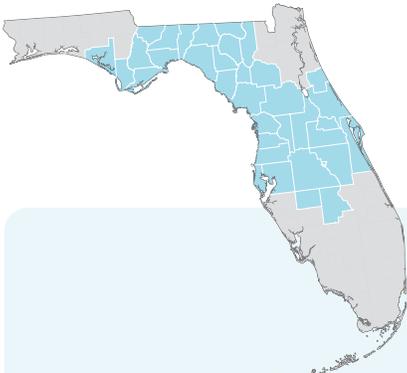


Duke Energy Florida:

2021 agreement at a glance



- 1.8 million customers served
- Investments are being made to modernize the electric grid and improve reliability, create new electric vehicle charging station programs, and to support pilot programs for innovative technology such as microgrids and floating solar pilot projects.
- New optional residential time-of-use rate removes residential credit card fees for bill payments and accelerate retirement dates for DEF's last two coal units eight years ahead of schedule, from 2042 to 2034

More information at:
duke-energy.com/FLFuture

On Jan. 14, 2021, Duke Energy Florida (DEF) filed an agreement with the Florida Public Service Commission (FPSC) that provides long-term clarity for Florida customers, the company and the communities we serve. The agreement continues the company's commitment to a smarter energy future for Florida customers. If approved by the FPSC, the agreement will allow for \$5 billion in investments in our communities over the next three years.



Generate cleaner electricity for a brighter future

DEF plans to offer three new electric vehicle (EV) charging station programs. First, residential customers not on a whole-home time-of-use rate who have EV charging stations located at their residence will be eligible for a \$10 per month credit. Second, DEF will implement a rebate program for commercial and industrial customers from 2022 through 2025. Third, the company plans to invest in 100 company-owned DC fast charging stations between 2022 and 2025. The total cost of the company's proposed EV programs is expected to be \$62.9 million.

DEF also plans to implement a Vision Florida pilot program using innovative technology such as microgrids and floating solar projects.

And in support of the company's carbon reduction goals, the agreement includes accelerated retirement dates for DEF's last two coal units eight years ahead of schedule, from 2042 to 2034.



More customer options

DEF redesigned and reopened the residential time-of-use rate, which has been closed to new customers for approximately 10 years. The new time-of-use peak and off-peak periods (for all customers) are now better aligned with the new generation sources, especially to reflect the introduction of solar energy, and how generation utilization has changed throughout the decades. Smart meter technology will enable more bill-lowering tools, access to more information about energy use, and the ability to receive usage alerts, outage notifications and customized billing options once fully implemented.



Eliminates credit card fee

Residential credit card fees will terminate beginning in 2022.

Can you summarize the settlement?

The agreement supports the building of a smarter energy future for Florida. This agreement has broad support and was developed collaboratively with the Office of Public Counsel and other consumer advocates. The agreement includes several items that will provide tremendous benefit to customers, including investments to modernize the grid, three electric vehicle charging station programs, a time-of-use rate for residential customers, and removal of residential credit card fees for bill payments.

The agreement paves the way to a smarter energy future for Florida customers. If approved by the FPSC, the agreement will allow for nearly \$5 billion in investments in our communities over the next three years.

Why is the agreement beneficial to customers?

The agreement will help mitigate future rate increases while enabling the company to make important investments to maintain and improve the electric system in our Florida service territory. The agreement provides customers certainty regarding future rate increases and supports the building of a smarter energy future for Florida. That future includes a modernized power grid, electric vehicle charging stations and innovative pilot programs.

In our continuing efforts to transform the customer experience for residential customers, we are removing credit card fees from bill payments and providing customers a time-of-use rate choice that has not been recently offered.

The agreement was developed collaboratively with the Office of Public Counsel and other customer representatives.

The agreement is subject to review and approval of the FPSC. DEF has requested for the FPSC to hold a hearing and hopes to have a decision by second quarter.

How does the agreement impact customer bills?

The agreement provides for minimal base rate increases each year for three years through the end of 2024, to support the advancement of a smarter energy future for Florida. That future includes investments to modernize the grid, electric vehicle charging stations, and pilot programs to offer the latest technology solutions. In our continuing efforts to transform the customer experience by giving our customers more choice, we will be offering a residential time-of-use rate and additional improvements to our system.

If approved, DEF's base rates will increase by \$67.2 million in 2022, and by another \$48.9 million in 2023 and another \$79.2 million in 2024, for a cumulative rate increase of \$195.4 million.

As a result, a portion of DEF's average residential customers will see a bill increase of 3% to 4% in 2022.

Nonresidential customer bill increases will vary based on consumption patterns, but most will see increases of 1% to 6.5% in 2022.

All customer classes will see an annual bill increase of approximately 1% to 2% in 2023 and 2024.

Who sets the rates customers pay for electricity?

DEF is obligated to provide every customer in our service area with reliable electricity at rates approved by the FPSC. In exchange, the utility is allowed the opportunity but not a guarantee to earn a fair return for investors. Even though our regulators will ultimately determine any changes to customer bills, we pledge to do our part to keep rates as reasonable as possible.

What is DEF doing to help customers reduce their energy use and their bills?

It's important to us to give our customers more options to help them better manage energy and ultimately save money.

We're connecting with our customers through new tools like high bill alerts, free home energy audits and a menu of energy-saving tips, programs and incentives for every budget. To find the right energy-saving program for your household, visit [duke-energy.com/SaveEnergy](https://www.duke-energy.com/SaveEnergy).

We're also proud to provide support to those customers who need it most through initiatives like the Neighborhood Energy Saver Program, which provides energy-saving upgrades at no cost to income-qualified homeowners.

For more information about your rates, visit [duke-energy.com/FLFuture](https://www.duke-energy.com/FLFuture).