10%
59	10%
60	15%
61	15%
62	25%
63	15%
64	25%
65	35%
66	35%
67	35%

68	35%
69	35%
70+	100%

Benefit commencement date

- Preretirement death benefit: Date of death.
- Deferred vested benefit: 50% of cash balance participants are assumed to commence upon termination of employment and 50% are assumed to defer their commencement until age 65. Annuity participants are assumed to commence at age 57.
- Disability benefit: Normal Retirement Date.
- Retirement benefit: 50% of cash balance participants are assumed to commence upon termination of employment and 50% are assumed to defer their commencement until age 65.

Form of payment

Cash Balance Participants:

100% elect the Lump Sum.

Traditional Plan Participants:
65% of married participants elect the 100% Contingent Annuity.
35% of married participants elect the Single Life Annuity.
100% of single participants elect the Single Life Annuity.

Traditional Choice Participants:
100% elect the Lump Sum.

Certain deferred vested participants do not have a lump sum option available. These participants are assumed to elect at 50% joint and survivor annuity at retirement (beneficiaries are assumed to elect a single life annuity).

Form of payment: *Former Participants in the Progress Energy Pension Plan*

Retirement		
Single Rate	Married Rate	Form of Payment
70%	70%	Lump Sum
30%	0%	Single Life Annuity
0%	30%	50% Joint and Survivor Annuity

Vested Termination		
Single Rate	Married Rate	Form of Payment
75%	75%	Lump Sum
25%	0%	Single Life Annuity
0%	25%	50% Joint and Survivor Annuity

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Disability		
Single Rate	Married Rate	Form of Payment
70%	70%	Lump Sum
30%	0%	Single Life Annuity
0%	30%	50% Joint and Survivor Annuity

Death		
Single Rate	Married Rate	Form of Payment
100%	100%	Lump Sum

Percent married

It is assumed that 85% of males and 85% of females have an eligible spouse.

Percent married: *Former Participants in the Progress Energy Pension Plan*

It is assumed that 80% of males and 80% of females have an eligible spouse

Spouse age

Males are three years older than their spouses.

Spouse age: *Former Participants in the Progress Energy Pension Plan*

Males are two years older than their spouses.

Covered pay

Before 2017

Actual historical pensionable earnings.

2017

2017 pay estimated as the sum of:

- Actual earnings through March 31, 2017 (includes bonus and incentive payments made in the first quarter).
- Expected base pay for the remaining nine months of the year (estimated by using the base pay rate in effect on April 1, 2017).
- Assumed overtime for the remaining nine months of the year.

2018+

Estimated 2017 pay (for projection purposes) is projected forward using the salary scale, where 2017 pay is estimated as the sum of:

- Expected base pay (estimated by using the pay rate in effect on April 1, 2017).
- Assumed overtime.

	▪ Assumed target bonus.
Overtime Assumption *Applies to non-exempt employees only*	The overtime assumption is expressed as a percentage of base pay and varies by pay level: ▪ 12% for those with low base pay (under $50,000) ▪ 24% for those with medium base pay ▪ 28% for those with high base pay (over $67,500)
Vacation Bank *(Former participants in the Cinergy Corp. Non-Union Employees' Pension Plan and Cinergy Corp. Union Employees Pension Plan)*	Final pay is assumed to increase for vacation buy-back based on actual vacation banks accrued to date.

Methods

Valuation date	January 1, 2017.
Funding target	Present value of accrued benefits
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during plan year.
Trust expenses included in target normal cost	Provided by Duke Energy Corporation. $6,725,938 for 2017.
Actuarial value of assets	Smoothed fair market value of assets over the current and prior three months, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value. The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years.

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
Duke Energy Retirement Cash Balance Plan
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Schedule SB, Part V — Statement of Actuarial Assumptions and Methods

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Actuarial method	Standard Unit Credit Cost Method
Benefits not valued	All benefits described in the Plan Provisions section of this report were valued except prior plan benefits and grandfathered benefits for active employees. Based on discussions with Duke Energy Corporation, such benefits are considered to have a de minimis likelihood of being paid and thus are not required to be valued, and will not be valued. Willis Towers Watson has reviewed the plan provisions with Duke Energy Corporation and, based on that review, is not aware of any significant benefits required to be valued that were not.

Assumptions Rationale - Significant Economic Assumptions

A separate memo delivered with this report will serve as documentation of the rationale for these valuation assumptions in accordance with our understanding of Actuarial Standards of Practice Nos. 4, 6, 27 and 35. All assumptions were selected based on information known at the valuation date and on the premises that the plan will continue and that no events will occur in 2017 that would cause Duke Energy to select different assumptions.

Changes in Assumptions and Methods

Change in assumptions and methods since prior valuation	The segment interest rates used to calculate the funding target and target normal cost were updated from an applicable month of September 2015 to September 2016. Rates have been adjusted to reflect HATFA corridors. The required mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvements. The assumed plan-related expenses added to the target normal cost were changed from $6,941,644 for 2016 to $6,725,938 for 2017. The overtime assumption was updated to reflect experience study results conducted in 2016.

SCHEDULE SB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Single-Employer Defined Benefit Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2017

This Form is Open to Public Inspection

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
DUKE ENERGY RETIREMENT CASH BALANCE PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
DUKE ENERGY CORPORATION

D Employer Identification Number (EIN)
20-2777218

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2017

2 Assets:

a Market value	**2a**	7,004,601,756
b Actuarial value	**2b**	7,099,622,541

3 Funding target/participant count breakdown

	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	18,111	2,293,781,848	2,293,781,848
b For terminated vested participants	8,186	758,625,947	758,625,947
c For active participants	19,801	2,530,235,309	2,566,782,730
d Total	46,098	5,582,643,104	5,619,190,525

4 If the plan is in at-risk status, check the box and complete lines (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	5.70%
6 Target normal cost	**6**	123,386,624

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

MM
Signature of actuary

10/4/2018
Date

Monica D Martin MM
Type or print name of actuary

1707271
Most recent enrollment number

Towers Watson Delaware Inc.
Firm name

678-684-0633
Telephone number (including area code)

5 Concourse Parkway, 18th Floor
Atlanta GA 30328
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of Year Carryover and Prefunding Balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	440,487,622	600,727,189
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	440,487,622	600,727,189
10	Interest on line 9 using prior year's actual return of 7.60%	33,477,059	45,655,266
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of 5.89%		0
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	473,964,681	646,382,455

Part III Funding Percentages

14	Funding target attainment percentage	14	106.40%
15	Adjusted funding target attainment percentage	15	126.34%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	115.16%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
01/02/2018	128,000,000	0			

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
4.16 %	5.72 %	6.48%	

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	62

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	**30**	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):		
a Target normal cost (line 6)	**31a**	123,386,624
b Excess assets, if applicable, but not greater than line 31a	**31b**	123,386,624

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	0	0
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	0
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	**34**	0

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement			0

36 Additional cash requirement (line 34 minus line 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	**37**	121,078,800
38 Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	**38a**	121,078,800
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	**38b**	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	**39**	0
40 Unpaid minimum required contributions for all years	**40**	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected	☐ 2 plus 7 years	☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011	

42 Amount of acceleration adjustment	**42**	
43 Excess installment acceleration amount to be carried over to future plan years	**43**	

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
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Schedule SB, Line 22 - Description of Weighted Average Retirement Age

See Schedule SB, Part V Statement of Actuarial Assumptions / Methods for retirement rates. The average retirement age for Line 22 was calculated by determining the average age at retirement for those current active participants expected to reach retirement, based on all current decrements assumed.

Sample Calculation of Retirement Age for Legacy Duke Active Participants

Retirement Age (1)	*Assumed Rate (2)*	*Participants At Beginning (3)*	*Participants Retiring: (2)x(3) (4)*	*(1)*(4) (5)*
55	0.0500	1,000.00	50.00	2,750.00
56	0.0500	950.00	47.50	2,660.00
57	0.0500	902.50	45.13	2,572.13
58	0.0500	857.38	42.87	2,486.39
59	0.0800	814.51	65.16	3,844.47
60	0.0800	749.35	59.95	3,596.86
61	0.1500	689.40	103.41	6,307.99
62	0.2000	585.99	117.20	7,266.26
63	0.1500	468.79	70.32	4,430.07
64	0.2000	398.47	79.69	5,100.44
65	0.3000	318.78	95.63	6,216.16
66	0.2000	223.14	44.63	2,945.51
67	0.2500	178.52	44.63	2,990.13
68	0.2500	133.89	33.47	2,276.07
69	0.2500	100.41	25.10	1,732.16
70	1.0000	75.31	75.31	5,271.79
			1,000.00	62,446.43

62,446.43 / 1,000 = 62.45

Sample Calculation of Retirement Age for Active Cash Balance Participants
Former participants in the Cinergy Corp. Non-Union Employees' Pension Plan (NONU)

Retirement Age (1)	Assumed Rate (2)	Participants At Beginning (3)	Participants Retiring: (2)x(3) (4)	(1)*(4) (5)
50	0.0400	1,000.00	40.00	2,000.00
51	0.0400	960.00	38.40	1,958.40
52	0.0400	921.60	36.86	1,916.93
53	0.0400	884.74	35.39	1,875.64
54	0.0400	849.35	33.97	1,834.59
55	0.0500	815.37	40.77	2,242.27
56	0.0500	774.60	38.73	2,168.89
57	0.0500	735.87	36.79	2,097.24
58	0.0500	699.08	34.95	2,027.33
59	0.0800	664.13	53.13	3,134.68
60	0.0800	611.00	48.88	2,932.78
61	0.1500	562.12	84.32	5,143.36
62	0.2000	477.80	95.56	5,924.71
63	0.1500	382.24	57.34	3,612.16
64	0.2000	324.90	64.98	4,158.76
65	0.3000	259.92	77.98	5,068.49
66	0.2000	181.95	36.39	2,401.68
67	0.2500	145.56	36.39	2,438.07
68	0.2500	109.17	27.29	1,855.85
69	0.2500	81.88	20.47	1,412.35
70	1.0000	61.41	61.41	4,298.47
			1,000.00	60,502.67

60,502.67 / 1,000 = 60.50

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
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Schedule SB, Line 22 - Description of Weighted Average Retirement Age

Sample Calculation of Retirement Age for Active Traditional Participants

Former participants in the Cinergy Corp. Non-Union Employees' Pension Plan (NONU)

Retirement Age (1)	Assumed Rate (2)	Participants At Beginning (3)	Participants Retiring: (2)x(3) (4)	(1)*(4) (5)
50	0.0400	1,000.00	40.00	2,000.00
51	0.0400	960.00	38.40	1,958.40
52	0.0400	921.60	36.86	1,916.93
53	0.0400	884.74	35.39	1,875.64
54	0.0400	849.35	33.97	1,834.59
55	0.0500	815.37	40.77	2,242.27
56	0.0500	774.60	38.73	2,168.89
57	0.0500	735.87	36.79	2,097.24
58	0.0700	699.08	48.94	2,838.27
59	0.1000	650.14	65.01	3,835.85
60	0.1000	585.13	58.51	3,510.78
61	0.1500	526.62	78.99	4,818.55
62	0.3000	447.62	134.29	8,325.82
63	0.2000	313.34	62.67	3,948.05
64	0.2500	250.67	62.67	4,010.72
65	0.5500	188.00	103.40	6,721.08
66	0.2500	84.60	21.15	1,395.92
67	0.5500	63.45	34.90	2,338.16
68	0.7500	28.55	21.41	1,456.20
69	0.7500	7.14	5.35	369.40
70	1.0000	1.78	1.78	124.92
			1000.00	59,787.67

59,787.67 / 1,000 = 59.79

Sample Calculation of Retirement Age for Active Traditional Participants

Former participants in the Cinergy Corp. Union Employees' Pension Plan (PSIU)

Retirement Age (1)	Assumed Rate (2)	Participants At Beginning (3)	Participants Retiring: (2)x(3) (4)	(1)*(4) (5)
50	0.0100	1,000.00	10.00	500.00
51	0.0100	990.00	9.90	504.90
52	0.0100	980.10	9.80	509.60
53	0.0100	970.30	9.70	514.10
54	0.0100	960.60	9.61	518.94
55	0.0200	950.99	19.02	1,046.10
56	0.0200	931.97	18.64	1,043.84
57	0.0500	913.33	45.67	2,603.19
58	0.0500	867.66	43.38	2,516.04
59	0.0500	824.28	41.21	2,431.39
60	0.1000	783.07	78.31	4,698.60
61	0.0500	704.76	35.24	2,149.64
62	0.2000	669.52	133.90	8,301.80
63	0.1500	535.62	80.34	5,061.42
64	0.1500	455.28	68.29	4,370.56
65	0.7500	386.99	290.24	18,865.60
66	0.2000	96.75	19.35	1,277.10
67	1.0000	77.40	77.40	5,185.80
			1,000.00	62,098.62

62,098.62 / 1,000 = 62.10

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
Duke Energy Retirement Cash Balance Plan
EIN 20-2777218 PN 001
Schedule SB, Line 22 - Description of Weighted Average Retirement Age

Sample Calculation of Retirement Age for Participants

Former participants in the Progress Energy Pension Plan (PEPP)

Retirement Age (1)	Assumed Rate (2)	Participants At Beginning (3)	Participants Retiring: (2)x(3) (4)	(1)*(4) (5)
55	0.1000	1,000.00	100.00	5,500.00
56	0.1000	900.00	90.00	5,040.00
57	0.1000	810.00	81.00	4,617.00
58	0.1000	729.00	72.90	4,228.20
59	0.1000	656.10	65.61	3,870.99
60	0.1500	590.49	88.57	5,314.20
61	0.1500	501.92	75.29	4,592.69
62	0.2500	426.63	106.66	6,612.92
63	0.1500	319.97	48.00	3,024.00
64	0.2500	271.97	67.99	4,351.36
65	0.3500	203.98	71.39	4,640.35
66	0.3500	132.59	46.41	3,063.06
67	0.3500	86.18	30.16	2,020.72
68	0.3500	56.02	19.61	1,333.48
69	0.3500	36.41	12.74	879.06
70	1.0000	23.67	23.67	1,656.90
			1,000.00	60,744.93

60,744.93 / 1,000 = 60.74

All Groups

Group	Number of Active Participants	Retirement Age
RCBP Participants*	10,086	62.45
NONU Cash Balance Participants	543	60.50
NONU Traditional Participants	1,096	59.79
PSIU Participants	1,145	62.10
PEPP Participants	6,931	60.74
Total	19,801	
Average Age		61.63
Rounded for Schedule SB Item 22		62

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
Duke Energy Retirement Cash Balance Plan

EIN: 20-2777218/PN: 001

Schedule SB, Part V — Summary of plan provisions

Plan Provisions

The Duke Energy Retirement Cash Balance Plan was restated effective January 1, 2016, and last amended December 16, 2016 (Amendment 2). Effective December 31, 2012, the Cinergy Corp. Non-Union Employees' Pension Plan and the Cinergy Corp. Union Employees' Pension Plan were merged into the Duke Energy Retirement Cash Balance Plan. Effective December 31, 2015 the Progress Energy Pension plan was merged into the Duke Energy Retirement Cash Balance Plan.

Provisions applicable to participants in the Duke Energy Retirement Cash Balance Plan - Prior to merger of legacy Cinergy Corp. Non-Union Employees' Pension Plan, Cinergy Corp. Union Employees' Pension Plan, and Progress Energy Pension Plan.

Participation

Eligible Employees	Includes: ▪ Legacy Duke employees who are not covered by a collective bargaining agreement ▪ IBEW Local 962, IBEW Local 962-T employees and USW Local 7202 (Nantahala) employees ▪ Legacy Cinergy employees (hired after July 1, 2008) who are not covered by a collective bargaining agreement ▪ Legacy Progress employees who are not covered by a collective bargaining agreement Leased employees are not eligible for the plan. Non-union and USW Local 7202 (Nantahala) employees hired on or after January 1, 2014 are not eligible to participate in the plan. If a non-union or USW Local 7202 (Nantahala) employee terminates employment and is rehired after December 31, 2013, the employee will continue to receive interest credits on any undistributed cash balance account, but will not receive pay credits following rehire. IBEW Local 962 and IBEW Local 962-T employees hired on or after April 1, 2015 are not eligible to participate in the plan. If an IBEW Local 962 or IBEW Local 962-T employee terminates employment and is rehired after March 31, 2015, the employee will continue to receive interest credits on any undistributed cash balance account, but will not receive pay credits following rehire.
Participation Date	Legacy Duke employees and covered legacy Cinergy employees participate at the later of hire or age 18.

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
Duke Energy Retirement Cash Balance Plan

EIN: 20-2777218/PN: 001

Schedule SB, Part V — Summary of plan provisions

Definitions

Vesting Service	A participant receives vesting service from the later of date of hire and the participant's 18th birthday. Prior to January 1, 1999, vesting service was credited by counting actual hours of employment. Beginning January 1, 1999, vesting service is credited based on elapsed time. If an employee terminates and is rehired within twelve months, the period of severance will be included in his vesting service.
Plan Year	January 1 to December 31.
Compensation	Box 1 W-2 pay plus §401(k), §125 and §132(f) deferrals plus pre-tax deferrals under Duke Energy Corporation Executive Savings Plan less severance pay, certain expenses, bonuses for performance periods exceeding a year, and long term incentives (including stock based awards). Excludes military leave pay from eligible earnings.
Normal Retirement Age	Age 65.

Eligibility for Benefits

Normal Retirement	Retirement at normal retirement age.
Early Retirement	A former Duke participant is eligible for early retirement after attaining age 55 and completing three years of vesting service (five years of service before January 1, 2007) or, for participants employed before January 1, 1997, attaining age 51 and completing 30 years of creditable service. A former Duke Power participant who terminated before January 1, 1997 is eligible for early retirement after attaining age 55 and completing ten years of creditable service, or attaining age 51 and completing 30 years of creditable service. This eligibility definition also applies to the frozen legacy Duke Power Final Average Pay benefits for participants who terminate on or after January 1, 1997. A former Nantahala salaried employee who became a participant of the Nantahala prior plan on or before 12/31/1998 is eligible for early retirement after completing 30 years of service.
Postponed Retirement	Retirement after normal retirement age.
Vested Retirement	At least three years of vesting service (five years of service before January 1, 2007).
Disability	Participants are immediately vested upon disability.
Preretirement Death Benefit	Participants are immediately vested upon death.

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
Duke Energy Retirement Cash Balance Plan

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Schedule SB, Part V — Summary of plan provisions

Benefits Paid Upon the Following Events

Normal Retirement

The retirement benefit is based on the opening account balance calculated for Duke as of January 1, 1997 and for PanEnergy/Nantahala, as of January 1, 1999. Thereafter, the account is increased monthly through the addition of contribution credits and an interest adjustment.

The contribution credit percentage is determined by points credited to the participant monthly, as follows:

Contribution Credit Percentage by Points at Beginning of Year

Points	Contribution Credit Percentage
<35	4%, plus 4% of pay over Social Security Wage Base
35-49	5%, plus 4% of pay over Social Security Wage Base
50-64	6%, plus 4% of pay over Social Security Wage Base
>64	7%, plus 4% of pay over Social Security Wage Base

A participant's points as of any January 1 (or date of participation) equal the sum of the attained age and creditable service on such date, with the sum truncated to drop less than full points.

The monthly interest adjustment is a percentage increase in the account balance. For balances accrued through December 31, 2012 for non-union employees, through December 31, 2013 for USW Local 7202 (Nantahala) employees, and through March 31, 2015 for IBEW Local 962 and IBEW Local 962-T employees, the rate of monthly increase is the average yield on 30-year Treasury bonds for the end of the third full business week of the month prior to the beginning of the calendar quarter in which the particular month occurs, subject to a minimum of 4% and a maximum of 9%. For non-union pay credits accrued on or after January 1, 2013, USW Local 7202 (Nantahala) pay credits accrued on or after January 1, 2014, and IBEW Local 962 and IBEW Local 962-T pay credits accrued on or after April 1, 2015, the rate of monthly interest credit is fixed based on an annual percentage rate of 4%.

Benefit is based on the greater of the account balance accrued to date and prior plan benefit.

Postponed Retirement

Benefit is based on the greater of the account balance accrued to date and prior plan benefit.

Vested Retirement

Benefit is based on the greater of the account balance accrued to date and prior plan benefit with at least 3 years of vesting service.

Disablement	Upon disability, a participant will continue to earn pay credits based on pre-disability income. These credits will continue until the earlier of age 65, early retirement, or ineligibility. For non-union and USW Local 7202 (Nantahala) participants as of January 1, 2014, disability occurring on or after July 1, 2014, pay credits will cease upon disability. For IBEW Local 962 and IBEW Local 962-T participants as of April 1, 2015, disability occurring on or after October 1, 2015, pay credits will cease upon disability.
Preretirement Death	The surviving spouse may elect to take the benefit immediately in the form of a lump sum, take the benefit immediately as a single life annuity or defer the benefit to a later date, but no later than April 1 following the year in which the participant would have attained age 70-1/2. The beneficiary of a single participant who dies must receive the benefit immediately as a lump sum. The benefit is based on the account balance at date of death.

Other Plan Provisions

Forms of Payment	Single Life Annuity (normal form for single participants). 100% Joint and Survivor Annuity (normal form for married participants). 50% Joint and Survivor Annuity. Lump Sum Payment. Prior plan options grandfathered for participants prior to January 1, 1999.
Actuarial Equivalence	
Conversion of Cash Balance Account to Single Life Annuity	Mortality and interest prescribed under §417(e). Look back month is August prior to the beginning of the plan year.
Conversion of Cash Balance Single Life Annuity to Optional Forms other than Lump Sum	Mortality and interest prescribed under §417(e). Look back month is August prior to the beginning of the plan year.
Pension Increases	None.
Plan Participants' Contributions	None required or allowed.
Minimum Benefit	A participant, who was actively employed immediately before the effective date of the cash balance plan, receives the greater of the cash balance account or the actuarial value of the prior plan protected benefit.

Maximum On Benefits and Pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Provisions applicable to Former Participants in the Cinergy Corp. Non-Union Employees' Pension Plan

Participation

Eligible Employees	Legacy Cinergy employees hired before July 1, 2008 (other than leased employees and legacy Duke employees) not covered by a collective bargaining agreement. For former Trigen-Cinergy Solutions of Rochester LLC Pension Plan ("TCSR plan") participants, the date is December 31, 2008. Effective July 1, 2008 no new hires will enter this section. For former TCSR participants, the date is December 31, 2008. Effective December 31, 2009, the TCSR plan was merged into this plan. If an employee terminates employment and is rehired after December 31, 2013, the employee will continue to receive interest credits on any undistributed cash balance account, but will not receive pay credits following rehire.
Participation Date	Later of Employment Commencement Date, or age 18. For former TCSR participants, the later of January 1, 2000, Employment Commencement Date, or age 18.

Definitions

Service	Employees (other than intermittent or temporary employees) generally earn one month of Service for each calendar month in which he/she is credited with at least one hour of service. Service for this purpose is determined from original date of hire. Other rules may apply prior to January 1, 1998.
Earnings	Generally equal to total salary or wages, including overtime and bonuses, before any reductions under §401(k), §125 and §132(f), but exclusive of any Company contributions to employee benefit plans and additional remuneration or expense reimbursement. Compensation considered for benefit purposes is limited based upon the provision of the IRC Section 401(a)(17).
Highest Average Earnings	Highest Average Annual Earnings for any three consecutive calendar years during the last 10 years of Participation, increased by average annual Accrued Vacation Pay, if applicable.

Covered Compensation	35-year average of Social Security Wage Bases based on Year-of-Birth Table.
Participation	Employees (other than intermittent or temporary employees) generally earn one month of Participation for each calendar month in which he/she is a participant in the Plan and is credited with at least one hour of service. Other rules may apply prior to January 1, 1998.
Normal Retirement Age	Age 65.

Eligibility for Benefits

Normal Retirement	Retirement at normal retirement age.
Early Retirement	Age 50 and three years of service. (Five years of service prior to January 1, 2007).
Postponed Retirement	Retirement after normal retirement age.
Vested Termination	Three years of service. (Five years of service prior to January 1, 2007.)
Disability	Participants are immediately vested upon disability. (Five years of service were required prior to January 1, 2007.)
Preretirement Death Benefit	
Traditional Program	Married participants. (Five years of service prior to January 1, 2007.)
Cash Balance Program	All participants are immediately vested upon death, and the benefit will be paid to the spouse, beneficiary, or estate.

Benefits Paid Upon the Following Events

Normal Retirement	Participant's retirement formula is either based on a final average pay formula ("Traditional Program"), a cash balance plan account ("Cash Balance Program"), or a combination of both. Former TCSR plan participants were moved to the Duke cash balance formula effective January 1, 2010. These participants will have their December 31, 2009 final average pay benefit indexed with pay and will be able to elect to receive their final average pay benefit as a lump sum. These participants are included as part of the Traditional Choice group in the descriptions provided in this report. Effective January 1, 2017, Traditional Choice participants had have their final average pay frozen as of December 31, 2016. In 2007, Traditional Plan participants were given the choice to stay in the Traditional Program and continue to accrue benefits or to enter the Duke Cash Balance Program with a $0 opening

account balance and a soft freeze (frozen credited service and increasing final average pay) on their Traditional Benefit effective April 1, 2007. Participants who chose to enter the Duke Cash Balance Program were deemed Traditional Choice participants. Effective January 1, 2011, all remaining Traditional Plan participants were automatically moved to the Duke Cash Balance Program for future accruals with a hard freeze on their Traditional Program benefit.

Effective January 1, 2007, the plan was amended to adopt the Duke Energy Corporation cash balance formula for new hires and for active Cinergy employees previously in the Balanced and Investor Programs. Certain prior accrued benefits are guaranteed as minimum benefits.

Employees commencing participation after January 1, 2003 and before January 1, 2007 were given the choice between the Balanced and Investor Programs. On January 1, 2003 the plan was amended to allow all existing participants a one-time choice between the Traditional Program, the Balanced Program, and the Investor Program.

Duke Energy Corporation Cash Balance Formula

A cash balance benefit with monthly pay credits based on the following schedule:

Pay Credit by Points for Duke Energy Corporation Cash Balance Formula

Points	Contribution Credit Percentage
<35	4%, plus 4% of pay over Social Security Wage Base
35-49	5%, plus 4% of pay over Social Security Wage Base
50-64	6%, plus 4% of pay over Social Security Wage Base
>64	7%, plus 4% of pay over Social Security Wage Base

A participant's points as of any January 1 (or date of participation) equal the sum of the attained age and creditable service on such date, with the sum truncated to drop less than full points.

The monthly interest adjustment is a percentage increase in the account balance. For balances accrued through December 31, 2012, the rate of monthly increase is the average yield on 30-year Treasury bonds for the end of the third full business week of the month prior to the beginning of the calendar quarter in which the particular month occurs, subject to a minimum of 4% and a

	maximum of 9%. For pay credits accrued on or after January 1, 2013, the rate of monthly interest credit is fixed based on an annual percentage rate of 4%.
Traditional Program	Effective January 1, 2007 (December 19, 2007 for former TCSR participants), the plan was amended to adopt a minimum benefit formula on benefit accruals beginning January 1, 2005. The benefit is the greater of Formula A or Formula B. Formula A: 1.10% of FAP plus 0.50% of FAP in excess of Covered Compensation multiplied by service (maximum 35 years); plus 1.55% of FAP multiplied by service over 35 years. Formula B: Lesser of 1.12% of FAP plus 0.50% of FAP in excess of Covered Compensation multiplied by service (maximum 35 years) or 1.163% of FAP multiplied by service (maximum 35 years); plus 1.492% of FAP multiplied by service over 35 years.
Early Retirement	
Traditional Program	A monthly benefit equal to the Normal Retirement benefit based on Years of Participation and Highest 3-Year Average Earnings at the date of termination. If payments begin before age 62, the payments are reduced by 6.67% per year for the first five years, 3.33% per year for the next four years, and by varying percentages thereafter. No reductions apply if a participant attains age 55 and, as of his termination date, the sum of his age (in whole years) and service (in whole years) equals or exceeds 85.
Cash Balance Program	Participants are always entitled to their entire vested cash balance at termination or retirement.
Postponed Retirement	Monthly pension benefit determined as of actual retirement date.
Vested Termination	
Traditional Program	A monthly benefit equal to the Normal Retirement benefit based on Highest Average Earnings and years of Participation at the date of termination. Payments may begin after the eligibility requirements for Early Retirement have been satisfied. Vested Termination benefits that begin before Normal Retirement will be reduced 5% per year from age 65. Traditional Choice participants can receive this benefit as a lump sum any time after separation from the company.
Cash Balance Program	Participants are always entitled to their entire vested cash balance at termination or retirement.
Disability	
Traditional Program	Normal Retirement benefit based on Highest Average Earnings at the date of disability and years of Participation at the date of retirement. Payments may begin after the eligibility requirements

	for Early Retirement have been satisfied. Disability benefits that begin before Normal Retirement will be reduced using the same reductions used for Early Retirement. Traditional Choice participants can receive this benefit as a lump sum any time after separation from the company. Traditional only participants and Traditional A+B participants with a hard freeze on their Traditional Program benefit do not have the option of a lump sum on their Traditional benefit.
Cash Balance Program	Upon disability, a participant will continue to earn pay credits based on pre-disability income. These credits will continue until the earlier of age 65, early retirement or ineligibility. For non-union employees, disability occurring on or after July 1, 2014, pay credits will cease upon disability.
Preretirement Death	
Traditional Program	Under age 50: 100% of Normal Retirement benefit as of the participant's date of death, reduced actuarially for 100% Contingent Annuitant option, and reduced for payment at the participant's earliest retirement eligibility. This benefit can be paid immediately as a lump sum for Traditional Choice participants. Age 50 and older: 100% of Normal Retirement benefit as of the participant's date of death, payable immediately, reduced as applicable for early payment.
Cash Balance Program	The participant's beneficiary is entitled to the entire vested cash balance upon the participant's death.

Other Plan Provisions

Normal Form of Annuity	
Without Spouse	Life Annuity.
Cash Balance Participants with Spouse	100% Joint and Survivor Annuity.
Traditional Participants with Spouse	Contingent Annuitant option actuarially equivalent to the retirement benefit payable for employee's lifetime. Participant receives reduced lifetime benefit and, in event of participant's death, 100% of reduced benefit continued to surviving spouse. If spouse dies before participant, benefit increases to life annuity value. This "pop-up" is free.
Optional Forms of Annuity	Employees hired after December 31, 2006: Life Annuity; Lump Sum; Contingent Annuitant (50% or 100%). Traditional Program Participants and Cash Balance participants who were participants as of December 31, 2006: Life Annuity; Contingent Annuitant with "pop-up" (50%, 66 2/3% or 100%); 10-year Certain and Life; Life Annuity Level Income Option; 100%

	Contingent Annuitant Level Income Option with pop-up; Lump Sum (Cash Balance Program and Traditional Choice Program).
Cash Balance Actuarial Equivalence	*Used to convert Cash Balance Account to a Single Life Annuity.*
Mortality	Applicable mortality under IRC Section 417(e).
Interest	Applicable interest under IRC Section 417(e). Look back month is August prior to the beginning of the Plan Year during which the Annuity Starting Date falls.
Actuarial Equivalence	*Used to convert Single Life Annuity to other optional forms*
Mortality	Applicable mortality under IRC Section 417(e).
Interest	Applicable interest under IRC Section 417(e). Look back month is August prior to the beginning of the Plan Year during which the Annuity Starting Date falls.
Pension Increases	None.
Plan Participants' Contributions	None required or allowed.
Maximum on Benefits and Pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Provisions applicable to Former Participants in the Cinergy Corp. Union Employees' Pension Plan

Participation

Eligible Employees	Legacy Cinergy employees (other than leased employees) covered by the IBEW Local 1393 collective bargaining agreement. Employees hired on or after January 1, 2016 are not eligible to participate in the plan. If an employee terminates employment and is rehired after December 31, 2015, the employee will continue to receive interest credits on any undistributed cash balance account, but will not receive pay credits following rehire.
Participation Date	Later of Employment Commencement Date, or age 18.

Definitions

Service	Employees (other than intermittent or temporary employees) generally earn one month of Service for each calendar month in which he/she is a participant in the Plan and is credited with at

	least one hour of service. Other rules may apply prior to January 1, 1998.
Earnings	Generally equal to total salary or wages, including overtime and bonuses, before any reductions under §401(k), §125 and §132(f), but exclusive of any Company contributions to employee benefit plans and additional remuneration or expense reimbursement. Compensation considered for benefit purposes is limited based upon the provision of the IRC Section 401(a)(17).
Highest Average Earnings	Highest Average Annual Earnings for any three consecutive calendar years during the last 10 years of Participation, increased by average annual Accrued Vacation Pay, if applicable.
Covered Compensation	35-year average of Social Security Wage Bases based on Year-of-Birth Table.
Participation	Employees (other than intermittent or temporary employees) generally earn one month of Participation for each calendar month in which he/she is a participant in the Plan and is credited with at least one hour of service. Other rules may apply prior to January 1, 1998.
Normal Retirement Age	Age 65.

Eligibility for Benefits

Normal Retirement	Retirement at normal retirement age.
Early Retirement	Age 50 and three years of service. (Five years of service prior to January 1, 2007).
Postponed Retirement	Retirement after normal retirement age.
Vested Termination	Three years of service. (Five years of service prior to January 1, 2007.)
Disability	Participants are immediately vested upon disability. (Five years of service were required prior to January 1, 2007.)
Preretirement Death Benefit	
Traditional Program	Married participants. (Five years of service prior to January 1, 2007.)
Cash Balance Program	All participants are immediately vested upon death and the benefit will be paid to the spouse, beneficiary, or estate.

Benefits Paid Upon the Following Events

Normal Retirement	Participant's retirement formula is either based on a final average pay formula ("Traditional Program"), a cash balance plan account ("Cash Balance Program"), or a combination of both ("Traditional Choice" or "Traditional Frozen").

On January 1, 2011, active IBEW 1393 participants in the Balanced and Investor Cash Balance Programs were moved to the Duke Energy Cash Balance Program. Traditional Program participants were given the choice to stay in the Traditional Program and continue to accrue benefits or to enter the Duke Energy Cash Balance Program with a $0 opening account balance and a soft freeze (frozen credited service and increasing final average pay) on their Traditional Benefit, effective January 1, 2011. These participants are included as part of the Traditional Choice group in the descriptions provided in this report.

Effective January 1, 2015, participants who elected to stay in the Traditional Program in 2011 whose age plus service is less than 75 will automatically be moved into the Cash Balance Program with a hard freeze on their Traditional Benefit. These participants are included as part of the Traditional Frozen group in the descriptions provided in this report.

Duke Cash Balance Formula

A cash balance benefit with monthly pay credits based on the following schedule:

Pay Credit by Points for Duke Energy Corporation Cash Balance Formula

Points	Contribution Credit Percentage
<35	4%, plus 4% of pay over Social Security Wage Base
35-49	5%, plus 4% of pay over Social Security Wage Base
50-64	6%, plus 4% of pay over Social Security Wage Base
>64	7%, plus 4% of pay over Social Security Wage Base

A participant's points as of any January 1 (or date of participation) equal the sum of the attained age and creditable service on such date, with the sum truncated to drop less than full points.

The monthly interest adjustment is a percentage increase in the account balance. For balances accrued through December 31, 2015, the rate of monthly increase is the average yield on 30-year Treasury bonds for the end of the third full business week of the month prior to the beginning of the calendar quarter in which the particular month occurs, subject to a minimum of 4% and a maximum of 9%.

For pay credits accrued on or after January 1, 2016 the rate of monthly interest credit is fixed based on an annual percentage rate of 4%.

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Duke Energy Retirement Cash Balance Plan

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Schedule SB, Part V — Summary of plan provisions

Traditional Program	Effective January 1, 2007, the plan was amended to adopt a minimum benefit formula on benefit accruals beginning January 1, 2005. The benefit is the greater of Formula A or Formula B. Formula A: 1.10% of FAP plus 0.50% of FAP in excess of Covered Compensation multiplied by service (maximum 35 years); plus 1.55% of FAP multiplied by service over 35 years. Formula B: Lesser of 1.12% of FAP plus 0.50% of FAP in excess of Covered Compensation multiplied by service (maximum 35 years) or 1.163% of FAP multiplied by service (maximum 35 years); plus 1.492% of FAP multiplied by service over 35 years.
Early Retirement	
Traditional Program	A monthly benefit equal to the Normal Retirement benefit based on Years of Participation and Highest 3-Year Average Earnings at the date of termination. If payments begin before age 62, the payments are reduced by 6.67% per year for the first five years, 3.33% per year for the next four years, and by varying percentages thereafter. No reductions apply if a participant attains age 55 and, as of his termination date, the sum of his age (in whole years) and service (in whole years) equals or exceeds 85
Cash Balance Program	Participants are always entitled to their entire vested cash balance at termination or retirement.
Postponed Retirement	Monthly pension benefit determined as of actual retirement date.
Vested Termination	
Traditional Program	A monthly benefit equal to the Normal Retirement benefit based on Highest Average Earnings and years of Participation at the date of termination. Payments may begin after the eligibility requirements for Early Retirement have been satisfied. Vested Termination benefits that begin before Normal Retirement will be reduced 5% per year from age 65. Traditional Choice participants can receive this benefit as a lump sum any time after separation from the company.
Cash Balance Program	Participants are always entitled to their entire vested cash balance at termination or retirement.
Disability	
Traditional Program	Normal Retirement benefit based on Highest Average Earnings at the date of disability and years of Participation at the date of retirement. Payments may begin after the eligibility requirements for Early Retirement have been satisfied. Disability benefits that begin before Normal Retirement will be reduced using the same reductions used for Early Retirement.

Cash Balance Program	Upon disability, a participant will continue to earn pay credits based on pre-disability income. These credits will continue until the earlier of age 65, early retirement, or ineligibility. For disabilities occurring on or after July 1, 2016 pay credits will cease upon disability. Participants are always entitled to their entire vested cash balance upon disability.

Preretirement Death

Traditional Program	Under age 50: 100% of Normal Retirement benefit as of the participant's date of death, reduced actuarially for 100% Contingent Annuitant option, and reduced for payment at the participant's earliest retirement eligibility. Traditional Choice participants can receive this benefit as a lump sum any time after separation from the company. Age 50 and older: 100% of Normal Retirement benefit as of the participant's date of death, payable immediately, reduced as applicable for early payment.
Cash Balance Program	The participant's beneficiary is entitled to the entire vested cash balance upon the participant's death.

Other Plan Provisions

Normal Form of Annuity

Without Spouse	Life Annuity.
Cash Balance Participants with Spouse	100% Contingent Annuitant option.
Traditional Participants with Spouse	100% Contingent Annuitant option actuarially equivalent to the retirement benefit payable for employee's lifetime. Participant receives reduced lifetime benefit and, in event of participant's death, 100% of reduced benefit continued to surviving spouse. If spouse dies before participant, benefit increases to life annuity value. This "pop-up" is free.
Optional Forms of Annuity	Employees hired after January 1, 2011: Life Annuity; Lump Sum; Contingent Annuitant (50% or 100%). Employees hired before January 1, 2011: Life Annuity; Contingent Annuitant with "pop-up" (50%, 66 2/3% or 100%); 10-year Certain and Life; Life Annuity Level Income Option; 100% Contingent Annuitant Level Income Option with pop-up. A Lump Sum option is available on the Cash Balance program benefits for all participants. A Lump Sum option is available on the Traditional Program benefit for Traditional Choice

	participants. Traditional Frozen participants are not eligible for a Lump Sum on their Traditional Program benefit.
Cash Balance Actuarial Equivalence	*Used to convert Cash Balance Account to a Single Life Annuity.*
Mortality	Applicable mortality under IRC Section 417(e).
Interest	Applicable interest under IRC Section 417(e). Look back month is August prior to the beginning of the Plan Year during which the Annuity Starting Date falls.
Actuarial Equivalence	*Used to convert Single Life Annuity to other optional forms*
Mortality	Applicable mortality under IRC Section 417(e).
Interest	Applicable interest under IRC Section 417(e). Look back month is August prior to the beginning of the Plan Year during which the Annuity Starting Date falls.
Pension Increases	None.
Plan Participants' Contributions	None required or allowed.
Maximum on Benefits and Pay	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Provisions applicable to Former Participants in the Progress Energy Pension Plan

Participation

Eligible Employees	Legacy Progress Energy Employees not covered by a collective bargaining agreement. Leased employees are not eligible for the plan. Employees of North Carolina Natural Gas Corporation ("NCNG") automatically became members as of January 1, 2000. Non-union employees of Florida Progress automatically became members as of January 1, 2002. Employees hired on or after January 1, 2014 are not eligible to participate in this section of the plan. From January 1, 2014 through December 31, 2015, participants in the Retirement Plan for Bargaining Unit Employees of Florida Progress Corporation are eligible to transfer into the plan and become a participant.
Participation Date	Employees participate immediately after completing one hour of service (effective January 1, 2014).

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Duke Energy Retirement Cash Balance Plan

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Schedule SB, Part V — Summary of plan provisions

Definitions

Vesting Service	A participant receives vesting service from the later of date of hire and the participant's 18th birthday. Employees of NCNG who were sold to Piedmont Natural Gas Corporation were fully vested as of December 31, 1999. If an employee terminates and is rehired within twelve months, the period of severance will be included in his vesting service.
Benefit Service	A participant receives benefit service from the later of date of hire and the participant's 18th birthday.
Plan Year	January 1 to December 31
Compensation	Effective January 1, 2014, Box 1 W-2 pay plus §401(k), §125 and §132(f) deferrals plus pre-tax deferrals under Duke Energy Corporation Executive Savings Plan less severance pay, certain expenses, bonuses for performance periods exceeding a year, and long term incentives (including stock based awards). Compensation prior to 2014 is base pay.
Normal Retirement Age	Age 65

Eligibility for Benefits

Normal Retirement	Retirement at normal retirement age
Early Retirement	Cash Balance: Age 55 and completing three years of vesting service CP&L Final Average Pay (FAP): Age 55 and completing 15 years of vesting service, or completed 35 years of vesting service regardless of age NCNG FAP: Age 55 and completing 20 years of vesting service Florida Progress FAP: Age 55 and completing 15 years of vesting service
Postponed Retirement	Retirement after normal retirement age
Vested Retirement	Cash Balance: At least three years of vesting service. Eligible for early commencement upon termination. CP&L FAP: At least five years of vesting service (vesting changed to 5 years 10-1-1987). Eligible for early commencement at 55 with at least 15 years of vesting service. NCNG FAP: At least five years of vesting service. Eligible for early commencement at age 55 if at least 20 years of vesting service. Florida Progress FAP: At least five years of vesting service. Eligible for early commencement at age 55.
Disability	Participants are vested immediately upon eligibility for Social Security Disability, Duke Energy Disability Plan benefits, or benefits of another Long-Term Disability plan maintained by Duke Energy.
Preretirement Death Benefit	Participants are vested immediately upon death.

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Schedule SB, Part V — Summary of plan provisions

Benefits Paid Upon the Following Events

Normal Retirement

For CP&L employees, the retirement benefit is the greater of (A) the cash balance based on the opening account balance calculated for Progress Energy as of January 1, 1999, and (B) the frozen final average pay formula pension.

For Florida Progress and NCNG employees, the retirement benefit is equal to the sum of (A) the cash balance account and (B) a frozen final average pay formula pension prior to the cash balance conversion (January 1, 2000 for NCNG and January 1, 2002 for Florida Progress).

Effective January 1, 2014, the cash balance ("A") account consists of two subaccounts:

1. Portion of cash balance attributable to pay credits earned prior to December 31, 2013, which will increase with interest on an annual basis.
2. Second subaccount established January 1, 2014 for future pay and interest credits, which will be applied on a monthly basis according to the Duke Energy Cash Balance formula.

Beginning January 1, 2014, the pay credit percentage is determined by points and is credited to the participant monthly, as follows:

Pay Credit Percentage by Points at the Beginning of the Year

Points	Pay Credit Percentage
<35	4%, plus 4% of pay over Social Security Wage Base
35-49	5%, plus 4% of pay over Social Security Wage Base
50-64	6%, plus 4% of pay over Social Security Wage Base
>64	7%, plus 4% of pay over Social Security Wage Base

A participant's points as of any January 1 (or date of participation) equal the sum of the attained age and benefit service on such date, with the sum truncated to drop less than full points.

An opening cash balance based on the pre-1999 plan was provided based on the existing accrued benefit and age at conversion for CP&L employees.

The account balance is increased at a fixed rate of 4% per year. For the balance attributable to pay credits occurring before December 31, 2013, the adjustment is done on an annual basis. For the balance attributable to pay credits occurring on or after January 1, 2014, pay credits and interest credits are credited monthly.

ATTACHMENT TO 2017 FORM 5500, SCHEDULE SB
Duke Energy Retirement Cash Balance Plan

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Schedule SB, Part V — Summary of plan provisions

Early Retirement	Cash Balance: Cash balance account converted to the actuarially equivalent life annuity (for former CP&L participants, this is subject to a prior plan minimum reduced for early retirement) CP&L FAP: ▪ For participants with less than 15 years of service (used only in prior plan minimum), annuity benefit reduced using actuarial equivalence reduction factors ranging from .047 to .90. ▪ For participants between 15 and 20 years of service, annuity benefit reduced by 2.5% per year which precedes the normal retirement date ▪ For participants with at least 20 years of service, annuity benefit is reduced from age 62 using factors ranging from .75 to .90. NCNG FAP: 6-2/3 percent reduction from age 65 for first five years and 3-1/3 percent reduction for next five years from age 60 Florida Progress FAP: ▪ For participants between 15 and 20 years of service, annuity benefit reduced 6% per year from age 62 to 57 and 5% per year from age 57 to 55 ▪ For participants between 20 and 35 years of service, annuity benefit reduced 7% per year from age 60 ▪ For participants with at least 35 years of service, no reduction in annuity benefit
Postponed Retirement	For the portion of benefits accrued through December 31, 2013, the benefit is based on greater of actuarially increased normal retirement benefit or late retirement benefit based on service and pay through late retirement date. For the portion of benefits accrued on or after January 1, 2014, the benefit is subject to the suspension of benefits rules and not subject to actuarial increases.
Vested Retirement	Cash Balance: Cash balance account converted to the actuarially equivalent life annuity CP&L FAP: ▪ For participants with less than 15 years of service, benefit payable at Normal Retirement ▪ For participants with at least 15 years of service, benefit payable at Early Retirement, subject to vested termination early retirement reduction factors NCNG FAP: ▪ For participants with less than 20 years of service, benefit payable at Normal Retirement ▪ For participants with at least 20 years of service, benefit payable at Early Retirement Florida Progress FAP:

- For participants between 5 and 15 years of service, benefit payable at Early Retirement, subject to vested termination early retirement reduction factors
- For participants with at least 15 years of service, benefit payable at Early Retirement
- Note: QPSA charges are imposed on the calculation of the above Vested Retirement benefit for the period of coverage that precedes January 1, 2014, subject to the following schedule:

Participant's Age While Coverage is in Effect	Percent Reduced for Each Year of Coverage
Less than 40	0.10%
40-49	0.25%
50-54	0.45%
55-59	0.65%
60-64	0.80%
65 or older	0.00%

Disability

Upon disability prior to July 1, 2014, a participant will continue to earn pay credits based on pre-disability income. These credits will continue until the earlier of the participant's annuity starting date, or ineligibility. For disability occurring on or after July 1, 2014, pay credits will cease upon disability.

Preretirement Death

Cash Balance: The benefit based on the account balance at date of death.

- The surviving spouse may elect to take the benefit immediately in the form of a lump sum or single life annuity, or defer the benefit to a later date.
- The beneficiary of a single participant who dies must receive the benefit as a lump sum as soon as administratively possible.
- CP&L and NCNG FAP: For married participants, 50% of the reduced 50% J&S benefit the participant would have received had he/she died immediately prior to retirement. No death benefit is payable to single participants.
- Florida Progress FAP:
- For married participants between 5 and 10 years of service, 50% of the reduced 50% J&S benefit the participant would have received had he/she died immediately prior to retirement, payable at the participant's normal retirement date.
- For married participants with at least 10 years of service, the greater of A) 50% of the reduced 50% J&S benefit the participant would have received had he/she died immediately prior to retirement, payable immediately, or B) a death benefit payable immediately based on the following schedule:

Participant's Age at Death	Death Benefit, as a % of Normal Retirement Benefit*
Less than 35	10%
35 – 39	15%
40-44	20%

45-49	25%
50-54	30%
55-59	35%
60 or older	40%

*Note: any age difference between the spouse and participant that is more than five years will be reduced/increased by 1.50%

Other Plan Provisions

Forms of Payment (Cash Balance Benefits)	Single Life Annuity (normal form for single participants) 50% Joint and Survivor Annuity (normal form for married participants) 75% and 100% Joint and Survivor Annuity (with pop-up) 10-Year Certain and Life Annuity (only if eligible for CP&L prior plan FAP) Lump Sum Payment Partial Lump Sum (25%, 50%, 75%), if age 50 or older, minimum annuity of $500 per month Refund Annuity Social Security Level Income Option (only if eligible for CP&L prior plan FAP) Other optional forms are available for NCNG and Florida FAP benefits with separate elections.
Actuarial Equivalence	*Conversion of Cash Balance Account to Single Life Annuity for balance attributed to pay credits through December 31, 2013* ▪ Applicable mortality under IRC Section 417(e) in effect on December 31, 2007 ▪ 30-year treasury rate from August of the prior plan year for ages after 65. For ages prior to 65, the rate is increased by 50 basis points. *Conversion of Cash Balance Account to Single Life Annuity attributed to pay credits on or after January 1, 2014* ▪ Mortality and Interest prescribed under 417(e). Look back month is August prior to the beginning of the plan year. Total single life annuity is converted to optional annuity forms using mortality and interest prescribed under §417(e), with look back month of August prior to the beginning of the plan year. Each optional form of payment is subject to a wear-away of the accrued balance earned prior to December 31, 2013 with prior optional form factors.
Pension Increases	None

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Schedule SB, Part V — Summary of plan provisions

Plan Participants' Contributions	None required or allowed.
Minimum Benefit	A participant, if he or she was actively employed immediately before the effective date of the cash balance plan, receives the greater of the cash balance account or the actuarial value of the prior plan protected benefit.
Benefit Limitations	All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are assumed for determining pension cost but not for determining contributions.

Future Plan Changes

No future plan changes adopted after January 1, 2017 were recognized in determining minimum and maximum contributions.

Changes in Benefits Valued Since Prior Year

Effective January 1, 2017, non-union Traditional Choice participants had their final average pay frozen as of December 31, 2016.

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Schedule SB, Line 24 — Change in Assumptions

In addition to the prescribed changes in the discount rate and mortality, the following assumptions were changed from the prior valuation:

1. The assumed plan-related expenses added to the target normal cost were changed from $6,941,644 for 2016 to $6,725,938 for 2017.

2. The overtime assumption was updated to reflect experience study results conducted in 2016.