

DEC 22 2014

**THE STATE OF SOUTH CAROLINA
In The Supreme Court****S.C. Supreme Court**

APPEAL FROM THE ADMINISTRATIVE LAW COURT**Ralph K. Anderson III, Administrative Law Judge**

Opinion No. 5274 (S.C. Ct. App. filed October 8, 2014)

Duke Energy Corporation.....Petitioner,**v.****South Carolina Department of Revenue.....Respondent.**

APPENDIX FOR PETITION FOR A WRIT OF CERTIORARI**VOLUME X**

Milton G. Kimpson
J. Abraham Gutting
South Carolina Department of Revenue
PO Box 12265
Columbia, SC 29211
(803) 898-5131

Harry A. Hancock, Esq.
The Law Office of Dean B. Bell, LLC
1 Corpus Christie Place, Suite 105
Hilton Head Island, SC 29928
(843) 785-9772

John M.S. Hoefer
Tracey C. Green
John W. Roberts
Willoughby & Hoefer, P.A.
PO Box 8416
Columbia, SC 29202
(803) 252-3300

Attorneys for Respondent

Burnet R. Maybank III
Tanya A. Gee
NEXSEN PRUET, LLC
1230 Main Street, Suite 700
PO Drawer 2426 (29202)
Columbia, SC 29201
(803) 771-8900

Eric S. Tresh, *Pro Hac Vice*
Maria M. Todorova, *Pro Hac Vice*
SUTHERLAND ASBILL & BRENNAN LLP
999 Peachtree Street, NE, Suite 2300
Atlanta, GA 30309
(404) 853-8000

Jeffrey A. Friedman, *Pro Hac Vice*
SUTHERLAND ASBILL & BRENNAN LLP
700 Sixth St NW #700
Washington, DC 20001
(202) 383-0718

Attorneys for Petitioner

INDEX

	<u>Page No.</u>
Record on Appeal	1
Orders	9
Pleadings.....	166
Transcripts	2380
Exhibits and Other Materials.....	4183
Certificate of Counsel	8236
Final Brief of Appellant.....	8238
Final Brief of Respondent.....	8294
Final Reply Brief of Appellant	8355
Amicus Curiae Brief on Behalf of the South Carolina State Chamber of Commerce	8386
Amicus Curiae Brief on Behalf of the South Carolina Manufacturers Alliance	8410
Decision of the Court of Appeals filed October 8, 2014	8435
Petition for Rehearing dated October 22, 2014	8448
Return of Respondent to Petition for Rehearing dated November 3, 2014	8454
Order Denying Petition for Rehearing filed November 21, 2014	8458

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Explanation of Tax Adjustments

		<u>Income increase (decrease)</u>
Losses due to billing co-ops at less than cost for periods after sale of interest in nuclear plant		
Unit construction	\$ (6,971,326)	
Transferred assets	(556,387)	
Initial core	(162,955)	
Items relating to 1978 sale of interest in nuclear plant		
Fixed profit previously reported	(1,252,500)	
Exchange payments --		
Unit construction	7,314,001	
Transferred assets	590,346	
Initial core	162,879	
Gain on disposition of depreciable property	<u>1,750,443</u>	\$ (6,610,133)
Other income -		
Book gain on note to be reported on installation basis for tax purposes		(12,118,925)
Salaries and wages -		
Reduce salaries and wages by targeted jobs credit apportionable to Duke		150,793
Repairs -		
Repair allowance computed under 1.167(a)(11)		(1)
Bad debts -		
To adjust expense to amount allowable as determined on bad debts schedule		(626,795)
Rents -		
To adjust rents by amounts paid on leases of facilities -		
Hydro	\$ 23,559	
Other production	(30,079)	
Buildings	<u>(382,768)</u>	(389,288)
Taxes -		
To adjust taxes to amount allowable per taxes schedule		(17,024,182)

(Continued)

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Explanation of Tax Adjustments

		Income increase (decrease)
Amortization -		
Gain on sale of U ₃ O ₈ previously reported for tax purposes	\$ (1,623,747)	
Peter White coal reserves	5,119,722	
Acquisition adjustments	519,096	
Booz-Allen study	<u>71,472</u>	\$ 4,086,543
Depreciation -		
To increase expense to amount allowable as determined on depreciation schedule		
Pension and other qualified plans -		
Pension plan costs capitalized per books	\$ (15,000,722)	
Add: Excess of tax expense over book expense	<u>(10,007,056)</u>	(25,007,778)
Stock purchase plan costs capitalized	\$ (2,415,372)	
ESOP credit reductions applicable to shares previously distributed	<u>(319,320)</u>	(2,734,692)
Other employee benefits -		
Life and medical insurance premiums and other employee benefits capitalized per books		(8,448,359)
Other deductions -		
Investment tax credit	\$ 51,063,681	
Provision for deferred income tax	53,640,657	
Intercompany profits	765,947	
Injuries and damages reserve	(343,393)	
Civic, political and related expenditures	19,306	
Rate proceedings expense	(135,007)	
Cost of dismantling and removing assets	(4,172,142)	
Software - self developed	(592,305)	
Insurance reserve	1,430,618	
Medical and dental insurance	(2,735,215)	
Penalties	1,000	
Capitalized overheads applicable to interests in Catawba owned by others	13,848,286	
Nuclear plant training costs	<u>(2,425,473)</u>	110,365,960

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Cost of Goods Sold and/or Operations

Fuel	\$722,688,716
Purchased power	25,068,130
Steam operating	36,365,288
Nuclear operating	47,319,364
Hydro operating	4,651,629
Combustion turbine	376,847
Transmission lines	9,373,032
Distribution lines	26,304,506
Water	1,037,206
Transit	667,844
Merchandising	9,794,821
Total	<u>\$883,647,383</u>

Dividends

Martin County Coal Corp.	\$ 640,000
J. P. Stevens & Company, Inc.	166
Graham Industrial Development Corp.	900
Mt. Airy Development Corp.	160
Business Development Corp. of S. C.	1,600
Yadkinville Industrial Development Corp.	40
North Elkin Realty	30
Telecom Corp.	46
Total	<u>\$ 642,942</u>

AS ORIGINALLY FILED

ame

1981

DES00010655

Form **4131**
Department of the Treasury
Internal Revenue Service (10)

**(Includes Gains and Losses From Sales or Exchanges of Assets
Used in a Trade or Business and Involuntary Conversions)**
To be filed with Form 1040, 1041, 1065, 1120, etc.—See Separate Instructions

1981
31

Name(s) as shown on return

Duke Power Company

Identifying number

56-0205520

Part I Sales or Exchanges of Property Used in a Trade or Business, and Involuntary Conversions From Other Than Casualty and Theft—Property Held More Than 1 Year (Except for Certain Livestock)

Note: Use Form 4684 to report involuntary conversions from casualty and theft.

Caution: If you sold property on which you claimed the investment credit, you may be liable for recapture of that credit. See Form 4255 for additional information.

[illegible]

2 (a) Gain, if any, from Form 4684, Part II, line 25

(b) Section 1231 gain from installment sales from Form 6252, line 19 or 27

3 Gain, if any, from line 26, Part III, on back of this form from other than casualty and theft.

4 Add lines 1 through 3 in column g and column h

5 Combine line 4, column g and line 4, column h.

(1) If line 5 is a gain, enter the gain as a long-term capital gain on Schedule D (Form 1040, 1120,

(2) If line 5 is zero or a loss, enter that amount on line 6.

(b) For partnership returns: Enter the amount shown on line 5 above, on Schedule K (Form 1065), line 8.

Part II Ordinary Gains and Losses

a. Kind of property and description	b. Date acquired (mo., day, yr.)	c. Date sold (mo., day, yr.)	d. Gross sales price, minus expense of sale	e. Depreciation allowed (or allowable) since acquisition	f. Cost or other basis, plus improvements	g. Loss if minus the sum of d and e	h. GAIN (if plus e minus d)
5 Loss, if any, from line 5(a)(2)							
7 Gain, if any, from line 25, Part III on back of this form							1,750,443
8 (a) Net gain or (loss) from Form 4584, Lines 17 and 24a							
(b) Ordinary gain from installment sales from Form 6252, line 18 or 26							
9 Other ordinary gains and losses (include property held 1 year or less):							
Catawba fixed fee	Var.	1981					637,500
Catawba transferred							
assets	Var.	1981				7,690,668	
Catawba exchange							
payments	Var.	1981					8,067,226

10 Add lines 6 through 9 in column g and column h.

11 Combine line 10, column g and line 10, column h. Enter gain or (loss) here, and on the appropriate line as follows:

(a) For all except individual returns: Enter the gain or (loss) shown on line 11, on the line provided on the return (Form 1120, etc.) being filed. See instruction F for specific line reference.

(b) For individual returns:

(1) If the loss on line 5 includes a loss from Form 4684, Part II, column B(II), enter that part of the loss here and on line 29 of Schedule A (Form 1040). Identify as from "Form 4797, line 11(b)(1)". . . .

(2) Redetermine the gain or (loss) on line 11, excluding the loss (if any) entered on line 11(b)(1). Enter here and on Form 1040, line 14

Part III **Gain From Disposition of Property Under Sections 1245, 1250, 1251, 1252, 1254, 1255**

Skip lines 20 and 21 if there are no dispositions of farm property or farmland, or if this form is filed by a partnership.

12 Description of sections 1245, 1250, 1251, 1252, 1254, and 1255 property:	Date acquired (mo., day, yr.)	Date sold (mo., day, yr.)
(A) EDP property	1977	1981
(B) Transmission property	1964	1981
(C)		
(D)		

Part III is continued on page 2.

For Paperwork Reduction Act Notice, see page 1 of separate instructions.

Form **4797** (1980)

AS ORIGINALLY FILED

Relate lines 12(A) through 12(D) to these columns ▶▶▶	Property (A)	Property (B)	Property (C)	Property (D)
13 Gross sales price minus expense of sale	1,804,136	17,982,583		
14 Cost or other basis	1,705,979	22,003,374		
15 Depreciation (or depletion) allowed (or allowable)	1,279,484	104,491,750		
16 Adjusted basis, subtract line 15 from line 14	426,495	17,511,624		
17 Total gain, subtract line 16 from line 13	1,377,641	470,959		
18 If section 1245 property:				
(a) Depreciation allowed (or allowable) after applicable date (see instructions)	1,279,484	104,491,750		
(b) Enter smaller of line 17 or 18(a)	1,279,484	470,959		
19 If section 1250 property: (If straight line depreciation used, enter zero on line 19(f).)				
(a) Additional depreciation after 12/31/75 (see instructions)				
(b) Applicable percentage times the smaller of line 17 or line 19(a) (see instruction G.4)				
(c) Subtract line 19(a) from line 17. If line 17 is not more than line 19(a), skip lines 19(d) through 19(h)				
(d) Additional depreciation after 12/31/69 and before 1/1/76				
(e) Applicable percentage times the smaller of line 19(c) or 19(d) (see instruction G.4)				
(f) Subtract line 19(d) from line 19(c). If line 19(c) is not more than line 19(d), skip lines 19(g) and 19(h)				
(g) Additional depreciation after 12/31/63 and before 1/1/70				
(h) Applicable percentage times the smaller of line 19(f) or 19(g) (see instruction G.4)				
(i) Add lines 19(b), 19(e), and 19(h)				
20 If section 1251 property:				
(a) If farmland, enter soil, water, and land clearing expenses for current year and the four preceding years				
(b) If farm property other than land, subtract line 18(b) from line 17; if farmland, enter smaller of line 17 or 20(a)				
(c) Excess deductions account (see instruction G.5)				
(d) Enter smaller of line 20(b) or 20(c)				
21 If section 1252 property:				
(a) Soil, water, and land clearing expenses made after 12/31/69				
(b) Amount from line 20(d), if none enter zero				
(c) Subtract line 21(b) from line 21(a). If line 21(b) is more than line 21(a), enter zero				
(d) Line 21(c) times applicable percentage (see instruction G.5)				
(e) Subtract line 21(b) from line 17				
(f) Enter smaller of line 21(d) or 21(e)				
22 If section 1254 property:				
(a) Intangible drilling and development costs deducted after 12/31/75 (see instruction G.6)				
(b) Enter smaller of line 17 or 22(a)				
23 If section 1255 property:				
(a) Applicable percentage of payments excluded from income under section 126 (see instruction G.7)				
(b) Enter the smaller of line 17 or 23(a)				
Summary of Part III Gains (Complete Property columns (A) through (D) through line 23(b) before going to line 24)				
24 Total gains for all properties (add columns (A) through (D), line 17)				1,848,600
25 Add columns (A) through (D), lines 18(b), 19(f), 20(d), 21(f), 22(b) and 23(b). Enter here and on Part II, line 7				1,750,443
26 Subtract line 25 from line 24. Enter the portion from casualty and theft on Form 4684, line 19; enter the portion from other than casualty and theft on Form 4797, Part I, line 3				98,157

Part IV Complete this Part Only if You are Electing Out of the Installment Method And are Reporting a Note or Other Obligation at Less Than Full Face Value

☐ Check here if you elect out of the installment method.

Enter the face amount of the note or other obligation ▶

Enter the percentage of valuation of the note or other obligation ▶

Duke Power Company
Schedule E - Compensation of Officers
Year Ended December 31, 1981

<u>1. Name of Officer</u>	<u>2. Social Security Number</u>	<u>3. Title</u>	<u>7. Amount of Compensation</u>
Carl Horn, Jr.	245-14-2680	Chairman of the Board	\$ 300,729
W. S. Lee	240-36-5316	President	223,590
D. W. Booth	416-20-6316	Exec. Vice President	146,061
A. C. Thies	245-01-6211	Sr. Vice President	132,522
W. H. Owen	247-36-0637	Sr. Vice President	126,482
W. H. Grigg	242-44-5627	Sr. Vice President	125,334
J. D. Hicks	242-26-3282	Sr. Vice President	115,070
S. C. Griffith, Jr.	248-58-8700	VP & General Counsel	101,460
L. C. Dail	245-20-5042	Vice President	97,094
R. L. Dick	245-24-1815	Vice President	94,377
G. W. Ferguson, Jr.	249-44-6175	Vice President	88,160
F. A. Jenkins	237-10-4350	Vice President	86,742
W. O. Parker, Jr.	245-24-8853	Vice President	82,892
H. L. Cranford, Jr.	243-32-5629	Vice President	75,027
E. N. Hedgepeth, Jr.	237-36-3038	Vice President	73,557
T. M. Patrick, Jr.	251-01-1787	Vice President	73,420
J. K. Clark	245-40-7613	Vice President	73,300
D. H. Denton, Jr.	157-26-5779	Vice President	72,936
J. G. Mann	251-14-4865	Vice President	71,509
L. F. Camp, Jr.	245-52-1261	Secretary & Assoc. Gen. Coun.	69,621
P. A. Hauser	238-12-6429	VP & Controller	69,096
F. E. West, Jr.	247-50-4492	Vice President	69,035
E. B. Shuler	322-22-2307	Asst. Vice President	68,580
W. R. Stimart	338-24-9601	Vice President	68,146
T. C. Berry	249-42-7898	Vice President	68,073
D. B. Moore	242-26-5476	Vice President	67,311
P. H. Mann, Jr.	244-40-5836	Vice President	66,988
S. T. Lattimore	245-40-6973	Vice President	64,561
J. S. Major, Jr.	250-03-6157	Vice President	62,222
C. J. Sherrill	243-34-7687	Asst. Vice President	61,531
J. F. Lomax	250-50-3676	Vice President	60,749
M. T. Hatley, Jr.	238-22-2342	Vice President	59,109
J. W. White	244-26-0593	Vice President	57,142
N. P. Morrow	238-78-5724	Asst. Controller	51,474
R. J. Ashmore	242-20-6779	Asst. Vice President	51,403
E. C. Sites	241-50-3394	Asst. Controller	47,046
R. J. Osborne	244-74-9841	Treasurer	43,627
J. C. Goodman, Jr.	241-05-8136	Asst. Secretary	43,284
W. B. Shannon	239-26-6449	Asst. Treasurer	41,675
R. C. Ranson	239-62-1573	Treasurer	36,589
C. A. Markel, III	184-38-5965	Asst. Treasurer	35,724
H. D. Whitley	258-32-0267	Asst. Controller	35,368
Carolyn R. Duncan	245-52-3531	Asst. Secretary	27,192
R. W. Holmes	306-44-3330	Asst. Controller	4,237
Total			\$3,490,045

Item 4. 100% of time devoted to business.

Items 5 and 6. No officer owned more than 1/100 of 1% of outstanding shares.

Officers are reimbursed for actual expenses incurred on behalf of the company.

Details are in the taxpayer's files.

28

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Bad Debts

Tax-basis reserve at December 31, 1981:

Loss experience

<u>Year</u>	<u>Year-end customer receivables</u>	<u>Net write-off</u>
1976	\$ 75,306,077	\$ 3,697,548
1977	93,111,501	3,841,629
1978	98,578,060	3,277,422
1979	110,088,601	2,957,860
1980	122,203,046	3,390,619
	<u>\$499,287,285</u>	<u>\$17,165,078</u>

Loss ratio

3.438%

Customer accounts at December 31, 1981

\$152,858,754

Tax-basis reserve

5,255,284

1981 tax deductions:

Tax-basis reserve -

December 31, 1981, as computed above

\$ 5,255,284

December 31, 1980, per 1980 return

4,693,819

Amount of tax deduction -

Increase in reserve balance

\$ 561,465

Net write-offs during 1981

4,111,946

Net 1981 write-offs of merchandising receivables

137,691

1981 tax deduction

\$ 4,811,102

1981 schedule M adjustment:

Tax deduction, as above

\$ 4,811,102

Expense charged per books

4,184,307

Schedule M adjustment - income decrease

\$ (626,795)

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company and Affiliates

	<u>Taxes</u>		
	<u>Per books</u>	<u>Expense increase (decrease)</u>	<u>Tax basis</u>
North Carolina:			
Property	\$ 18,602,100	\$ 8,707,166 (1)	\$ 27,309,266
City license	91,200	(71,547) (7)	19,653
City chain store	4,668		4,668
City bus drivers permits	832		832
Franchise	79,675,439	453 (3)	79,675,892
Intangibles			
Industrial Commission	104,073		104,073
Unemployment	348,619	510,049 (1)	858,668
Income	<u>9,682,175</u>	<u>(1,460,504) (5)</u>	<u>8,221,671</u>
Total North Carolina	<u>\$108,509,106</u>	<u>\$-7,685,617</u>	<u>\$116,194,723</u>
South Carolina:			
Property	\$ 15,687,774	\$ 1,559,226 (3)	\$ 17,247,000
City license	3,214,407		3,214,407
Franchise	2,315,030		2,315,030
Kilowatt hour	5,616,161		5,616,161
Public Service Commission	549,057		549,057
Greenwood sales	1,050		1,050
Industrial Commission	57,204		57,204
Chain store license	3,861		3,861
Bus license	24		24
Unemployment	342,809	618,589 (1)	961,398
Income	<u>1,403,454</u>	<u>1,937,521 (5)</u>	<u>3,340,975</u>
Total South Carolina	<u>\$ 29,190,831</u>	<u>\$ 4,115,336</u>	<u>\$ 33,306,167</u>

(Continued)

AS ORIGINALLY FILED

Duke Power Company
Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Taxes

	<u>Per books</u>	<u>Expense increase (decrease)</u>	<u>Tax basis</u>
Federal:			
Income	\$ 12,927,338	\$(12,927,338) (2)	\$
Social Security	12,972,965	14,296,250 (1)	27,269,215
Highway use	62,295		62,295
Gasoline tax		(25,372) (4)	(25,372)
Federal unemployment	374,794	505,523 (1)	880,317
Total Federal	<u>\$ 26,337,392</u>	<u>\$ 1,849,063</u>	<u>\$ 28,186,455</u>
Other Taxes:			
State use taxes	\$	\$ 3,374,166 (1)	\$ 3,374,166
Georgia property	265		265
Tennessee property	1,368		1,368
Illinois	(25)		(25)
Total other taxes	<u>\$ 1,608</u>	<u>\$ 3,374,166</u>	<u>\$ 3,375,774</u>
Total all taxes	<u><u>\$164,038,937</u></u>	<u><u>\$ 17,024,182</u></u>	<u><u>\$181,063,119</u></u>

Explanation of adjustments:

1. To increase tax expense by amounts capitalized.
2. To eliminate Federal income tax as a deduction.
3. To convert cash-basis book charge to accrual basis.
4. To decrease taxes by Federal gasoline tax credit.
5. To adjust state income taxes to actual liability.
6. To decrease income due to payment of protested property tax assessments.
7. To increase income due to the Hickory Municipal license fee which does not represent a legal liability.

AS ORIGINALLY FILED

Duke Power Company And Affiliates

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Donations

	Total	Allocable to N. C.	North Carolina Apportionable	Unallowable	South Carolina
Colleges and universities	\$315,795	\$207,695	\$108,100		\$ 90,853
United Funds	264,575	197,825	66,750		66,750
Boy & Girl Scouts	7,673	7,673			
Junior Achievement	15,235	9,235	6,000		6,000
N.M.C.A. & Y.W.C.A.	27,750	18,250	9,500		9,500
American Red Cross	2,075	575	1,500		2,075
Governmental Units	4,393	2,788	1,605		1,605
Lea Charles Center - Spartanburg, SC	250		250		250
Cystic-Fibrosis Foundation	500	500			500
Center for International Studies - UNCC	1,500	1,500			
Arts & Science Council - Charlotte, NC	400	400			
Greenville County School District Governor's School	500		500		500
National Fire Protection Association - Boston, MA	185		185		
Spartanburg County Art Association	200		200		200
United Arts Council of Greensboro, NC	6,000	6,000			
Kernersville Volunteer Rescue Squad, Inc.	200	200			
Winston-Salem Arts Council	10,000	10,000			
Longs Charitable Promotions - Charlotte, NC	500	500			
Western North Carolina Development Association	200	200			
Lancaster County Society for Historical Preservation	100		100		100
Junior League of Greenville, Inc. - Greenville, SC	100		100		100
John H. Wheeler Scholarship Fund - Research Triangle Park, NC	25,000	25,000			
Humane Society of Guilford County - Greensboro, NC	250	250			
Thomasville Salvation Army Building Fund - Thomasville, NC	2,500	2,500			
Americans for Energy Independence - Washington, DC	6,000		6,000		
Centerville Fire Station - Anderson, SC	125		125		125
The Gallery Players, Inc. - Burlington, NC	100	100			

(Continued)

4305

DES00010662

AS ORIGINALLY FILED

Duke Power Company And Affiliates

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Donations

	<u>Total</u>	<u>Allocable to N. C.</u>	<u>North Carolina</u>		<u>South Carolina</u>
			<u>Apportionable</u>	<u>Unallowable</u>	
Cleveland Tech. Energy Fair - Shelby, NC	\$ 100	\$ 100	\$		\$
Mecklenburg Historical Association - Charlotte, NC	100	100			
Thomasville Community Concert Association	100	100			
Brevard Music Center - Brevard, NC	3,000	3,000			
Greater Charlotte Foundation - Charlotte, NC	2,000	2,000			
North Carolina Council on Economic Education	5,000	5,000			
United Way Victory Celebration - Charlotte, NC	330	330			
Charlotte Council on Alcoholism - Charlotte, NC	1,500	1,500			
Lancaster County Council of the Arts - Lancaster, SC	1,000		1,000		1,000
North Carolina Special Olympics	750	750			
Alemannia (German-American Week) - Charlotte, NC	300	300			
Greenville Symphony Association - Greenville, SC	200		200		200
Planned Parenthood of Greater Charlotte - Charlotte, NC	1,100	1,100			
South Carolina Arts Commission	1,000		1,000		1,000
United Way of Spartanburg County - Kick-Off Luncheon	100		100		100
Arts & Science Council - Charlotte, NC	16,000	16,000			
Salvation Army Development Fund - Burlington, NC	500	500			
The Little Theatre of Charlotte - Charlotte, NC	100	100			
Boys Town of North Carolina	750	750			
Anti-Defamation League of B'nai B'rith - High Point, NC	100	100			
Saluda Volunteer Fire Department - Saluda, NC	100	100			
North Carolina Jaycees	1,209	1,209			
Southeastern Legal Foundation, Inc. - Atlanta, GA	5,000		5,000		
Charlotte Symphony Women's Association - Charlotte, NC	700	700			
North Carolina Academy of Science, Inc.	250	250			
Anderson County Arts Council - Anderson, SC	250		250		250
Goodwill Industries of Guilford, Inc. - Greensboro, NC	2,000	2,000			
Charlotte Memorial Hospital Foundation, Inc.	1,500	1,500			

(Continued)

AS ORIGINALLY FILED

4306

DES00010663

Duke Power Company And Affiliates

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

AS ORIGINALLY FILED

Donations

	<u>Total</u>	<u>Allocable to N. C.</u>	<u>North Carolina</u>		<u>South Carolina</u>
			<u>Apportionable</u>	<u>Unallowable</u>	
Man Rescue Squad - Rosman, NC	\$ 200	\$ 200	\$		\$
Foothills Art Council - Elkin, NC	200	200			
North Carolina Agribusiness Council, Inc.	100	100			
Durham Arts Council - Durham, NC	2,000	2,000			
Charlotte Community Concert Association, Inc.	175	175			
National School Boards Association - Washington, DC	2,500		2,500		
South Point Volunteer Fire Department - Belmont, NC	100	100			
North Carolina Academy of Science	300	300			
United Arts Council of Rowan, Inc. - Salisbury, NC	500	500			
Council for Financial Aid to Education - New York, NY	250		250		
University for Young Americans - Cleveland, OH	700		700		
Furman-Greenville Fine Arts Series - Greenville, SC	150		150		150
South Carolina Council on Economic Education	1,000		1,000		1,000
Western Piedmont Symphony - Hickory, NC	150	150			
United Way of Gaston County, Inc. - Lunccheon Fund	100	100			
Gilead Volunteer Fire Department - Huntersville, NC	500	500			
North Mecklenburg Rescue Squad - Huntersville, NC	500	500			
Cornelius Volunteer Fire Department - Cornelius, NC	500	500			
North Carolina Dance Theater	500	500			
UNC Center for Public Television - Chapel Hill, NC	5,000	5,000			
Greenville County Art Association - Greenville, SC	100		100		100
Polk County Rescue Squad - Hendersonville, NC	100	100			
Rutherford County Arts Council - Rutherfordton, NC	100	100			
College Placement Services, Inc. - Bethlehem, PA	100		100		
North Carolina 4-H Development Fund, Inc.	3,333	3,333			
American Quadracentennial Corp. - Goldsboro, NC	6,250	6,250			
Lancaster County Educational Foundation - Lancaster, SC	5,000		5,000		5,000
North Carolina Museum of Art - Raleigh, NC	20,000	20,000			

(Continued)

4307

DES00010664

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Donations

	<u>Total</u>	<u>Allocable to N. C.</u>	<u>North Carolina</u>		<u>South Carolina</u>
			<u>Apportionable</u>	<u>Unallowable</u>	
Center for International Studies - UNCC	\$ 1,500	\$ 1,500	\$		\$
Historic Preservation Fund of North Carolina	750	750			
Arts & Science Council - Charlotte, NC	600	600			
Children's Theatre of Charlotte - Charlotte, NC	500	500			
Mooreville Rescue Squad - Mooreville, NC	100	100			
4-H Foundation - Real property reverted back to donor	(6,179)	(6,179)			
Miscellaneous items under \$100	3,670	3,244	426		426
Total Current Year Donation	\$788,494	\$569,803	\$ 218,691		\$187,784

4308

AS ORIGINALLY FILED

DES00010665

Depreciation

▶ See separate instructions.
▶ Attach this form to your return.

OMB No. 1545-0072
Expires 12/31/82

Name(s) as shown on return
Duke Power Company

Identifying number
56-0205520

- ▶ Generally, you must use the Accelerated Cost Recovery System of depreciation (ACRS) for all assets you placed in service after December 31, 1980. Report these assets in Part I, lines 1(a) through 1(f).
- ▶ You may elect to exclude certain property. Report this property in Part I, line 2.
- ▶ Use Part II for assets you placed in service before January 1, 1981, and certain other assets for which you cannot use ACRS.
- ▶ Filers of Schedule C (Form 1040), Schedule E (Form 1040) and Form 4835 should see the instructions for those forms before completing Form 4562.

Part I Assets placed in service after December 31, 1980

A. Class of property	B. Date placed in service	C. Cost or other basis	D. Recovery period	E. Method of figuring depreciation	F. Percentage	G. Deduction for this year
1 Accelerated Cost Recovery System (ACRS) (See instructions for grouping assets):						
(a) 3-year property						
	1981	89,781,289	5		15	13,467,194
(b) 5-year property						
	1981	521,892,861	10		8	41,751,429
(c) 10-year property						
	1981	167,025,786	15		5	8,351,290
(d) 15-year public utility property						
(e) 15-year real property—low-income housing						
	1981	31,663,517	15		Var.	749,887
(f) 15-year real property other than low-income housing						
2 Property subject to section 168(e) (2) election (see instructions):						
Automotive equipment	1981	2,816,466				
3 Totals (add amounts in columns C and G)		813,179,919				64,319,800
4 Depreciation from Part II, line 3						199,806,514
5 Total (add column G, lines 3 and 4). Enter this amount on the depreciation expense line (where it applies) of your return						264,126,314

See Paperwork Reduction Act Notice on page 1 of the separate instructions.

Form 4562 (Rev. 9-83)

AS ORIGINALLY FILED

Part II Assets placed in service before January 1, 1981 and other assets qualifying for ACRS

A. Description of property	B. Date acquired	C. Cost or other basis	D. Depreciation allowed or allowable in earlier years	E. Method of figuring depreciation	F. Life or rate	G. Depreciation for this year
1 Class Life Asset Depreciation Range (CLADR) System Depreciation						153,664,728
2 Other depreciation (for grouping assets, see instructions for Part II):						
Buildings	Various	8,153,217	3,684,967	150 DB	Var.	437,827
Furniture and fixtures . .						
Transportation equipment						
Machinery and other equipment	Various	23,137,611	17,874,532	Var.	10	2,152,704
Other (specify) Class Life System Election under Sec. 167(a)(2) See attached:	Various	1,585,064,899	1,165,532,308	Var.	Var.	40,315,639
Relocation, easements & clearing:						
Hydro	Various	11,759,811	2,558,166	S/L	Var.	284,624
Nuclear	Various	436,948	158,114	S/L	16.0	24,196
Steam	Various	1,373,173	396,689	S/L	22.5	61,029
Transmission	Various	94,533,334	13,887,509	Var.	66.7	1,600,592
Distribution	Various	17,441,666	4,756,981	Var.	45.0	541,557
Structures	Various	23,472,109	2,360,090	Var.	Var.	723,618
3 Total (add amounts in column G). Enter here and in Part I, line 4						199,806,514

★ U.S. GOVERNMENT PRINTING OFFICE: 1981-O-343-455 58-040-1110

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Class Life System Depreciation

<u>Asset</u> <u>Guideline</u> <u>Class</u>	<u>Unadjusted Basis</u> <u>Year Ending</u> <u>1981</u>	<u>Salvage</u> <u>Value</u>	<u>Accumulated</u> <u>Depreciation</u> <u>Beginning Year</u>	<u>Current</u> <u>Depreciation</u>	<u>Depreciation</u> <u>Reserve Balance</u> <u>Year Ending 1981</u>
00.110	\$ 2,224,629	\$	\$ 2,137,069	\$ 27,844	\$ 2,164,913
00.120	5,916,462		5,916,462	-0-	5,916,462
00.130	1,078,994		1,076,614	2,380	1,078,994
49.110	99,953,790	841,711	70,804,853	1,975,913	72,780,766
49.130	534,480,223	5,937,357	416,052,402	15,437,860	431,490,262
49.140	917,500,937	11,015,681	658,925,123	22,374,590	681,299,713
49.300	11,420,459	53,992	4,507,146	231,400	4,738,546
65.410	12,489,401	207,662	6,112,639	265,652	6,378,291
Total	<u>\$1,585,064,895</u>	<u>\$18,056,403</u>	<u>\$1,165,532,308</u>	<u>\$40,315,639</u>	<u>\$1,205,847,947</u>

Section 167(a)12 Election

Taxpayer elects to compute depreciation on the Class Life System for the Tax Year 1981 in accordance with Section 1.167(a)12 of the regulations.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Class Life Asset Depreciation Range System

<u>Asset guideline class</u>	<u>Cost or other basis of property in service at the end of the year</u>	<u>Total CLADR depreciation this year</u>	<u>Reserve for depreciation at end of year</u>
00.110	\$ 6,281,254	\$ 884,999	\$ 4,061,451
00.120	7,709,035	502,332	14,962,903
00.130	2,995,907	378,971	2,485,591
00.230	525,314	23,442	525,314
49.110	112,706,872	4,407,515	43,619,165
49.120	418,625,845	29,067,556	290,263,565
49.121	193,477,768	31,234,192	163,660,787
49.130	437,178,158	26,356,539	245,719,909
49.140	954,295,806	60,607,173	430,057,502
49.300	5,381,877	202,009	1,543,704
Total	<u>\$2,139,177,836</u>	<u>\$153,664,728</u>	<u>\$1,196,899,891</u>

Section 167(a)11 Election

Taxpayer elects to compute depreciation on the Class Life Asset Depreciation Range System for the Tax Year 1981 in accordance with Section 1.167(a)11 of the regulations.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Form 4832 Class Life (ADR) System For 1981

The depreciation method of the accounts and vintages listed below was changed from double declining balance to the sum of the years digits method. The depreciation on the new method was computed by depreciating the unrecovered basis over the remaining life.

<u>GLC</u>	<u>Vintage</u>
00.110	1979
00.120	1979
00.130	1979
49.110	1979
49.120	1979
49.130	1979
49.140	1979

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Other Deductions

Electric	\$ (478,056)
Administrative and general	36,732,232
Water	109,181
Transit	184,636
Merchandising	1,533,840
Other income deductions	10,558,344
Farms & forestry	78,033
	<u>\$48,718,210</u>

Election Pursuant to Section 46(d) of the Code

Duke Power Company has elected to include in qualified investment an amount equal to its qualified progress expenditures. Such expenditures are reflected in the investment credit amounts shown for Duke Power Company in this return.

Repair Allowance Election

The taxpayer has deducted \$1.00 as Repair Allowance under 1.167(a)(11) to preserve its right to a deduction of a greater amount in the event that the Economic Recovery Act of 1981 did not totally repeal the repair allowance.

AS ORIGINALLY FILED

Duke Power Company And Affiliates
Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Balance Sheets

	<u>Beginning of taxable year</u>		<u>End of taxable year</u>	
	<u>Amount</u>	<u>Total</u>	<u>Amount</u>	<u>Total</u>
<u>Assets</u>				
Cash	\$	1,834,563	\$	4,525,603
Notes and accounts receivable	132,612,874		193,033,564	
(a) Less allowance for bad debts	<u>4,063,738</u>	128,549,136	<u>3,998,218</u>	189,035,346
Inventories		212,707,936		220,037,553
Other current assets		5,335,095		6,173,178
Other investments		43,217,622		77,573,105
Buildings and other fixed assets	\$7,560,956,980		\$7,874,362,413	
(b) Less accumulated depreciation	<u>1,633,659,902</u>	5,927,297,078	<u>1,849,611,518</u>	6,024,750,895
Deferred debits		64,361,354		85,395,013
Total assets		<u>\$6,383,302,784</u>		<u>\$6,607,490,693</u>
<u>Liabilities and capital</u>				
Accounts payable		\$ 61,126,818		\$ 87,290,261
Debt payable in less than 1 year		271,110,973		250,997,072
Other current liabilities		140,947,598		158,441,987
Debt payable in 1 year or more		2,594,007,839		2,545,694,458
Deferred credits		634,552,521		758,847,908
Capital stock				
(a) Preferred stock	\$ 712,417,107		\$ 697,284,450	
(b) Common stock	<u>1,535,894,672</u>	2,248,311,779	<u>1,579,092,855</u>	2,276,377,305
Earned surplus and undivided profits		433,245,256		529,841,702
Total liabilities and capital		<u>\$6,383,302,784</u>		<u>\$6,607,490,693</u>

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Other Current Assets

	<u>Beginning of taxable year</u>	<u>End of taxable year</u>
Prepayments	\$ 5,334,242	\$ 6,172,299
Interest receivable	<u>853</u>	<u>879</u>
Total other current assets	<u>\$ 5,335,095</u>	<u>\$ 6,173,178</u>

Deferred Debits

Accumulated deferred income taxes	\$55,128,423	\$76,447,080
Extraordinary property losses		
Unamortized debt discount and expenses	3,282,206	3,113,365
Preliminary survey and investigation charges	54,188	
Clearing accounts	3,089,082	1,345,115
Other deferred debits	<u>2,807,455</u>	<u>4,489,453</u>
Total deferred debits	<u>\$64,361,354</u>	<u>\$85,395,013</u>

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Other Investments

	<u>Beginning of</u> <u>taxable year</u>	<u>End of</u> <u>taxable year</u>
Investments in associated companies		
Wateree Power Company	\$ 1,000	\$ 1,000
Mill-Power Supply Company	4,564,878	4,935,472
Crescent Land & Timber Corp.	39,829,199	51,999,440
Eastover Land Company	2,589,082	3,544,132
Eastover Mining Company	9,388,206	13,788,074
Western Fuel, Inc.	500	500
Advances to subsidiaries:		
Eastover Land Company	6,055,189	4,481,337
Accounts payable to subsidiaries:		
Mill-Power Supply Company	(4,500,000)	(4,712,630)
Crescent Land & Timber Corp.	(20,554,568)	(9,777,174)
Eastover Land Company		(230,689)
Eastover Mining Company	(750,491)	(6,798,796)
Reserve for Investment in		
Subsidiaries	<u>(2,250,000)</u>	<u>(2,250,000)</u>
Total investment in associated companies	<u>\$34,372,995</u>	<u>\$54,980,666</u>
Other investments		
Catawba financing notes	\$	\$13,755,734
J. P. Stevens and Company	643	643
The Business Development Corporation of North Carolina	100,000	100,000
The Business Development Corporation of South Carolina	80,000	80,000
Investment in Area Development Corporation Funds		
Martin County Coal Corp.	8,000,000	8,000,000
Town of Davidson purchase with Duke Power bonds	481,174	477,419
Greenville Community Corp.		100,000
Other:		
Stocks	109,670	29,643
Bonds	49,000	49,000
Promissory Note	24,140	
Total other investments	<u>\$ 8,844,627</u>	<u>\$22,592,439</u>
Total	<u>\$43,217,622</u>	<u>\$77,573,105</u>

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Other Current Liabilities

	<u>Beginning of</u> <u>taxable year</u>	<u>End of</u> <u>taxable year</u>
Debt payable currently	\$	\$
Customer deposits	5,978,031	6,521,288
Taxes accrued	45,609,833	59,957,927
Interest accrued	71,056,262	71,614,507
Advances from associated companies		
Other current and accrued liabilities	<u>18,303,472</u>	<u>20,348,265</u>
Total other current liabilities	<u>\$140,947,598</u>	<u>\$158,441,987</u>

Deferred Credits

Federal investment tax credit	\$193,276,160	\$249,208,139
Other deferred credits	378,474	964,483
Reserve for injuries and damages	1,880,855	1,537,462
Deferred income taxes	429,812,704	496,406,422
Property insurance reserve	<u>9,204,328</u>	<u>10,731,402</u>
Total deferred credits	<u>\$634,552,521</u>	<u>\$758,847,908</u>

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1981 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Analysis of Earned Surplus Per Books

Balance at beginning of year		\$400,088,822
Undistributed earnings of subsidiaries		33,156,435
Net income per books		336,250,980
Gain on reacquired stock		<u>79,738</u>
Total		\$769,575,975
Less:		
Cash dividends on preferred stock	\$ 57,894,865	
Cash dividends on common stock	181,703,596	
Capital stock expense	<u>135,812</u>	<u>239,734,273</u>
Balance at end of year		<u>\$529,841,702</u>

AS ORIGINALLY FILED

Computation of Credit for Federal Tax on Gasoline, Special Fuels, and Lubricating Oil

▶ Attach this form to your income tax return.

OMB No. 1545-0162

1981
28

Name (as shown on your income tax return)
Duke Power Company

Social security or employer identification number
56-0205520

Type of Business Use	Gasoline, Diesel Fuel and Special Motor Fuels			Lubricating Oil		
	Number of Gallons Used (A)	Rate of Tax (B)	Multiply Column (A) by Column (B) (C)	Number of Gallons Used (D)	Rate of Tax (E)	Multiply Column (D) by Column (E) (F)
1 Nonhighway:						
a Farm (for farming purposes)		.02	\$			
		.04			.06	\$
b Commercial fishing vessel (See instructions C.4. and D.2.(c)):						
(i) Gasoline		.02			.06	
(ii) Diesel fuel or special fuels		.04			.06	
c Other (specify) <u>Utility</u>	52,542	.02	3,249			
<u>operations</u>	54,955	.04			.06	
2 Intercity, local, and school buses (See instruction C.3.)	540,821	.02	21,633	8,160	.06	490
3 Gasoline/alcohol mixture		.04				
4 Aircraft					.06	
5 Totals			\$24,882			\$ 490

Aviation Gasoline			
Type of Business Use	Number of Gallons Used (A)	Rate of Tax (B)	Multiply Column (A) by Column (B) (C)
6 a Farm (for farming purposes) (Aerial applicators see instruction C.1.)		.04	\$
b Aviation (applies only to commercial use as defined in instruction C.6.)		.04	
7 Total			\$
8 Total income tax credit claimed. (Add line 5, columns (C) and (F) and line 7, column (C).) (See instruction B.)			\$ 25,372

* Use rate paid or allowable rate if lesser

Instructions

(Section references are to the Internal Revenue Code unless otherwise specified)

At the time we printed this form, Congress was considering a proposal that could change the credit computation for aviation fuel listed on the form. If the proposal becomes law and applies to 1981, it must be considered in figuring your credit for 1981. We will use news media and other means available to provide you with information and instructions on any change.

Paperwork Reduction Act Notice.—The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure

and collect the right amount of tax. You are required to give us this information.

Refund instead of credit.—If you paid excise tax of at least \$1,000 (\$200 for gasoline/alcohol mixture) on any fuel category or lubricating oil in any one of the first three quarters of the tax year, you may file for a refund of the tax instead of claiming a credit for it on Form 4136. To claim the refund, file Form 843, Claim, before the end of the quarter following the one for which you are claiming the refund. Show separate computations for a claim on gasoline, special fuels, and lubricating oils. You may use Form 4136 as a worksheet to show your computations and attach it to the Form 843 you file.

You must claim a credit, rather than a refund, for any tax paid during the fourth quarter, and for any tax under \$1,000 (\$200 for gasoline/alcohol mixture) for any of the first three quarters. You must also claim the credit, rather than a refund, for tax paid on gasoline or special fuels used on a farm for farming purposes.

Do not claim as a credit on Form 4136 any amount that you previously claimed as a refund.

A. Purpose of Form 4136.—You must file this form if you claim credit for Federal excise tax on certain kinds of fuel. These include gasoline, special fuels, and lubricating oil as defined in instructions C, D, and E.

An individual, estate, trust, or corporation may file this form, but a partnership may not. However, when a partnership files Form 1065, U.S. Partnership Return of Income, it must include a statement showing:

- How many gallons of the fuels are allocated to each partner.
- The types of use, as shown in this form.

B. Year to include the Credit Resulting from Business Use of Fuel or Oil.—When you claim a credit or refund, you must in-

(Continued on back)

Form 4136 (1981)

AS ORIGINALLY FILED

**Deloitte
& Touche**

TAXPAYER DUKE POWER COMPANY

INSTRUCTIONS FOR FILING

AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1982

To be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of Tax	Total Tax \$ Less: payments & credits \$ Balance due (overpayment) \$(1,681,780)
Overpayment	☒ Refunded to you \$1,681,780. ☐ Credited to your estimated tax \$ ☐ \$ refunded and \$ credited
Draw check to N/A	<i>NOTE: Your social security number or employer identification number should be entered on your remittance.</i>
Mail tax return and check (if applicable) to	SC DEPT. OF REVENUE COLUMBIA, SC 29214
Return must be mailed on or before	IMMEDIATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	

MISCSTATELTRS



South Carolina Tax Commission
Form 1101-U

STATE OF SOUTH CAROLINA
CORPORATION TAX RETURN
FOR PUBLIC UTILITIES

DO NOT WRITE IN THIS SPACE
A COPY OF THE FEDERAL RETURN
MUST BE ATTACHED AND MADE PART
OF THIS RETURN

Make Checks Payable To:
S.C. TAX COMMISSION
Mail This Return With
Remittance To:
S.C. TAX COMMISSION
P.O. BOX 125
Columbia, SC 29214

Return For DEC 31, 1982 INCOME
Period Ending DEC 31, 1983 LICENSE

Consolidated Return? YES ☐ NO ☒ Extension Requested
YES ☒ NO ☐

RETURN DUE ON OR
BEFORE

DUKE POWER COMPANY
P O BOX 33189
CHARLOTTE NC

28242 MAR 15, 1983

560205520 32 4900 12 20090024-9
Employer Identification No. Business Code File Number

County in South Carolina where prop
is located See Attachment

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Total net income as Reconciled (Schedule A, Page 2 or Schedule E, Line 6)	28,594,297
2. Less: Qualified Energy Conservation Deduction (Schedule G)	
Loss Carry-Over Brought Forward (ATTACH SCHEDULE)	
Allowable Contributions (See Instructions)	(232,250)
3. NET INCOME OF CORPORATION	28,362,047
4. Income Tax (6% of Line 3)	1,701,723
5. Credits: A. Tax Withheld	
B. Paid by Declaration	
C. Paid with Tentative Return	
D. Tax Credit (See Instruction XV) Schedule MUST be attached	
E. Credit from Line 23	
6. Total Credits	3,383,503
7. Overpaid (If Line 6 exceeds Line 4 enter difference)	1,681,780
8. Balance Due (If Line 4 exceeds Line 6 enter difference)	
9. Interest Due (A) _____ Penalty Due (B) _____ Total (A & B)	
10. Total Amount Due (Line 8 Plus 9)	
11. Application (If Line 7 reflects an overpayment)	
(a) Credited To: Estimate _____ License Fee _____ (b) Refunded	1,681,780

PART II COMPUTATION OF LICENSE FEE LIABILITY

12. Total value of the property (Schedule B — Page 2)	838,095,238	
13. Tax Due — One (1) mill on each dollar shown by Item 12		838,095
14. Total Gross Receipts (Schedule C — Page 2)	659,185,440	
15. Tax Due — Three (3) mills on each dollar shown in Item 14		1,977,552
16. Total Tax Due — Item 13 plus Item 15 but not less than \$10.00		2,815,647
17. Credits: A. Paid with Tentative Return	2,815,484	
B. Credit from Line 11	167	
18. Total Credits		2,815,651
19. Overpaid (If Line 18 exceeds Line 16)		
20. Balance Due (If Line 16 exceeds Line 18)		
21. Interest Due (A) _____ Penalty Due (B) _____ Total (A & B)		
22. Total Amount Due (Line 20 plus 21 if applicable)		
23. Application (If Line 19 reflects an overpayment)		
(a) Credited To: Income Tax _____ Estimate _____ (b) Refunded		
TOTAL AMOUNT DUE (Lines 10 and 22)		None

AMENDED

4322

DES00010679

Page 2

Part A — RECONCILIATION OF NET INCOME AS SHOWN ON FEDERAL RETURN WITH STATE NET INCOME

Income as Shown On Federal Return (Before Loss Carryovers)		193,006,648.
Additions:		
Income or Measured by Income	\$	
All Contributions (Domestic Corporations)		
Unallowable Contributions (Multistate Corporations)		
Interest on tax exempt bonds		
Interest on power agency advances		
ESOP credit reduction		
Total Additions	\$	
Deductions:		
Interest on U.S. Obligations	\$	
ESOP Credit		
Depreciation		
Targeted jobs (10,449) & fuel tax (22,888) credit		
Repair allowance		
Deemed distribution from controlled foreign corp.		
Total Deductions	\$	
Difference		
Income as Shown on Page 1, Line 1 Part I (or Line 1, Schedule E) Per Attached Audit Schedule		\$ 171,671,644

Part B — TO BE COMPLETED BY ALL CORPORATIONS

Value of Property Owned and Used in the Conduct of the Business For the Year Ending Date December 31, 1982
 Fair Market Value of Property Owned and Used in the Conduct of Business in South Carolina as Determined By South Carolina Tax Commission for Property Tax Purposes. \$ 838,095,238

Part C — TO BE COMPLETED BY ALL CORPORATIONS

Statement of Gross Receipts for Year Ending <u>12/31/82</u>	Total System (A)	Intrastate South Carolina (B)
Revenues, (Itemize):		
Electric	\$ 2,243,888,631	\$ 649,642,704
Water and transit	5,033,908	2,711,534
Merchandising	16,595,443	5,574,855
Total Operating Revenues.....	\$ 2,265,517,982	\$ 657,929,093
Other Receipts, (Itemize):		
Long-utility operations	59,899	
Interest	4,087,980	1,187,149
Dividends	2,242,589	
Sale of assets	122,535	69,198
All Other Receipts.....	\$ 6,513,003	\$ 1,256,347
Total - Note: Enter total on Line 14 Part II Page 1	\$ 2,272,030,985	\$ 659,185,440

SCHEDULES D, E, F ARE TO BE COMPLETED BY MULTISTATE CORPORATIONS

Part D — INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts	Less: Related Expenses	Net Amounts Allocable Directly to S.C. and Other States	Net Amounts Allocable Directly to S.C.	Payroll to Be Excluded from Payroll Factor	Property to Be Excluded from Property Factor
Interest received not connected with business	\$	\$	\$	\$	\$	XXXXXX
Dividends received	2,242,589		2,242,589			XXXXXX
Gains						\$
Gains or losses on real property	122,535		122,535	69,198		
Losses on intangible personal property						
Income directly allocated						
TOTAL INCOME DIRECTLY ALLOCATED			2,365,124	XXXXXX		
INCOME DIRECTLY ALLOCATED TO S.C.			XXXXXX	69,198	XXXXXX	XXXXXX
TO APPORTIONMENT FACTORS			XXXXXX	XXXXXX	\$	\$

AMENDED

COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTISTATE OPERATIONS

1. Total net income as reconciled (Schedule A, Page 2)	\$ 1,161,444	
2. Less: Income subject to direct allocation to S.C. and other states from Schedule D, Line 7	(2,365,124)	
3. Total net income subject to apportionment	1869,306,320	
4. Apportionable to S.C. by appropriate ratio from Schedule F	16.8494%	\$28,527,099
5. Add: Income subject to direct allocation to S.C. from Schedule D, Line 8		67,198
6. Total net income allocable to S.C. (sum of Lines 4 and 5 above) Enter on Line 1, Page 1		\$28,594,297

COMPUTATION OF APPORTIONMENT RATIO

Schedule F-1 — (PROPERTY, PAYROLL, SALES) — To be filled in by a corporation claiming multistate operations and whose principal profits or income are derived from either manufacturing, producing, collecting, buying, assembling, processing or selling, distributing or dealing in tangible personal property within South Carolina.

PROPERTY (TANGIBLE PROPERTY USED IN TRADE OR BUSINESS)	In South Carolina	Total	Ratio
Beginning of Period			
Really: Land	\$	\$	
Buildings			
Personal: Machinery and Equipment			
Inventories			
Other Property			
Total Cost at Beginning of Period	\$	\$	
Exclusions (See Instructions)			
Cost of Beginning Property (For Ratio)	\$	\$	
End of Period			
Really: Land	\$	\$	
Buildings			
Personal: Machinery and Equipment			
Inventories			
Other Property			
Total Cost at End of Period	\$	\$	
Exclusions (See Instructions)			
Cost of Ending Property (For Ratio)	\$	\$	
Average of Beginning and End of Periods	\$	\$	
Add: Rental or Lease Value (See Instructions)			
Total	\$	\$	
RATIO OF AVERAGE PROPERTY (After adding Rental or Lease Value)	XXXXXXXX	XXXXXXXX	
Payrolls (Total)	\$	\$	
Less: Officers with Company Wide Authority			
Payrolls for Income Allocated Separately			
Payrolls Net	\$	\$	
RATIO OF PAYROLLS	XXXXXXXX	XXXXXXXX	
RATIO OF SALES (Attach Schedule)			
Total of Three Ratios	XXXXXXXX	XXXXXXXX	
Arithmetical Average Ratio	XXXXXXXX	XXXXXXXX	

Schedule F-2 — (GROSS RECEIPTS) — To be filled in by a corporation claiming multistate operations. If principal profits or income are derived from sources other than manufacturing, producing, collecting, buying, assembling, processing or selling, distributing or dealing in tangible personal property within South Carolina.

	In South Carolina	Total	Ratio
Total Gross Receipts	\$	\$	
Less: Exclusion (See Instructions)			
Gross Receipts (For Ratio)	\$ 659,185,440	\$ 3,912,210,153	
Ratio of Gross Receipts	XXXX XX	XXXXXX	16.8494%

Schedule F-3 — (RATIO FOR PUBLIC SERVICE CORPORATIONS) — To be filled in by corporations, as designated in Section 12-7-64(i), S.C. Code 1976 as amended, with operating revenues within the jurisdiction of South Carolina.

	Amount	Ratio
Total Within South Carolina		
Total for System		
Ratio (South Carolina - Total System)		

AMENDED

4324

DES00010681

Schedule G - COMPUTATION OF QUALIFIED ENERGY CONSERVATION DEDUCTION

Deduction Earned in Previous Years	\$
Less: Deduction Allowed in Previous Years	\$
3. Balance Brought Forward To This Year	\$
4. Additional Deduction: Expenditure X 25%	\$
5. Deduction Earned (Add Line 3 & Line 4)	\$
6. Maximum Allowed (\$1,000 Less Line 2)	\$
7. Amount Allowable (Line 5 or Line 6 whichever is LESS)	\$
8. Amount Allowed This Year (Limited to Net Income Part 1 Line 1)	\$
9. Balance Carried Forward (Line 7 Less Line 8)	\$

Schedule H - TO BE COMPLETED BY ALL CORPORATIONS

- Incorporated under the Laws of the State of North Carolina on 11/27/63
- If Foreign corporations, the date qualified to do business in the State of South Carolina is 2/24/63
- The Registered Office of the corporation in the State of South Carolina is see line 5 in the city of Greenville and Registered Agent at such address is T. C. Berry
- Was the name of the corporation changed during the year? No Give old name _____
- Location of Principal office in S.C. Suite 700, Green Gate Park, Woods Lake Road, Greenville, SC 29606
Nature of principal business in S.C. Production and sale of electricity
The corporation's books are in care of Norman Morrow, Controller
located 422 South Church Street, Charlotte, North Carolina 28247

If Foreign corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of State, South Carolina _____

6. If filing consolidated or have affiliated corporations, attach schedule listing name, address and affiliation of all corporations.

8. The Authorized Capital Stock by Shares, Par Value and Class is as follows:

NO. of SHARES	PAR VALUE	CLASS
150,000,000	No par	Common

10. The total amount of Stated Capital is:

Total paid in Capital Stock

\$ _____

Total paid in Capital Surplus

\$ _____

The total amount of Stated Capital is

\$ _____

11. The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are: (If additional space necessary attach separate schedule).

NAME AND PERCENTAGE OF STOCK HELD

ADDRESS AND OFFICE

List Attached

All officers can be reached in care of:

Duke Power Company, P. O. Box 33189,

Charlotte, North Carolina 28242

No officer or director owns as much as

3/100 of 1% of the outstanding stock.

What years were corporate tax returns last adjusted by the Internal Revenue Service 1978

Reported to South Carolina Yes ☒ No ☐ If answer is No, please furnish copies of reports or adjustments made, under separate cover.
This statement does not relieve notification requirements of Section 12-7-2230 Code of Laws of 1976, as amended.

AFFIDAVIT

I, the undersigned, principal officer of the corporation for which this return is made, declare that this return including accompanying schedules and schedules has been examined by me and is to the best of my knowledge and belief a true and complete return made in good faith for the taxable period as stated, pursuant to the Code of Laws of 1976 as amended and the regulations issued under authority thereof.

DELOITTE & TOUCHE LLP

Return Prepared By

by: David M. Smith

12/11/2002

Date

AMENDED

Signature of Officer Authorized to Sign

e1

Duke Power Company

Statement Attached To And Made Part Of
1982 South Carolina Corporation Income Tax Return

Counties in South Carolina where property is located:

Abbeville
Aiken
Anderson
Cherokee
Chester
Fairfield

Greenville
Greenwood
Kershaw
Lancaster
Laurens

McCormick
Newberry
Oconee
Pickens

Saluda
Spartanburg
Union
York

AMENDED

9 SUBTOP 9, SOUTHWESTERN REGION
CASE: 11-14-01

112

[illegible]

AMENDED

DES00010684

Location: Southern Illinois
Date: 11/20/2018

1976	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993

[illegible]

42,208,371	44,641,374	(25,322,080)	(9,110,279)	(21,227,704)	6,779,543	111,442,378	79,702,547	(118,915)	27,861,476	25,130,443	21,029,269	70,807,394	(10,118,364)	37,859,122	9,018,000

DES00010686

South Carolina Tax Commission
Form 1101-U

STATE OF SOUTH CAROLINA
CORPORATION TAX RETURN
FOR PUBLIC UTILITIES

DO NOT WRITE IN THIS SPACE
A COPY OF THE FEDERAL RETURN
MUST BE ATTACHED AND MADE PART
OF THIS RETURN

Make Checks Payable To:
S.C. TAX COMMISSION
Mail This Return With
Remittance To:
S.C. TAX COMMISSION
P.O. BOX 125
Columbia, SC 29214

Return For DEC 31, 1982 INCOME
Period Ending DEC 31, 1983 LICENSE

Consolidated Return? YES ☐ NO ☒ Extension Requested
YES ☒ NO ☐

RETURN DUE ON OR
BEFORE

DUKE POWER COMPANY
P O BOX 33189
CHARLOTTE NC

28242 MAR 15, 1983

560205520 32 4900 12 20090024-9
Employer Identification No. Business Code File Number

County in South Carolina where propo
is located See Attachment

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Total net income as Reconciled (Schedule A, Page 2 or Schedule E, Line 6)	61,260,521
2. Less: Qualified Energy Conservation Deduction (Schedule G)	
Loss Carry-Over Brought Forward (ATTACH SCHEDULE)	
Allowable Contributions (See Instructions)	232,25
3. NET INCOME OF CORPORATION	61,028,26
4. Income Tax (6% of Line 3)	3,661,69
5. Credits: A. Tax Withheld	
B. Paid by Declaration	3,410,000
C. Paid with Tentative Return	1,090,000
D. Tax Credit (See Instruction XV) Schedule MUST be attached	2,500
E. Credit from Line 23	
6. Total Credits	4,502,50
7. Overpaid (If Line 6 exceeds Line 4 enter difference)	840,80
8. Balance Due (If Line 4 exceeds Line 6 enter difference)	
9. Interest Due (A) Penalty Due (B) Total (A & B)	
10. Total Amount Due (Line 8 Plus 9)	
11. Application (If Line 7 reflects an overpayment)	
(a) Credited To: Estimate License Fee 167 (b) Refunded	840,63

COPY

PART II COMPUTATION OF LICENSE FEE LIABILITY

12. Total value of the property (Schedule B — Page 2)	838,095,238	
13. Tax Due — One (1) mill on each dollar shown by Item 12		838,09
14. Total Gross Receipts (Schedule C — Page 2)	659,185,440	
15. Tax Due — Three (3) mills on each dollar shown in Item 14		1,977,55
16. Total Tax Due — Item 13 plus Item 15 but not less than \$10.00		2,815,65
17. Credits: A. Paid with Tentative Return	2,815,484	
B. Credit from Line 11	167	
18. Total Credits		2,815,65
19. Overpaid (If Line 18 exceeds Line 16)		
20. Balance Due (If Line 16 exceeds Line 18)		
21. Interest Due (A) Penalty Due (B) Total (A & B)		
22. Total Amount Due (Line 20 plus 21 if applicable)		
23. Application (If Line 19 reflects an overpayment)		
(a) Credited To: Income Tax Estimate (b) Refunded		
TOTAL AMOUNT DUE (Lines 10 and 22)		None

AS ORIGINALLY FILED

4330

DES00010687

Module A — RECONCILIATION OF NET INCOME AS SHOWN ON FEDERAL RETURN WITH STATE NET INCOME

Income as Shown On Federal Return (Before Loss Carryovers)		\$ 213,696,512
Adjustments:		
Income or Measured by Income	\$ 12,565,866	
All Contributions (Domestic Corporations)		
Unallowable Contributions (Multistate Corporations)	1,009,445	
Interest on tax exempt bonds	1,280	
Interest on power agency advances	114,182	
ESOP credit reduction	3,538	
Total Additions	\$13,694,311	
Deductions:		
Interest on U.S. Obligations ESOP Credit	\$ 12,440,944	
Depreciation	18,471,540	
Targeted jobs (10,449) & fuel tax (22,888) credit	33,337	
Repair allowance	10,204,787	
Deemed distribution from controlled foreign corp.	694,961	
Total Deductions	\$41,845,569	
Net Difference		
Net Income as Shown on Page 1, Line 1 Part I (or Line 1, Schedule E)		\$185,545,254

Module B — TO BE COMPLETED BY ALL CORPORATIONS

Value of Property Owned and Used in the Conduct of the Business For the Year Ending Date December 31, 1982
Fair Market Value of Property Owned and Used in the Conduct of Business in South Carolina as Determined By South Carolina Tax Commission for Property Tax Purposes. \$ 838,095,238

Module C — TO BE COMPLETED BY ALL CORPORATIONS

Statement of Gross Receipts for Year Ending <u>12/31/82</u>	Total System (A)	Intrastate South Carolina (B)
Operating Revenues, (Itemize):		
Electric	\$ 2,243,888,631	\$ 649,642,704
Water and transit	5,033,908	2,711,534
Merchandising	16,595,443	5,574,855
Total Operating Revenues.....	\$ 2,265,517,982	\$ 657,929,093
Other Receipts, (Itemize):		
Non-utility operations	59,899	
Interest	4,087,980	1,187,149
Dividends	2,242,589	
Sale of assets	122,535	69,198
Total Other Receipts.....	\$ 6,513,003	\$ 1,256,347
Total - Note: Enter total on Line 14 Part II Page 1	\$ 2,272,030,985	\$ 659,185,440

SCHEDULES D, E, F ARE TO BE COMPLETED BY MULTISTATE CORPORATIONS

Module D — INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts	Less: Related Expenses	Net Amounts Allocable Directly to S.C. and Other States	Net Amounts Allocable Directly to S.C.	Payroll to Be Excluded from Payroll Factor	Property to Be Excluded from Property Factor
Interest received not connected with business	\$	\$	\$	\$	\$	XXXXXX
Dividends received	2,242,589		2,242,589			XXXXXX
Rents						\$
Gross losses on real property	122,535		122,535	69,198		
Gross losses on intangible personal property						
Net income directly allocated						
TOTAL INCOME DIRECTLY ALLOCATED			\$2,365,124	XXXXXX		
INCOME DIRECTLY ALLOCATED TO S.C.			XXXXXX	69,198	XXXXXX	XXXXXX
FACTORS TO APPORTIONMENT FACTORS			XXXXXX	XXXXXX	\$	\$

AS ORIGINALLY FILED

COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTISTATE OPERATIONS

1. Total net income as reconciled (Schedule A, Page 2)	\$185,545,254	
2. Less: Income subject to direct allocation to S.C. and other states from Schedule D, Line 7	2,365,124	
3. Total net income subject to apportionment	\$183,180,130	
4. Apportionable to S.C. by appropriate ratio from Schedule F	33.405	\$ 61,191,322
5. Add: Income subject to direct allocation to S.C. from Schedule D, Line 8		69,198
6. Total net income allocable to S.C. (sum of Lines 4 and 5 above) Enter on Line 1, Page 1		\$ 61,260,520

COMPUTATION OF APPORTIONMENT RATIO

Schedule F-1 —(PROPERTY, PAYROLL, SALES)—To be filled in by a corporation claiming multistate operations and whose principal profits or income are derived from either manufacturing, producing, collecting, buying, assembling, processing or selling, distributing or dealing in tangible personal property within South Carolina.

PROPERTY (TANGIBLE PROPERTY USED IN TRADE OR BUSINESS)	In South Carolina	Total	Ratio
Beginning of Period			
Realty: Land	\$	\$	
Buildings			
Personal: Machinery and Equipment			
Inventories			
Other Property			
Total Cost at Beginning of Period	\$	\$	
Exclusions (See Instructions)			
Cost of Beginning Property (For Ratio)	\$	\$	
End of Period			
Realty: Land	\$	\$	
Buildings			
Personal: Machinery and Equipment			
Inventories			
Other Property			
Total Cost at End of Period	\$	\$	
Exclusions (See Instructions)			
Cost of Ending Property (For Ratio)	\$	\$	
Average of Beginning and End of Periods	\$	\$	
Add: Rental or Lease Value (See Instructions)			
Total	\$	\$	
RATIO OF AVERAGE PROPERTY (After adding Rental or Lease Value)	XXXXXXXX	XXXXXXXX	31.978
Payrolls (Total)	\$	\$	
Less: Officers with Company Wide Authority			
Payrolls for Income Allocated Separately			
Payrolls Net	\$	\$	
RATIO OF PAYROLLS	XXXXXXXX	XXXXXXXX	39.225
RATIO OF SALES (Attach Schedule)			29.013
Total of Three Ratios	XXXXXXXX	XXXXXXXX	100.216
Arithmetical Average Ratio	XXXXXXXX	XXXXXXXX	33.405

Schedule F-2 —(GROSS RECEIPTS)—To be filled in by a corporation claiming multistate operations, if principal profits or income are derived from sources other than manufacturing, producing, collecting, buying, assembling, processing or selling, distributing or dealing in tangible personal property within South Carolina.

	In South Carolina	Total	Ratio
Total Gross Receipts	\$	\$	
Less: Exclusion (See Instructions)			
Gross Receipts (For Ratio)	\$	\$	
Ratio of Gross Receipts	XXXX XX	XXXX XX	

Schedule F-3 —(RATIO FOR PUBLIC SERVICE CORPORATIONS)—To be filled in by corporations, as designated in Section 12-7-640, S.C. Code 1976 as amended, with operating revenues within the jurisdiction of South Carolina.

	Amount	Ratio
Total Within South Carolina		
Total for System		
Ratio (South Carolina ÷ Total System)		

AS ORIGINALLY FILED

Schedule G - COMPUTATION OF QUALIFIED ENERGY CONSERVATION DEDUCTION

Deduction Earned in Previous Years	\$
Less: Deduction Allowed in Previous Years	\$
3. Balance Brought Forward To This Year	\$
4. Additional Deduction: Expenditure X 25%	\$
5. Deduction Earned (Add Line 3 & Line 4)	\$
6. Maximum Allowed (\$1,000 Less Line 2)	\$
7. Amount Allowable (Line 5 or Line 6 whichever is LESS)	\$
8. Amount Allowed This Year (Limited to Net Income Part 1 Line 1)	\$
9. Balance Carried Forward (Line 7 Less Line 8)	\$

Schedule H - TO BE COMPLETED BY ALL CORPORATIONS

1. Incorporated under the Laws of the State of North Carolina on 11/27/63

2. If Foreign corporations, the date qualified to do business in the State of South Carolina is 2/24/63

3. The Registered Office of the corporation in the State of South Carolina is see line 5 in the city of Greenville and Registered Agent at such address is T. C. Berry

4. Was the name of the corporation changed during the year? No Give old name _____

5. Location of Principal office in S.C. Suite 700, Green Gate Park, Woods Lake Road, Greenville, SC 29606
 Nature of principal business in S.C. Production and sale of electricity
 The corporation's books are in care of Norman Morrow, Controller
 Located 422 South Church Street, Charlotte, North Carolina 28242

7. If Foreign corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of State, South Carolina _____

8. If filing consolidated or have affiliated corporations, attach schedule listing name, address and affiliation of all corporations.

9. The Authorized Capital Stock by Shares, Par Value and Class is as follows:

<u>NO. of SHARES</u>	<u>PAR VALUE</u>	<u>CLASS</u>
<u>150,000,000</u>	<u>No par</u>	<u>Common</u>

10. The total amount of Stated Capital is:

Total paid in Capital Stock	\$
Total paid in Capital Surplus	\$
The total amount of Stated Capital is	\$

11. The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are: (If additional space necessary attach separate schedule).

<u>NAME AND PERCENTAGE OF STOCK HELD</u>	<u>ADDRESS AND OFFICE</u>
<u>List Attached</u>	<u>All officers can be reached in care of:</u>
	<u>Duke Power Company, P. O. Box 33189,</u>
	<u>Charlotte, North Carolina 28242</u>
	<u>No officer or director owns as much as</u>
	<u>3/100 of 1% of the outstanding stock.</u>

What years were corporate tax returns last adjusted by the Internal Revenue Service 1978
 Reported to South Carolina Yes ☒ No ☐ If answer is No, please furnish copies of reports or adjustments made, under separate cover.
 This statement does not relieve notification requirements of Section 12-7-2230 Code of Laws of 1976, as amended.

AFFIDAVIT

I, the undersigned, principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief a true and complete return made in good faith for the taxable period as stated, pursuant to the Code of Laws of 1976 as amended and the Regulations issued under authority thereof.

This Return Prepared By _____ Date Sept. 15, 1983 Signature of Officer Authorized to Sign [Signature]
 Sr. Vice Pres. & Gen. Counsel
 AS ORIGINALLY FILED

4333

DES00010690

**STATE OF SOUTH CAROLINA
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION**

S. C. FILE NO.		Return for the Period Ending	1. Tentative Tax Based on Net Income	4,500,000
20090024-9		DEC 1982		
FED. E.I. NO.		Return extended to	2. LESS: Estimated Tax Payments	3,410,000
560205520		September 15, 1983		
SIGNATURE <i>Carol R. Duncan</i> <i>Assistant Secretary</i>		DATE <i>3-15-83</i>	3. Tentative Tax Due	1,090,000
DUKE POWER COMPANY			4. Total Capital and Paid in Surplus x .001 but not less than 10.00 Tentative License Fee	2,815,484
P O BOX 33189				
CHARLOTTE NC 28242			5. Balance Remitted Herewith	3,905,484

FORM 1101-T (Rev. 9/82)

PO Box 125
Columbia, S. C. 29214

AS ORIGINALLY FILED

4334

DES00010691

Duke Power Company

Statement Attached To And Made Part Of
1982 South Carolina Corporation Income Tax Return

Counties in South Carolina where property is located:

Abbeville
Aiken
Anderson
Cherokee
Chester
Fairfield

Greenville
Greenwood
Kershaw
Lancaster
Laurens

McCormick
Newberry
Oconee
Pickens

Saluda
Spartanburg
Union
York

AS ORIGINALLY FILED

4335

DES00010692

Duke Power Company

Statement Attached To And Made Part Of
1982 South Carolina Corporation Income Tax Return

1982 Apportionment Ratio

	<u>South Carolina</u>	<u>Total</u>	<u>Ratio</u>
Beginning of period			
Electric	\$1,840,182,094	\$5,652,611,643	
Water	12,691,590	19,646,409	
Transit	568,817	2,974,176	
Materials and supplies	26,652,925	210,852,066	
Total	<u>\$1,880,095,426</u>	<u>\$5,886,084,294</u>	
End of period			
Electric	\$1,954,905,131	\$5,930,879,172	
Water	13,130,425	20,106,949	
Transit	568,817	2,974,176	
Materials and supplies	35,466,587	271,113,641	
Total	<u>\$2,004,070,960</u>	<u>\$6,225,073,938</u>	
Average property	\$1,942,083,193	\$6,055,579,116	
Add: Rental	4,002,536	30,029,520	
Property for ratio	<u>\$1,946,085,729</u>	<u>\$6,085,608,636</u>	31.978%
Payrolls	\$ 193,633,521	\$ 497,449,100	
Less: Officers		3,804,538	
Payroll for ratio	<u>\$ 193,633,521</u>	<u>\$ 493,644,562</u>	39.225%
Sales	<u>\$ 659,185,440</u>	<u>\$2,272,030,985</u>	29.013%
Total of three ratios			100.216%
Average ratio			<u>33.405%</u>

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Summary of Income and Deductions

	<u>Per books</u>	<u>Income increase (decrease)</u>	<u>Tax basis</u>
Gross receipts	\$ 2,265,577,881	\$ (15,662,893)	\$ 2,249,914,988
Less: Cost of goods sold	949,145,125	98,448,752	850,696,373
Gross profit	\$ 1,316,432,756	\$ 82,785,859	\$ 1,399,218,615
Dividends	8,718,421	(5,780,871)	2,937,550
Interest on Federal obligations			
Other interest	202,808,421	(200,765,178)	2,043,243
Rents			
Royalties			
Net capital gain - Schedule D	125,796	83,364	209,160
Ordinary gain (loss)			
Form 4797 Part II	(18,932,229)	(35,280,832)	(54,213,061)
Other income	48,628,135	(47,873,308)	754,827
Total income	\$ <u>1,557,781,300</u>	\$ <u>(206,830,966)</u>	\$ <u>1,350,950,334</u>
Compensation of officers	\$ 3,804,538	\$	\$ 3,804,538
Salaries and wages	66,863,901	10,449	66,853,452
Repairs	179,432,657	(1)	179,432,658
Bad debts	5,254,506	664,333	4,590,173
Rents	3,907,029	(185,420)	4,092,449
Taxes	192,432,974	(3,152,410)	195,585,384
Interest	266,380,070	(9,912)	266,389,982
Contributions	996,495	(15,000)	1,011,495
Amortization	5,737,491	4,372,231	1,365,260
Depreciation	182,579,688	(125,959,489)	308,539,177
Advertising	1,780,318		1,780,318
Pension plan	18,019,934	(17,512,029)	35,531,963
Profit sharing	3,464,180	(2,479,506)	5,943,686
Employee benefits	12,187,107	(8,298,473)	20,485,580
Other deductions	216,759,377	174,911,670	41,847,707
Total deductions	\$ <u>1,159,600,265</u>	\$ <u>22,346,443</u>	\$ <u>1,137,253,822</u>
Net income	\$ <u>398,181,035</u>	\$ <u>(184,484,523)</u>	\$ <u>213,696,512</u>

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Explanation of Tax Adjustments

		Income increase (decrease)
Gross receipts -		
Revenue refunds	\$ (13,112,004)	
Amount due from meters read but unbilled at Jan. 1, 1976, to be included in income over a ten-year period	1,064,511	
Decrease in amount due from meters read but not billed for 1982	<u>(3,615,400)</u>	\$ (15,662,893)
Cost of goods sold -		
To adjust coal expense consistently with method adopted in prior years as a result of Internal Revenue Service audit	\$ 11,615,416	
To decrease nuclear fuel expense by book expense of burned fuel on which tax depreciation is claimed	<u>86,833,336</u>	98,448,752
Dividends -		
To eliminate increases in equity of subsidiaries included in income	\$ (8,075,832)	
Deemed distribution from controlled foreign corporation	<u>2,294,961</u>	(5,780,871)
Other interest -		
Interest charged to construction	\$(198,720,441)	
Interest on obligations of:		
State of North Carolina	(1,280)	
North Carolina Power Agency	(114,182)	
Amortization of recorded discount on notes	<u>(1,929,275)</u>	(200,765,178)
Capital gain net income -		
Reversal of book gain on sale of assets (tax proceeds added to reserve)	\$ (34,549)	
Gain on sale of U ₃ O ₈ as UF ₆	<u>117,913</u>	83,364
Ordinary gain (loss) -		
Reversal of book gain on 1979 sale of U ₃ O ₈	\$ (8,262,640)	
Reversal of Peter White reserve amortization	(5,119,719)	
Reversal of book provision for loss on disposition of Eastover assets	30,000,000	
Loss on disposition of enrichment services	(1,347,857)	
Reversal of excess coal costs	2,447,230	
Loss on abandonment of Cherokee units 2 and 3	(49,863,995)	
Loss on abandonment of Perkins	(3,512,996)	

(Continued)

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Explanation of Tax Adjustments

		<u>Income increase (decrease)</u>
Item relating to 1978 sale of interest in nuclear plant		
Fixed profit previously reported	(16,875)	
Gain on disposition of depreciable property	<u>396,020</u>	\$ (35,280,832)
Other income -		
Nontaxable gain on retirement of bonds in debt/ equity swap	<u>\$ (48,304,358)</u>	
Residential loan assistance reserve	<u>431,050</u>	(47,873,308)
Salaries and wages -		
Reduce salaries and wages by targeted jobs credit apportionable to Duke		10,449
Repairs -		
Repair allowance computed under 1.167(a)(11)		(1)
Bad debts -		
To adjust expense to amount allowable as determined on bad debts schedule		664,333
Rents -		
To adjust rents by amounts paid on leases of facilities -		
Hydro	\$ 23,559	
Other production	(124,110)	
Buildings	(422,331)	
To adjust book expense for trade-in of computer	<u>337,462</u>	(185,420)
Taxes -		
To adjust taxes to amount allowable per taxes schedule		(3,152,410)
Interest -		
Accrued interest on enrichment service brokerage fee		(9,912)
Contributions -		
Fair market value of land donated to Presbyterian Hospital Foundation		(15,000)

(Continued)

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Explanation of Tax Adjustments

		<u>Income increase (decrease)</u>
Amortization -		
Gain on sale of U ₃ O ₈ previously reported for tax purposes	\$ (1,564,147)	
Peter White coal reserves	5,119,719	
Acquisition adjustments	519,096	
Perkins abandonment	<u>297,563</u>	4,372,231
Depreciation -		
To increase expense to amount allowable as determined on depreciation schedule		(125,959,489)
Pension and other qualified plans -		
Pension plan costs capitalized per books	\$ (12,627,907)	
Add: Excess of tax expense over book expense	<u>(4,884,122)</u>	(17,512,029)
Stock purchase plan costs capitalized	\$ (2,475,968)	
ESOP credit reductions applicable to shares previously distributed	<u>(3,538)</u>	(2,479,506)
Other employee benefits -		
Life and medical insurance premiums and other employee benefits capitalized per books		(8,298,473)
Other deductions -		
Investment tax credit	\$ 102,243,896	
Provision for deferred income tax	57,271,834	
Intercompany profits	998,250	
Injuries and damages reserve	(416,210)	
Civic, political and related expenditures	42,874	
Rate proceedings expense	(120,074)	
Cost of dismantling and removing assets	(4,195,175)	
Software - self developed	(389,599)	
Insurance reserve	1,540,519	
Medical and dental insurance	(276,334)	
Penalties	44,000	
Capitalized overheads applicable to interests in Catawba owned by others	<u>18,167,689</u>	174,911,670

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Cost of Goods Sold and/or Operations

Fuel	\$682,956,714
Purchased power	(10,685,042)
Steam operating	41,643,509
Nuclear operating	76,917,653
Hydro operating	5,205,134
Combustion turbine	411,894
Transmission lines	10,852,355
Distribution lines	30,405,390
Water	1,292,876
Transit	532,725
Merchandising	11,162,674
Other power expenses	491
Total	<u>\$850,696,373</u>

Dividends

Martin County Coal Corp.	\$ 640,000
J. P. Stevens & Company, Inc.	166
Graham Industrial Development Corp.	450
Mt. Airy Development Corp.	200
Business Development Corp. of S. C.	1,600
Monkey Grip Rubber Co.	145
North Elkin Realty	28
Duke Power Overseas Finance, N.V.	2,294,961
Total	<u>\$ 2,937,550</u>

AS ORIGINALLY FILED

Methods

Employer identification number
56-0205520

To be filed with Forms 1120, 1120-DISC, 1120F, 1120-H, 1120L, 1120M, 1120-POL, 990-C, and certain Forms 990-T

1 QMB No. 1543-D129

1982

a. Kind of property and description (Example, 100 shares of "X" Co.)	b. Date acquired (mo., day, yr.)	c. Date sold (mo., day, yr.)	d. Gross sales price less expense of sale	e. Cost or other basis	f. Gain or (loss) (if loss n)
1					
2 Short-term capital gain from installment sales from Form 6252, line 21 or 29					2
3 Unused capital loss carryover (attach computation)					3
4 Net short-term capital gain or (loss)					4

5 Enter gain from Form 4797, line 5(a)(1)				5	100,518
6 Sale of bonds					(5,952)
Catawba 10% profit	Various	1982			30,771
Catawba special profit	Various	1982			(34,090)
Sale of U ₃ O ₈	Various	1982			117,913
7 Long-term capital gain from installment sales from Form 6252, line 21 or 29				7	
8 Net long-term capital gain or (loss)				8	209,160

9	Enter excess of net short-term capital gain (line 4) over net long-term capital loss (line 8)	9	
10	Net capital gain. Enter excess of net long-term capital gain (line 8) over net short-term capital loss (line 4)	10	209,160
11	Total of lines 9 and 10. Enter here and on Form 1120, line 8, page 1; Form 1120-H, line 5, page 1; Form 1120-POL, line 5, page 1; or the proper line on other returns	11	209,160

Note: If there is no entry on line 11, see instructions on capital losses for explanation of capital loss carrybacks.

12 Taxable income. Enter the amount from	(a) Form 1120, line 30, page 1 (b) Form 1120-POL, line 19, page 1 (c) Others—Enter amount from the proper line of other returns	12	
13 Net capital gain from line 10		13	
14 Subtract line 13 from line 12		14	
15 Partial tax. Compute the tax on line 14 as follows	(a) Form 1120—In accordance with the instructions for Form 1120, Schedule J (b) In accordance with the instructions for Form 1120-POL, General Instruction B (c) Others—In accordance with the tax computation instructions for applicable return	15	
16 28% of line 13		16	
17 Alternative tax—total of lines 15 and 16. If less than amount of tax figured by regular method, enter here and on Form 1120, Schedule J, line 3; Form 1120-POL, page 1, line 21; or the proper line on other returns. Also check box for Schedule D		17	

For Paperwork Reduction Act Notice, see page 1 of Form 1120 Instructions.

Supplemental Schedule of Gains and Losses

(Includes Gains and Losses From Sales or Exchanges of Assets
Used in a Trade or Business and Involuntary Conversions)
To be filed with Form 1040, 1041, 1065, 1120, etc.—See Separate Instructions

OMB No. 1545-0184

1982
31

Name(s) as shown on return

Duke Power Company

Identifying number

56-0205520

Part I Sales or Exchanges of Property Used in a Trade or Business, and Involuntary Conversions From Other Than Casualty and Theft—Property Held More Than 1 Year (Except for Certain Livestock)

Note: Use Form 4684 to report involuntary conversions from casualty and theft.
Caution: If you sold property on which you claimed the investment credit, you may be liable for recapture of that credit. See Form 4255 for additional information.

a. Kind of property and description	b. Date acquired (mo., day, yr.)	c. Date sold (mo., day, yr.)	d. Gross sales price minus expense of sale	e. Depreciation allowed (or allowable) since acquisition	f. Cost or other basis, plus improvements	g. LOSS (if minus the sum of d and e)	h. GAIN (if plus e minus f)
1 Land	Various	1982	122,975		26,129		96,846
Right of way	Various	1982	3,825		194		3,631
Land	Various	1982	7,791		11,580	(3,789)	
2 (a) Gain, if any, from Form 4684, line 25							
(b) Section 1231 gain from installment sales from Form 6252, line 21 or 29							
3 Gain, if any, from line 26, Part III, on back of this form from other than casualty and theft							3,830
4 Add lines 1 through 3 in column g and column h						(3,789)	104,307
5 Combine line 4, column g and line 4, column h. Enter gain or (loss) here, and on the appropriate line as follows: (a) For all except partnership returns: (1) If line 5 is a gain, enter the gain as a long-term capital gain on Schedule D. See instruction E. (2) If line 5 is zero or a loss, enter that amount on line 6. (b) For partnership returns: Enter the amount from line 5 above, on Schedule K (Form 1065), line B.							100,518

Part II Ordinary Gains and Losses

a. Kind of property and description	b. Date acquired (mo., day, yr.)	c. Date sold (mo., day, yr.)	d. Gross sales price minus expense of sale	e. Depreciation allowed (or allowable) since acquisition	f. Cost or other basis, plus improvements	g. LOSS (if minus the sum of d and e)	h. GAIN (if plus e minus f)
6 Loss, if any, from line 5(a)(2)							
7 Gain, if any, from line 25, Part III on back of this form							906,892
8 (a) Net gain or (loss) from Form 4684, lines 17 and 24a							
(b) Ordinary gain from installment sales from Form 6252, line 20 or 28							
9 Other ordinary gains and losses (Include property held 1 year or less):							
Loss on retirement of depreciable property	Various	1982				488,855	
Catawba fixed fee	Various	1982					93,750
Enrichment services	Various	1982				1,347,857	
Cherokee abandonment	Various	1982				49,863,995	
Perkins abandonment	Various	1982				3,512,996	
10 Add lines 6 through 9 in column g and column h						(55,213,703)	1,000,642
11 Combine line 10, column g and line 10, column h. Enter gain or (loss) here, and on the appropriate line as follows: (a) For all except individual returns: Enter the gain or (loss) from line 11, on the return being filed. See instruction F for specific line reference. (b) For individual returns: (1) If the loss on line 6 includes a loss from Form 4684, Part II, column B(1), enter that part of the loss here and on line 24 of Schedule A (Form 1040). Identify as from "Form 4797, line 11(b)(1)". (2) Redetermine the gain or (loss) on line 11, excluding the loss (if any) on line 11(b)(1). Enter here and on Form 1040, line 15							(54,213,061)

For Paperwork Reduction Act Notice, see page 1 of separate instructions.

Form 4797 (1982)

AS ORIGINALLY FILED
4343

DES00010700

Part III Gain From Disposition of Property Under Sections 1245, 1250, 1251, 1252, 1254, 1255

Skip lines 20 and 21 if you did not dispose of farm property or farmland, or if a partnership files this form.

12 Description of sections 1245, 1250, 1251, 1252, 1254, and 1255 property:	Date acquired (mo., day, yr.)	Date sold (mo., day, yr.)
(A) General property - Reserve greater than asset	1971	1982
(B) Transmission property - Reserve greater than asset	1964	1982
(C) Hydro property	1929	1982
(D)		

Relate lines 12(A) through 12(D) to these columns ▶▶▶▶	Property (A)	Property (B)	Property (C)	Property (D)
13 Gross sales price minus expense of sale	9,311	18,858,265	50,000	
14 Cost or other basis	92,746	122,003,374	117,495	
15 Depreciation (or depletion) allowed (or allowable)	92,628	104,020,791	93,342	
16 Adjusted basis, subtract line 15 from line 14	118	17,982,583	24,153	
17 Total gain, subtract line 16 from line 13	9,193	875,682	25,847	
18 If section 1245 property:				
(a) Depreciation allowed (or allowable) after applicable date (see instructions)	92,628	104,020,791	22,017	
(b) Enter smaller of line 17 or 18(a)	9,193	875,682	22,017	
19 If section 1250 property: (If straight line depreciation used, enter zero on line 19(f).)				
(a) Additional depreciation after 12/31/75				
(b) Applicable percentage times the smaller of line 17 or line 19(a) (see instruction G.4)				
(c) Subtract line 19(b) from line 17. If line 17 is not more than line 19(a), skip lines 19(d) and 19(e)				
(d) Additional depreciation after 12/31/69 and before 1/1/76				
(e) Applicable percentage times the smaller of line 19(c) or 19(d) (see instruction G.4)				
(f) Add lines 19(b), and 19(e)				
20 If section 1251 property:				
(a) If farmland, enter soil, water, and land clearing expenses for current year and the four preceding years				
(b) If farm property other than land, subtract line 18(b) from line 17; if farmland, enter smaller of line 17 or 20(a)				
(c) Excess deductions account (see instruction G.5)				
(d) Enter smaller of line 20(b) or 20(c)				
21 If section 1252 property:				
(a) Soil, water, and land clearing expenses				
(b) Amount from line 20(d), if none enter zero				
(c) Subtract line 21(b) from line 21(a). If line 21(b) is more than line 21(a), enter zero				
(d) Line 21(c) times applicable percentage (see instruction G.5)				
(e) Subtract line 21(b) from line 17				
(f) Enter smaller of line 21(d) or 21(e)				
22 If section 1254 property:				
(a) Intangible drilling and development costs deducted after 12/31/75 (see instruction G.6)				
(b) Enter smaller of line 17 or 22(a)				
23 If section 1255 property:				
(a) Applicable percentage of payments excluded from income under section 126 (see instruction G.7)				
(b) Enter the smaller of line 17 or 23(a)				

Summary of Part III Gains (Complete Property columns (A) through (D) through line 23(b) before going to line 24)

24 Total gains for all properties (add columns (A) through (D), line 17)	910,722
25 Add columns (A) through (D), lines 18(b), 19(f), 20(d), 21(f), 22(b) and 23(b). Enter here and on Part II, line 7	906,892
26 Subtract line 25 from line 24. Enter the portion from casualty and theft on Form 4684, line 19; enter the portion from other than casualty and theft on Form 4797, Part I, line 3	3,830

Part IV Complete this Part Only if You Elect Out of the Installment Method And Report a Note or Other Obligation at Less Than Full Face Value☐ Check here if you elect out of the installment method.

Enter the face amount of the note or other obligation ▶

Enter the percentage of valuation of the note or other obligation ▶

Duke Power Company
Schedule E - Compensation of Officers
Year Ended December 31, 1982

<u>1. Name of Officer</u>	<u>2. Social Security Number</u>	<u>3. Title</u>	<u>7. Amount of Compensation</u>
Carl Horn, Jr.	245-14-2680	Chairman of the Board*	\$ 102,066
W. S. Lee	240-36-5316	Chairman of the Board	262,926
D. W. Booth	416-20-6316	President	194,412
W. H. Grigg	242-44-5627	Exec. Vice President	145,531
W. H. Owen	247-36-0637	Exec. Vice President	148,161
A. C. Thies	245-01-6211	Exec. Vice President	144,961
H. L. Cranford, Jr.	243-32-5629	Sr. Vice President	90,793
D. H. Denton, Jr.	157-26-5779	Sr. Vice President	90,210
S. C. Griffith, Jr.	248-58-8700	Sr. VP & General Counsel	120,853
J. D. Hicks	242-26-3282	Sr. Vice President	125,210
F. A. Jenkins	237-10-4350	Sr. Vice President	101,795
T. C. Berry	249-42-7898	Vice President	79,376
R. W. Bostian	245-22-2869	Vice President	33,933
J. K. Clark	245-40-7613	Vice President	88,585
L. C. Dail	245-20-5042	Vice President	111,193
R. L. Dick	245-24-1815	Vice President	109,953
G. W. Ferguson, Jr.	249-44-6175	VP & Deputy Gen. Counsel	95,210
M. T. Hatley, Jr.	238-22-2342	Vice President	65,981
P. A. Hauser	238-12-6429	VP & Controller	25,993
E. N. Hedgepeth, Jr.	237-36-3038	Vice President	83,562
S. T. Lattimore	245-40-6973	Vice President	70,246
J. F. Lomax	250-50-3676	Vice President	70,891
J. S. Major, Jr.	250-03-6157	Vice President	66,214
J. G. Mann	251-14-4865	Vice President	81,723
P. H. Mann, Jr.	244-40-5836	Vice President	78,663
P. G. Martin	244-44-0261	Vice President	79,389
D. B. Moore	242-26-5476	Vice President	77,771
W. O. Parker, Jr.	245-24-8853	Vice President	98,039
T. M. Patrick, Jr.	251-01-1787	Vice President	6,164
E. B. Shuler	322-22-2307	Vice President	80,643
W. R. Stilmart	338-24-9601	Vice President	77,520
G. E. Stubbins	245-58-9362	Vice President	54,700
H. B. Tucker	242-44-3979	Vice President	36,285
F. E. West, Jr.	247-50-4492	Vice President	73,568
J. W. White	244-26-0593	Vice President	65,880
R. J. Ashmore	242-20-6779	Asst. Vice President	38,938
C. J. Sherrill	243-34-7687	Asst. Vice President	70,399
N. P. Morrow	238-78-5724	Controller	60,140
E. C. Sites	241-50-3394	Asst. Controller	51,105
H. D. Whitley	258-32-0267	Asst. Controller	41,114
R. J. Osborne	244-74-9841	Treasurer	55,250
C. A. Markel, III	184-38-5965	Asst. Treasurer	42,483
W. B. Shannon	239-26-6449	Asst. Treasurer	47,042
L. F. Camp, Jr.	245-52-1261	Secretary & Assoc. Gen. Coun.	78,518
C. R. Duncan	245-52-3531	Asst. Secretary	32,400
J. C. Goodman, Jr.	241-05-8136	Asst. Secretary	48,749
Total			<u>\$3,804,538</u>

Item 4. 100% of time devoted to business.

Items 5 and 6. No officer owned more than 1/100 of 1% of outstanding shares.

Officers are reimbursed for actual expenses incurred on behalf of the company. Details are in the taxpayer's files.

*Retired 5-1-82

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Bad Debts

Tax-basis reserve at December 31, 1982:

Loss experience

<u>Year</u>	<u>Year-end customer receivables</u>	<u>Net write-off</u>
1977	\$ 93,111,501	\$ 3,841,629
1978	98,578,060	3,277,422
1979	110,088,601	2,957,860
1980	122,203,046	3,390,619
1981	152,858,754	4,111,946
	<u>\$576,839,962</u>	<u>\$17,579,476</u>

Loss ratio

3.048%

Customer accounts at December 31, 1982

\$ 150,124,576

Tax-basis reserve

4,575,797

1982 tax deductions:

Tax-basis reserve -

December 31, 1982, as computed above

\$ 4,575,797

December 31, 1981, per 1981 return

5,255,284

Amount of tax deduction -

Decrease in reserve balance

\$ (679,487)

Net write-offs during 1982

5,131,331

Net 1982 write-offs of merchandising receivables

138,329

1982 tax deduction

\$ 4,590,173

1982 schedule M adjustment:

Tax deduction, as above

\$ 4,590,173

Expense charged per books

5,254,506

Schedule M adjustment - income increase

\$ 664,333

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company and Affiliates

Taxes

	<u>Per books</u>	<u>Expense increase (decrease)</u>	<u>Tax basis</u>
North Carolina:			
Property	\$ 19,904,711	\$ 4,882,364 (1)	\$ 24,787,075
City license	90,847	(71,547) (7)	19,300
City chain store	4,660		4,660
Franchise	95,612,617	(257,828) (3)	95,354,789
Intangibles	59,384		59,384
Industrial Commission	102,132		102,132
Unemployment	277,791	408,446 (1)	686,237
Income	11,219,786	(2,217,846) (5)	9,001,940
Income - prior years		(220,638) (8)	(220,638)
Total North Carolina	<u>\$ 127,271,928</u>	<u>\$ 2,522,951</u>	<u>\$129,794,879</u>
South Carolina:			
Property	\$ 12,783,144	\$ (907) (3)	\$ 12,782,237
City license	3,547,354		3,547,354
Franchise	2,661,924		2,661,924
Kilowatt hour	5,718,597		5,718,597
Public Service Commission	577,918		577,918
Greenwood sales	1,052		1,052
Industrial Commission	61,785		61,785
Chain store license	4,215		4,215
Bus license	4,527		4,527
Unemployment	220,398	428,228 (1)	648,626
Income	4,467,031	(805,335) (5)	3,661,696
Income - prior years		122,868 (8)	122,868
Total South Carolina	<u>\$ 30,047,945</u>	<u>\$ (255,146)</u>	<u>\$ 29,792,799</u>

(Continued)

AS ORIGINALLY FILED

4347

DES00010704

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Taxes

	<u>Per books</u>	<u>Expense increase (decrease)</u>	<u>Tax basis</u>
Federal:			
Income	\$ 17,452,607	\$ (17,452,607) (2)	\$
Social Security	17,225,257	14,689,101 (1)	31,914,358
Highway use	68,370		68,370
Gasoline tax		(22,888) (4)	(22,888)
Federal unemployment	<u>368,010</u>	<u>519,475 (1)</u>	<u>887,485</u>
Total Federal	\$ <u>35,114,244</u>	\$ <u>(2,266,919)</u>	\$ <u>32,847,325</u>
Other Taxes:			
State use taxes	\$	\$ 3,151,524 (1)	\$ 3,151,524
Georgia	225		225
Tennessee	<u>(1,368)</u>		<u>(1,368)</u>
Total other taxes	\$ <u>(1,143)</u>	\$ <u>3,151,524</u>	\$ <u>3,150,381</u>
Total all taxes	\$ <u>192,432,974</u>	\$ <u>3,152,410</u>	\$ <u>195,585,384</u>

Explanation of adjustments:

1. To increase tax expense by amounts capitalized.
2. To eliminate Federal income tax as a deduction.
3. To convert cash-basis book charge to accrual basis.
4. To decrease taxes by Federal gasoline tax credit.
5. To adjust state income taxes to actual liability.
6. To decrease income due to payment of protested property tax assessments.
7. To increase income due to the Hickory Municipal license fee which does not represent a legal liability.
8. To adjust prior years state income taxes to actual liability.

AS ORIGINALLY FILED

Duke Power Company And Affiliates

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Donations

	Total	North Carolina		South Carolina	
		N.C. Donees	Apportionable	Apportionable	S.C. Donees
Colleges and universities	\$355,005	\$224,046	\$130,959		\$106,023
United Funds	315,075	230,775	84,300		84,300
Boy & Girl Scouts	17,978	7,978	10,000		10,000
Junior Achievement	14,272	11,272	3,000		3,000
Y.M.C.A. & Y.W.C.A.	26,050	12,800	13,250		13,250
American Red Cross	2,050	550	1,500	2,050	1,034
Governmental Units	3,668	2,634	1,034		
American Society of Mechanical Engineers - NY	500		500		
North Carolina Special Olympics	500		500		500
Carolina Blood Center - SC	2,000		2,000		2,000
Spartanburg County Art Association - SC	200		200		200
Charles Lea Center - SC	500		500		500
Lancaster County Society for Historical Preservation - SC	100		100		100
North Carolina Burn Center Endowment Fund	15,000	15,000			
Cabarrus County Rescue Squad	100	100			
The Oratorio Singers of Charlotte - NC	100	100			
North Carolina Academy of Science, Inc.	250	250			
Foothills Arts Council - NC	200	200			
Fourth District Congressional Classroom - SC	400		400		400
North Carolina School of the Arts	15,000	15,000			
Western North Carolina Development Association	300	300			
South Carolina Conference of Branches, NAACP	450		450		450
National Conference of Christians & Jews - NY	2,500		2,500		
South Carolina Federation of Older Americans	400		400		400
Saluda Volunteer Fire Department - NC	100	100			
Winston-Salem Arts Council - NC	10,000	10,000			
Western Piedmont Symphony - NC	150	150			
Greensboro Beautiful, Inc. - NC	100	100			
Council for Financial Aid for Education - NY	250		250		

(Continued)

4349

AS ORIGINALLY FILED

DES00010706

Duke Power Company And Affiliates

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Donations

		<u>North Carolina</u>		<u>South Carolina</u>	
	<u>Total</u>	<u>N.C. Donees</u>	<u>Apportionable</u>	<u>Apportionable</u>	<u>S.C. Donees</u>
High Point Arts Council - NC	\$ 250	\$ 250	\$		\$
North Carolina Museum of History	250	250			
York County Rescue & Fire Support Team - SC	100		100		100
Junior League of Charlotte - NC	2,500	2,500			
Spartanburg Arts Council - SC	250		250		250
Charlotte Latin School Economics Institute - NC	600	600			
North Carolina Student Academy of Science	300	300			
Winston-Salem Industries for the Blind, Inc. - NC	5,000	5,000			
National Audubon Society - SC	250		250		250
North Carolina Dance Theatre	500	500			
Brevard Music Center - NC	3,150	3,150			
North Carolina School of Science	20,000	20,000			
Boys Town of North Carolina	750	750			
Americans for Energy Independence - DC	6,600		6,600		
Spartanburg County Foundation - SC	1,000		1,000		1,000
Anderson County Arts Council - SC	250		250		250
Greenville Symphony Association - SC	200		200		200
North Carolina Engineering Foundation, Inc.	14,000	14,000			
Elkin Rescue Squad - NC	100	100			
National Wildlife Federation - DC	5,000		5,000		
United Way Luncheon - NC	244	244			
Gilead Volunteer Fire Department - NC	500	500			
Goodwill Industries - NC	20,334	20,334			
American Nuclear Society - IL	5,000		5,000		
Presbyterian Hospital Development Fund - NC	6,000	6,000			
Association for Sickle Cell Disease - NC	200	200			
Centerville Fire Department - SC	125		125		125
National Association of Black Accountants - NC	200	200			

(Continued)

AS ORIGINALLY FILED

4350

DES00010707

Duke Power Company And Affiliates

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Donations

		<u>North Carolina</u>		<u>South Carolina</u>	
	<u>Total</u>	<u>N.C. Donees</u>	<u>Apportionable</u>	<u>Apportionable</u>	<u>S.C. Donees</u>
Spirit Square Sawtooth Campaign - NC	\$ 11,667	\$ 11,667	\$		\$
American Quadricentennial Corp. - NC	6,250	6,250			
Festival in the Park - NC	1,000	1,000			
Little Theatre of Charlotte - NC	250	250			
Charlotte Council on Alcoholism - NC	1,500	1,500			
Greater Charlotte Foundation - NC	2,000	2,000			
National Legal Center for the Public Interest - DC	1,000		1,000		
Walkertown Volunteer Fire Department - NC	200	200			
Moore's Chapel Volunteer Fire Department - NC	100	100			
South Carolina Wildlife Federation	300		300		300
The Gallery Players, Inc. - NC	100	100			
Discovery Place - NC	100	100			
United Way of Alamance County - Report Luncheon - NC	200	200			
Greenville County Art Association - SC	100		100		100
Thomasville Community Concert Association - NC	100	100			
Salvation Army - NC	3,000	3,000			
Phoenix Organization - NC	1,000	1,000			
Fund for Higher Education - NY	600		600		
Historic Preservation Fund of North Carolina	750	750			
North Carolina 4-H Development Fund, Inc.	3,333	3,333			
National Association for Regulatory Utility Commissioners - DC	13,743		13,743		
Planned Parenthood of Greater Charlotte - NC	1,100	1,100			
Rutherford County Arts Council - NC	100	100			
National Society of Professional Engineers - DC	500		500		
Charlotte Memorial Hospital Foundation, Inc. - NC	1,500	1,500			
Mills River Volunteer Fire Department - NC	100	100			

(Continued)

AS ORIGINALLY FILED

4351

DES00010708

Duke Power Company And Affiliates

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Donations

		<u>North Carolina</u>		<u>South Carolina</u>	
	<u>Total</u>	<u>N.C. Donees</u>	<u>Apportionable</u>	<u>Apportionable</u>	<u>S.C. Donees</u>
Mecklenburg Lions Club Charities - NC	\$ 100	\$ 100	\$		\$
United Arts Council Fund - NC	7,000	7,000			
Weatherspoon Gallery Association - NC	750	750			
Charlotte Community Concert Association, Inc. - NC	175	175			
National Sportscasters/Sportswriters Association - NC	375	375			
Humane Society of Guilford County - NC	350	350			
United Arts Council of Rowan, Inc. - NC	1,000	1,000			
Caldwell County Arts Council - NC	200	200			
Mecklenburg 4-H - NC	383	383			
Town of Jamestown - NC	100	100			
Governor's Conference on Leadership Development for Women - NC	500	500			
National Fire Protection Association - MA	500		500		
Charlotte Symphony ASID Designer House - NC	800	800			
South Carolina Council on Economic Education	1,000		1,000		1,000
University for Young Americans - OH	700		700		
Durham Arts Council - NC	2,200	2,200			
Hickory Museum of Art - NC	200	200			
Southeastern Legal Foundation, Inc. - GA	5,000		5,000		
United Way - Gaston County Luncheon Fund - NC	100	100			
Arts & Science Council - NC	25,000	25,000			
Cornelius Volunteer Fire Department - NC	500	500			
Furman-Greenville Fine Arts Series - SC	150		150		150
Gilead Volunteer Fire Department - NC	500	500			
North Mecklenburg Rescue Squad - NC	500	500			
City of Charlotte - NC	500	500			
Greensboro Police Department - NC	200	200			

(Continued)

AS ORIGINALLY FILED

4352

DES00010709

Duke Power Company And Affiliates
Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Donations

	<u>Total</u>	<u>North Carolina</u>		<u>South Carolina</u>	
		<u>N.C. Donees</u>	<u>Apportionable</u>	<u>Apportionable</u>	<u>S.C. Donees</u>
Keep North Carolina Beautiful, Inc.	\$ 100	\$ 100	\$		\$
South Carolina Press Association	1,374		1,374		1,374
Lancaster County Education Foundation - SC	5,000		5,000		5,000
North Carolina Symphony	1,000	1,000			
Catawba Science Center - NC	500	500			
Carolina Regional Theatre - NC	2,000	2,000			
Arts & Science Fund Drive - NC	10,294	10,294			
Total Current Year Donations of Cash	\$ 996,495	\$ 695,910	\$ 300,585	\$ 2,050	\$ 232,256
Land donated to Presbyterian Hospital, Charlotte, NC	15,000	15,000			
Total Donations	<u>\$1,011,495</u>	<u>\$ 710,910</u>	<u>\$ 300,585</u>	<u>\$ 2,050</u>	<u>\$ 232,256</u>

AS ORIGINALLY FILED

4353

DES00010710

August 20, 1987

Memo to The Files

Subject: S. C. Depreciation

The 1987 South Carolina Legislature changed the Code of Laws of South Carolina Section 12-7-455(e) to conform South Carolina's depreciation method to Federal for all vintages prior to 1985. See Remi Taylor's letter dated August 6, 1987.

The years 1985 and after will follow Federal depreciation methods. The vintage years 1981 - 1984 will use Federal ACRS depreciation beginning with the tax year 1985. Tax years prior to 1985 for vintages 1981 - 1984 will use either the ADR depreciation method or the modified South Carolina ACRS depreciation method.

When vintages 1981 - 1984 become fully depreciated using Federal ACRS depreciation methods, any remaining South Carolina depreciation will be written off in two years for personal property and 5 years for real property.

Vintage years 1971 - 1980 will use the South Carolina depreciation method agreed to by Duke Power, SCANA, CP & L and the South Carolina Tax Commission at a meeting in 1980.

Larry C. Auten

AS ORIGINALLY FILED

4354

DES00010711

SC Dep. V-10

August 6, 1987

TO: LARRY AUTEN
JANET BRIDGES
DON STRATTON

FROM: REMI TAYLOR

RE: SOUTH CAROLINA DEPRECIATION

I have been advised by the South Carolina Tax Commission that Section 12.7-455(e) of the South Carolina Code of Laws, 1976 has been amended by the General Appropriations Bill of 1987. This amendment will adopt the Federal depreciation for assets placed in service prior to 1985. When the assets are fully depreciated for Federal tax purposes, the remaining South Carolina basis of personal property will be written off over two years and real property over five years.

This will result in an additional depreciation deduction in 1986 of about \$2 million on the South Carolina return.

AS ORIGINALLY FILED

4355

DES00010712

Duke Power Company

Statement Attached To And Made Part Of
1982 South Carolina Corporation Income Tax Return

GLC	Function	Vintages	Federal CLADR & ACRS Tax Depreciation	S.C. Tax Depreciation	Income increase (decrease)
			1,236,104	1,243,607	(7,503)
00.110	Furniture & fixtures	71-82	\$ 1,239,428	\$ 1,239,284	\$ 144
			502,254	507,502	(5,248)
00.120	EDP	71-82	636,388	711,853	(75,465)
			202,940	221,114	(18,174)
00.130	Data handling equip.	71-82	532,101	549,621	(18,068)
			146,564	143,151	(3,413)
49.005	Other general plant	81-82	1,451,470	1,084,920	364,550
			1,447,772	1,105,237	342,535
					(345,972)
49.110	Hydro	71-82	4,318,477	4,334,034	(15,557)
				4,664,399	(330,365)
49.118	Hydro-structures	81	13,470	4,796	8,674
			99,138,853	93,500,423	5,638,430
49.120	Nuclear	73-82	188,232,864	93,471,237	6,761,627
				66,134,354	(14,941,498)
49.121	Nuclear fuel	74; 76-82	51,192,656	66,134,365	(14,941,709)
			3,008,176		842,665
49.128	Nuclear-structures	81-82	3,008,177	2,165,511	842,666
				31,716,673	(6,747,749)
49.131	Steam	70-82	24,968,924	31,716,705	(6,747,781)
				1,302,618	(266,097)
49.132	Other production	71-80	1,036,521	1,302,619	(266,098)
49.138	Steam-structures	82	22,699	6,907	15,792
			29,250,259	30,512,091	(1,261,832)
49.141	Transmission	71-82	29,252,045	30,517,599	(1,265,554)
			48,050,906	53,723,484	(5,672,578)
49.142	Distribution	71-82	50,864,110	54,653,779	(3,789,669)
49.150	Combustion turbines	81	567	474	93
49.300	Water	71-82	462,105	363,826	98,279
			1,219,152	333,550	885,602
65.000	Structures	81-82	1,230,013	336,627	893,386
			266,754,148	288,201,569	(21,447,421)
			\$278,473,299	\$288,944,839	\$(18,471,540)

Depreciation on the Federal return was computed using Section 1.167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980, depreciation was computed using Section 168 Accelerated Cost Recovery System.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1982 South Carolina Corporation Income Tax Return

<u>GLC</u>	<u>Function</u>	<u>Vintages</u>	<u>Federal CLADR & ACRS Tax Depreciation</u>	<u>S.C. Tax Depreciation</u>	<u>Income increase (decrease)</u>
00.110	Furniture & fixtures	71-82	\$ 1,239,428	\$ 1,239,284	\$ 144
00.120	EDP	71-82	636,388	711,853	(75,465)
00.130	Data handling equip.	71-82	531,526	549,621	(18,095)
49.005	Other general plant	81-82	1,447,772	1,105,237	342,535
49.110	Hydro	71-82	4,334,034	4,664,399	(330,365)
49.118	Hydro-structures	81	13,470	4,796	8,674
49.120	Nuclear	73-82	100,232,864	93,471,237	6,761,627
49.121	Nuclear fuel	74; 76-82	51,192,656	66,134,365	(14,941,709)
49.128	Nuclear-structures	81-82	3,008,177	2,165,511	842,666
49.131	Steam	70-82	24,968,924	31,716,705	(6,747,781)
49.132	Other production	71-80	1,036,521	1,302,619	(266,098)
49.138	Steam-structures	82	22,699	6,907	15,792
49.141	Transmission	71-82	29,252,045	30,517,599	(1,265,554)
49.142	Distribution	71-82	50,864,110	54,653,779	(3,789,669)
49.150	Combustion turbines	81	567	474	93
49.300	Water	71-82	462,105	363,826	98,279
65.000	Structures	81-82	<u>1,230,013</u>	<u>336,627</u>	<u>893,386</u>
			<u>\$270,473,299</u>	<u>\$288,944,839</u>	<u>\$(18,471,540)</u>

Depreciation on the Federal return was computed using Section 1.167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980, depreciation was computed using Section 168 Accelerated Cost Recovery System.

AS ORIGINALLY FILED

Depreciation and Amortization

▶ See separate instructions.
▶ Attach this form to your return.

OMB No. 1545-0172
Expires 8/31/85

67

Name(s) as shown on return
Duke Power Company

Identifying number
56-0205520

Business or activity to which this form relates
Electric Utility

Part I Depreciation

Section A Election to expense recovery property (Section 179)

A. Class of property	B. Cost	C. Expense deduction

1 Total (not more than \$5,000). Enter here and on line 8 (Partnerships—enter this amount on Schedule K (Form 1065))

Section B Depreciation of recovery property

A. Class of property	B. Date placed in service	C. Cost or other basis	D. Recovery period	E. Method of figuring depreciation	F. Percentage	G. Deduction for this year
2 Accelerated Cost Recovery System (ACRS) (See instructions):						
(a) 3-year property						
	1981	114,444,491	5	PRE	22	25,157,795
	1982	76,638,562	5	PRE	15	11,495,784
(b) 5-year property						
	1981	521,892,861	10	PRE	14	73,065,000
	1982	14,847,004	10	PRE	8	1,187,761
(d) 15-year public utility property	1981	167,025,786	15	PRE	10	16,591,622
	1982	159,657,879	15	PRE	5	7,982,895
(e) 15-year real property—low-income housing						
	1981*	31,709,483	15	PRE	Var.	3,732,969
	1982*	5,902,270	15	PRE	Var.	541,390
(f) 15-year real property other than low-income housing						

A. Description of property	B. Date acquired	C. Cost or other basis	D. Depreciation allowed or allowable in earlier years	E. Method of figuring depreciation	F. Life or rate	G. Deduction for this year

[illegible]

7 Total column G, Section C	168,783,961
8 Enter amount from Section A, line 1 (Partnerships enter zero)	-0-
9 Enter amount from Section B, line 4	139,755,216
10 Total—Add lines 7, 8, and 9. Enter here and on the Depreciation line of your return	308,539,177

A. Description of property	B. Date acquired	C. Cost or other basis	D. Amortization allowed or allowable in earlier years	E. Code section	F. Amortization period or percentage	G. Amortization for this year

• U.S. GOVERNMENT PRINTING OFFICE: 1962-O-363-359

23-188-5979

4359

DES00010716

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Class Life System Depreciation

<u>Asset</u> <u>Guideline</u> <u>Class</u>	<u>Unadjusted Basis</u> <u>Year Ending</u> <u>1982</u>	<u>Salvage</u> <u>Value</u>	<u>Accumulated</u> <u>Depreciation</u> <u>Beginning Year</u>	<u>Current</u> <u>Depreciation</u>	<u>Depreciation</u> <u>Reserve Balance</u> <u>Year Ending 1982</u>
00.110	\$ 2,224,629	\$	\$ 2,164,913	\$ 25,758	\$ 2,190,671
00.120	5,916,462		5,916,462	-0-	5,916,462
00.130	1,078,994		1,078,994	-0-	1,078,994
49.110	99,953,790	841,711	72,780,766	1,975,046	74,770,792
49.130	534,480,223	5,937,357	431,928,122	8,445,783	440,379,550
49.140	917,500,937	11,015,681	681,299,713	21,747,864	707,347,380
49.300	11,420,459	53,992	4,738,546	231,187	4,973,249
65.410	12,489,401	207,662	6,378,291	262,637	6,640,928
Total	<u>\$1,585,064,895</u>	<u>\$18,056,403</u>	<u>\$1,206,285,807</u>	<u>\$32,688,275</u>	<u>\$1,243,298,026</u>

Section 167(a)12 Election

Taxpayer elects to compute depreciation on the Class Life System for the Tax Year 1982 in accordance with Section 1.167(a)12 of the regulations.

AS ORIGINALLY FILED

4360

DES00010717

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Class Life Asset Depreciation Range System

<u>Asset guideline class</u>	<u>Cost or other basis of property in service at the end of the year</u>	<u>Total CLADR depre- ciation this year</u>	<u>Reserve for depre- ciation at end of year</u>
00.110	\$ 6,265,148	\$ 699,570	\$ 4,761,021
00.120	7,061,925	375,267	13,960,798
00.130	2,952,538	271,012	2,756,603
00.230	525,314	-0-	525,314
49.110	112,681,826	4,270,881	47,911,654
49.120	418,622,749	25,980,670	316,244,575
49.121	193,477,768	17,048,342	180,709,129
49.130	437,172,422	24,691,835	270,411,886
49.140	950,734,446	57,188,597	489,844,563
49.300	5,381,877	191,909	1,735,613
Total	<u>\$2,134,876,013</u>	<u>\$130,718,083</u>	<u>\$1,328,861,156</u>

Section 167(a)11 Election

Taxpayer elects to compute depreciation on the Class Life Asset Depreciation Range System for the Tax Year 1982 in accordance with Section 1.167(a)11 of the regulations.

Duke Power Company

Statement Attached To And Made Part Of
Class Life (ADR) System For 1982

The depreciation method of the accounts and vintages listed below was changed from double declining balance to the sum of the years digits method. The depreciation on the new method was computed by depreciating the unrecovered basis over the remaining life.

<u>GLC</u>	<u>Vintage</u>
00.110	1980
00.120	1980
00.130	1980
49.110	1980
49.120	1980
49.121	1980
49.130	1980
49.140	1980

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Other Deductions

Electric	\$ (591,416)
Administrative and general	52,488,071
Water	108,724
Transit	215,880
Merchandising	1,738,711
Other income deductions	(12,169,282)
Farms & forestry	57,019
	<u>\$ 41,847,707</u>

Election Pursuant to Section 46(d) of the Code

Duke Power Company has elected to include in qualified investment an amount equal to its qualified progress expenditures. Such expenditures are reflected in the investment credit amounts shown for Duke Power Company in this return.

Repair Allowance Election

The taxpayer has deducted \$1.00 as Repair Allowance under 1.167(a)(11) to preserve its right to a deduction of a greater amount in the event that the Economic Recovery Act of 1981 did not totally repeal the repair allowance.

AS ORIGINALLY FILED

Duke Power Company And Affiliates
Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Balance Sheets

	<u>Beginning of taxable year</u>		<u>End of taxable year</u>	
	<u>Amount</u>	<u>Total</u>	<u>Amount</u>	<u>Total</u>
<u>Assets</u>				
Cash	\$	4,525,603	\$	4,053,181
Notes and accounts receivable	193,033,564		166,648,168	
(a) Less allowance for bad debts	<u>3,998,218</u>	189,035,346	<u>3,982,966</u>	162,665,202
Inventories		220,037,553		278,801,498
Other current assets		6,173,178		9,237,527
Other investments		77,573,105		99,939,386
Buildings and other fixed assets	\$7,874,362,413		\$8,528,177,875	
(b) Less accumulated depreciation	<u>1,849,611,518</u>	6,024,750,895	<u>2,113,811,327</u>	6,414,366,548
Deferred debits		85,395,013		165,909,699
Total assets		<u>\$6,607,490,693</u>		<u>\$7,134,973,041</u>
 <u>Liabilities and capital</u>				
Accounts payable		\$ 87,290,261		\$ 87,663,930
Debt payable in less than 1 year		250,997,072		118,061,952
Other current liabilities		158,441,987		171,848,771
Debt payable in 1 year or more		2,545,694,458		2,712,372,470
Deferred credits		758,847,908		928,372,961
Capital stock				
(a) Preferred stock	\$ 697,284,450		\$ 728,060,501	
(b) Common stock	<u>1,579,092,855</u>	2,276,377,305	<u>1,734,611,069</u>	2,462,671,570
Earned surplus and undivided profits		529,841,702		653,981,387
Total liabilities and capital		<u>\$6,607,490,693</u>		<u>\$7,134,973,041</u>

AS ORIGINALLY FILED

4364

DES00010721

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Other Current Assets

	<u>Beginning of</u> <u>taxable year</u>	<u>End of</u> <u>taxable year</u>
Loan Assistance	\$	\$ 390,922
Prepayments	6,172,299	8,841,322
Interest receivable	879	5,283
Total other current assets	<u>\$ 6,173,178</u>	<u>\$ 9,237,527</u>

Deferred Debits

Accumulated deferred income taxes	\$ 76,447,080	\$ 77,192,793
Extraordinary property losses		8,629,704
Unamortized debt discount and expenses	3,113,365	4,961,115
Preliminary survey and investigation charges		101,650
Clearing accounts	1,345,115	522,736
Other deferred debits	<u>4,489,453</u>	<u>74,501,701</u>
Total deferred debits	<u>\$ 85,395,013</u>	<u>\$165,909,699</u>

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Other Investments

	<u>Beginning of taxable year</u>	<u>End of taxable year</u>
Investments in associated companies		
Wateree Power Company	\$ 1,000	\$ 1,000
Mill-Power Supply Company	4,935,472	5,734,697
Crescent Land & Timber Corp.	51,999,440	55,749,482
Eastover Land Company	8,025,469	7,790,458
Eastover Mining Company	13,788,074	20,323,928
Western Fuel, Inc.	500	500
Duke Power Overseas Finance N.V.		21,563,901
Accounts payable to subsidiaries:		
Mill-Power Supply Company	(4,712,630)	(1,007,089)
Crescent Land & Timber Corp.	(9,777,174)	(7)
Eastover Land Company	(230,689)	(355,000)
Eastover Mining Company	(6,798,796)	(371,259)
Reserve for Investment in Subsidiaries	(2,250,000)	(4,000,000)
Reserve for Loss on Coal Mining Assets		(30,000,000)
Total investment in associated companies	<u>\$54,980,666</u>	<u>\$75,430,611</u>
Other investments		
Catawba financing notes	\$13,755,734	\$15,685,009
J. P. Stevens and Company	643	643
The Business Development Corporation of North Carolina	100,000	100,000
The Business Development Corporation of South Carolina	80,000	80,000
Investment in Area Development Corporation Funds	26,000	26,000
Martin County Coal Corp.	8,000,000	8,000,000
Town of Davidson purchase with Duke Power bonds	477,419	466,976
Greenville Community Corp.	100,000	100,000
Other:		
Stocks	3,643	3,147
Bonds	49,000	47,000
Promissory Note		
Total other investments	<u>\$22,592,439</u>	<u>\$24,508,775</u>
Total	<u>\$77,573,105</u>	<u>\$99,939,386</u>

AS ORIGINALLY FILED

Duke Power Company
Statement Attached To And Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Other Current Liabilities

	<u>Beginning of taxable year</u>	<u>End of taxable year</u>
Debt payable currently	\$	\$
Customer deposits	6,521,288	7,935,785
Taxes accrued	59,957,927	61,036,709
Interest accrued	71,614,507	85,453,429
Advances from associated companies		
Other current and accrued liabilities	<u>20,348,265</u>	<u>17,422,848</u>
Total other current liabilities	<u>\$158,441,987</u>	<u>\$171,848,771</u>

Deferred Credits

Federal investment tax credit	\$249,208,139	\$349,326,800
Other deferred credits	964,483	1,088,923
Reserve for injuries and damages	1,537,462	1,121,252
Deferred income taxes	496,406,422	564,026,568
Property insurance reserve	10,731,402	12,378,368
Miscellaneous operating reserve		<u>431,050</u>
Total deferred credits	<u>\$758,847,908</u>	<u>\$928,372,961</u>

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And-Made Part Of
Consolidated 1982 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Analysis of Earned Surplus Per Books

Balance at beginning of year		\$482,113,685
Undistributed earnings of subsidiaries		47,648,275
Net income per books		398,181,035
Gain on reacquired stock		<u>267,653</u>
Total		\$928,210,648
Less:		
Cash dividends on preferred stock	\$ 62,164,448	
Cash dividends on common stock	210,205,156	
Capital stock expense	<u>1,859,657</u>	<u>274,229,261</u>
Balance at end of year		<u>\$653,981,387</u>

AS ORIGINALLY FILED

Computation of Credit for Federal Tax on Gasoline, Special Fuels, and Lubricating Oil

OMB No. 1545-0102

1982

28

▶ Attach this form to your income tax return.

Name (as shown on your income tax return) Duke Power Company		Social security or employer identification number 56-0205520	
Gasoline, Diesel Fuel and Special Motor Fuels			
Type of business use	A. Number of Gallons Used	B. Rate of Tax	C. Multiply Column A by Column B
1 Nonhighway:			
a Farm (for farming purposes)		.02	\$
		.04	
b Commercial fishing vessel (See instructions C.2 and D.2.(b)):			
(i) Gasoline		.02	
(ii) Diesel fuel or special fuels		.04	
c Other (specify) <u>Utility operations</u>	44,975	.02	2,538
	40,967	.04	
2 Intercity, local, and school buses (See instruction C.4.)	497,100	.02	19,884
		.04	
3 Gasoline/alcohol mixture		.04	
4 Qualified taxicab		.04	
5 Total (add lines 1, 2, 3, and 4)			\$22,422
(Specify type of business in which oil used—see instruction E)		Lubricating Oil	
6 Transit operations	7,761	.06	\$ 466
Aviation Fuel			
7 Farm (for farming purposes) (Aerial applicators see instruction C.1.)		.04	\$
		.12	
		.14	
8 Aviation (Applies only to commercial and certain helicopter uses as defined in instruction C.7.)		.04	\$
		.12	
		.14	
9 Total income tax credit claimed (add lines 5, 6, 7, and 8)			\$22,888

*Use rate paid or allowable rate if lesser

Instructions

(Section references are to the Internal Revenue Code unless otherwise specified)

Taxpayers who previously filed Form 4136-T to claim a credit for Federal tax on gasoline, diesel fuel, and special fuels used in qualified taxicabs should now file Form 4136 to claim the credit instead. Form 4136-T has been obsolete.

Paperwork Reduction Act Notice.—We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

Refund instead of Credit.—If you paid excise tax of at least \$1,000 (\$200 for gasoline/alcohol mixture and \$50 for gasoline, diesel fuel, or special fuels used in a qualified taxicab) on any fuel category or lubricating oil in any one of the first three quarters of the tax year, you may file for a refund of the tax instead of claiming a credit for it on Form 4136. To claim the refund, file Form 843, Claim, before the end of the quarter following the one for which you are claiming the refund. Show separate computations for a claim on gasoline, special fuels, and lubricating oils. You may use Form 4136 as a worksheet to show your computations and attach it to the Form 843 you file.

You must claim a credit, rather than a refund, for any tax paid during the fourth quarter, and for any tax under \$1,000 (\$200 for gasoline/alcohol mixture and \$50 for gasoline, diesel fuel, or special fuels used in a qualified taxicab) for any of the first three quarters. You must also claim the credit rather than a refund, for tax paid on gasoline or special fuels used on a farm for farming purposes.

Do not claim as a credit on Form 4136 any amount that you previously claimed as a refund.

A. Purpose of Form 4136.—You must file this form if you claim credit for Federal excise tax on certain kinds of fuel. These include gasoline, special fuels, and lubricating oil as defined in instructions C, D, and E.

An individual, estate, trust, or corporation may file this form, but a partnership may not. However, when a partnership files Form 1065, U.S. Partnership Return of Income, it must include a statement showing:

- How many gallons of the fuels are allocated to each partner.
- The types of use, as shown in this form.

B. Year To Include the Credit Resulting from Business Use of Fuel or Oil.—When you claim a credit or refund, you must include it in your gross income to the extent it resulted in a reduction of your income tax. The year in which you include it depends upon your method of accounting.

1. Cash Method.—If you use the cash method, include the amount of credit in gross income for the tax year in which you file the tax return that claims the credit. If you file an amended return, or if you file a claim for credit or refund (and claim the credit for the tax), include the refund that results from the credit in your gross income for the tax year you receive it.

2. Accrual Method.—If you use the accrual method, figure the amount of the credit or refund due at the close of your tax year. Include it in income, even if you have not filed a claim for refund.

C. What Gasoline To Include.—You may claim credit for Federal excise tax on gasoline for farm uses, commercial fishing vessel uses, business nonhighway uses, intercity, local, or school bus uses, gasoline/alcohol mixture, qualified taxicab use, and commercial aviation use.

1. Farm Use.—You may claim a credit for gasoline used for farming on a trade or business farm in the United States. Such farms include the following:

- Stock, dairy, poultry, fur-bearing animal, and truck farms.
- Plantations, ranches, nurseries, ranges, and greenhouses.
- Orchards.

Gasoline is considered used for farming only if the owner, tenant, or operator of the farm uses the gasoline. If gasoline is used for the farming tasks set forth below by anyone else, the owner, tenant, or operator (Continued on back)

Form 4136 (1982)

AS ORIGINALLY FILED

**Deloitte
& Touche**

TAXPAYER DUKE POWER COMPANY

INSTRUCTIONS FOR FILING

AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1983

To be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of Tax N/A	Total Tax \$ Less: payments & credits \$ Balance due (overpayment) \$
Overpayment N/A	☐ Refunded to you \$ ☐ Credited to your estimated tax \$ ☐ \$ refunded and \$ credited
Draw check to N/A	<i>NOTE: Your social security number or employer identification number should be entered on your remittance.</i>
Mail tax return and check (if applicable) to	SC DEPT. OF REVENUE COLUMBIA, SC 29214
Return must be mailed on or before	IMMEDIATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	

MISCSTATELTRS



South Carolina Tax Commission
Form 1101-U

Make Checks Payable To:
S.C. TAX COMMISSION
Mail This Return With
Remittance To:
S.C. TAX COMMISSION
P.O. BOX 125
Columbia, SC 29214

CORPORATION TAX RETURN
FOR PUBLIC UTILITIES

Return For **DEC 31, 1983 INCOME**
Period Ending **DEC 31, 1984 LICENSE**

Consolidated Return? ☐ YES ☐ NO ☒
Extension Requested ☐ YES ☒ NO ☐

RETURN DUE ON OR
BEFORE

DO NOT WRITE IN THIS SPACE
A COPY OF THE FEDERAL RETURN
MUST BE ATTACHED AND MADE PART
OF THIS RETURN

DUKE POWER COMPANY
P O BOX 33189
CHARLOTTE NC

28242 **MAR 15, 1984**

560205520 **32** **4900** **12** **20090324-9**
Employer Identification No. Business Code File Number

County in South Carolina where propo
is located See attachment

PART I **COMPUTATION OF INCOME TAX LIABILITY**

1. Total net income as Reconciled (Schedule A, Page 2 or Schedule E, Line 6).....	(10,640,180)
2. Less: Qualified Energy Conservation Deduction (Schedule G)	
Loss Carry-Over Brought Forward (ATTACH SCHEDULE)	
Allowable Contributions (See Instructions)	
3. NET INCOME OF CORPORATION.....	(10,640,180)
4. Income Tax (6% of Line 3)	0
5. Credits: A. Tax Withheld	
B. Paid by Declaration	
C. Paid with Tentative Return	
D. Tax Credit (See Instruction XV) Schedule MUST be attached	
E. Credit from Line 23.....	0
6. Total Credits	0
7. Overpaid (If Line 6 exceeds Line 4 enter difference)	0
8. Balance Due (If Line 4 exceeds Line 6 enter difference)	
9. Interest Due (A)..... Penalty Due (B)..... Total (A & B)	
10. Total Amount Due (Line 8 Plus 9).....	
11. Application (If Line 7 reflects an overpayment)	
(a) Credited To: Estimate..... License Fee..... (b) Refunded.....	

PART II **COMPUTATION OF LICENSE FEE LIABILITY**

12. Total value of the property (Schedule B — Page 2)	879,181,052	
13. Tax Due — One (1) mill on each dollar shown by Item 12		879,181
14. Total Gross Receipts (Schedule C — Page 2)	686,606,439	
15. Tax Due — Three (3) mills on each dollar shown in Item 14		2,059,819
16. Total Tax Due — Item 13 plus Item 15 but not less than \$10.00		2,939,000
17. Credits: A. Paid with Tentative Return	2,938,336	
B. Credit from Line 11.....	664	
18. Total Credits		2,939,000
19. Overpaid (If Line 18 exceeds Line 16)		
20. Balance Due (If Line 16 exceeds Line 18)		None
21. Interest Due (A)..... Penalty Due (B)..... Total (A & B)		
22. Total Amount Due (Line 20 plus 21 if applicable)		
23. Application (If Line 19 reflects an overpayment)		
(a) Credited To: Income Tax..... Estimate..... (b) Refunded.....		
TOTAL AMOUNT DUE (Lines 10 and 22)		None

AMENDED

Module A — RECONCILIATION OF NET INCOME AS SHOWN ON FEDERAL RETURN WITH STATE NET INCOME

Income as Shown On Federal Return (Before Loss Carryovers)		\$ 68,195,835
Additions:		
Taxation or Measured by Income	\$	
All Contributions (Domestic Corporations)		
Unallowable Contributions (Multistate Corporations)		
Depreciation	1	
Interest on tax exempt bonds		
Interest on power agency advances		
Total Additions	\$	
Deductions:		
Interest on U.S. Obligations	\$	
Deemed distribution from controlled foreign corp.		
Targeted jobs credit not deducted on Federal		
Federal fuel tax credit		
Repair allowance		
Total Deductions	\$	
Net Difference		
Net Income as Shown on Page 1, Line 1 Part I for Line 1, Schedule E	Per Attached Audit Schedule	\$ (63,565,953)

Module B — TO BE COMPLETED BY ALL CORPORATIONS

Value of Property Owned and Used in the Conduct of the Business For the Year Ending Date 12-31-83
Fair Market Value of Property Owned and Used in the Conduct of Business in South Carolina as Determined By South Carolina Tax Commission for Property Tax Purposes. \$ 879,181,052

Module C — TO BE COMPLETED BY ALL CORPORATIONS

Statement of Gross Receipts for Year Ending <u>12-31-83</u>	Total System (A)	Intrastate South Carolina (B)
Revenues, (Itemize):		
Electric	\$ 2,419,521,297	\$ 673,913,501
Water and transit	5,903,057	3,319,302
Merchandising	18,938,538	6,232,359
Total Operating Revenues.....	\$ 2,444,362,892	\$ 683,465,162
Other Receipts, (Itemize):		
Non-utility operations	582,906	
Interest	10,550,544	2,949,932
Dividends	2,893,312	
Sale of assets	328,615	191,345
Total Other Receipts.....	\$ 14,355,377	\$ 3,141,277
Total - Note: Enter total on Line 14 Part II Page 1	\$ 2,458,718,269	\$ 686,606,439

SCHEDULES D, E, F ARE TO BE COMPLETED BY MULTISTATE CORPORATIONS

Module D — INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts	Less: Related Expenses	Net Amounts Allocable Directly to S.C. and Other States	Net Amounts Allocable Directly to S.C.	Payroll to Be Excluded from Payroll Factor	Property to Be Excluded from Property Factor
Interest received not connected with business	\$	\$	\$	\$	\$	XXXXXX
Dividends received	2,893,312		2,893,312			XXXXXX
Rents						\$
Losses or losses on real property	329,478		329,478	191,345		
Losses or losses on intangible personal property	(863)		(863)			
Investment income directly allocated						
TOTAL INCOME DIRECTLY ALLOCATED			\$3,221,927	XXXXXX		
INCOME DIRECTLY ALLOCATED TO S.C.			XXXXXX	191,345	XXXXXX	XXXXXX
FACTORS TO AFFORTIONMENT FACTORS			XXXXXX	XXXXXX	\$	\$

AMENDED

Schedule E —

COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTISTATE OPERATIONS

1. Total net income as reconciled (Schedule A, Page 2)	\$ (63,565,953)	
2. Less: Income subject to direct allocation to S.C. and other states from Schedule D, Line 7	(3,221,921)	
3. Total net income subject to apportionment	\$ (66,787,880)	
4. Apportionable to S.C. by appropriate ratio from Schedule F	16.2178%	\$ (10,831,525)
5. Add: Income subject to direct allocation to S.C. from Schedule D, Line 8		191,345
6. Total net income allocable to S.C. (Sum of Lines 4 and 5 above) Enter on Line 1, Page 1		\$ (10,640,180)

COMPUTATION OF APPORTIONMENT RATIO

Schedule F-1 — (PROPERTY, PAYROLL, SALES) To be filled in by a corporation claiming multistate operations and whose principal profits or income are derived from either manufacturing, producing, collecting, buying, assembling, processing or selling, distributing or dealing in tangible personal property within South Carolina.

PROPERTY (TANGIBLE PROPERTY USED IN TRADE OR BUSINESS)	In South Carolina	Total	Ratio
Beginning of Period			
Realty: Land	\$	\$	
Buildings			
Personal: Machinery and Equipment			
Inventories			
Other Property			
Total Cost at Beginning of Period	\$	\$	
Exclusions (See Instructions)			
Cost of Beginning Property (For Ratio)	\$	\$	
End of Period			
Realty: Land	\$	\$	
Buildings			
Personal: Machinery and Equipment			
Inventories			
Other Property			
Total Cost at End of Period	\$	\$	
Exclusions (See Instructions)			
Cost of Ending Property (For Ratio)	\$	\$	
Average of Beginning and End of Periods	\$	\$	
Add: Rental or Lease Value (See Instructions)			
Total	\$	\$	
RATIO OF AVERAGE PROPERTY (After adding Rental or Lease Value)	XXXXXXXX	XXXXXXXX	
Payrolls (Total)	\$	\$	
Less: Officers with Company Wide Authority			
Payrolls for Income Allocated Separately			
Payrolls Net	\$	\$	
RATIO OF PAYROLLS	XXXXXXXX	XXXXXXXX	
RATIO OF SALES (Attach Schedule)			
Total of Three Ratios	XXXXXXXX	XXXXXXXX	
Arithmetical Average Ratio	XXXXXXXX	XXXXXXXX	

Schedule F-2 — (GROSS RECEIPTS) — To be filled in by a corporation claiming multistate operations, if principal profits or income are derived from sources other than manufacturing, producing, collecting, buying, assembling, processing or selling, distributing or dealing in tangible personal property within South Carolina.

	In South Carolina	Total	Ratio
Total Gross Receipts	\$	\$	
Less: Exclusion (See Instructions)			
Gross Receipts (For Ratio)	\$ 686,606,430	\$ 4,233,666,987	
Ratio of Gross Receipts	XXXXXX	XXXXXX	16.2178%

Schedule F-3 — (RATIO FOR PUBLIC SERVICE CORPORATIONS) — To be filled in by corporations, as designated in Section 17-7-640, S.C. Code 1976 as amended, with operating revenues within the jurisdiction of South Carolina.

	Amount	Ratio
Total Within South Carolina		
Total for System		
Ratio: South Carolina - Total System		

AMENDED

Schedule G - COMPUTATION OF QUALIFIED ENERGY CONSERVATION DEDUCTION

Deduction Earned in Previous Years	\$
Less: Deduction Allowed in Previous Years	\$
3. Balance Brought Forward To This Year	\$
4. Additional Deduction: Expenditure X 25%	\$
5. Deduction Earned (Add Line 3 & Line 4)	\$
6. Maximum Allowed (\$1,000 Less Line 2)	\$
7. Amount Allowable (Line 5 or Line 6 whichever is LESS)	\$
8. Amount Allowed This Year (Limited to Net Income Part 1 Line 1)	\$
9. Balance Carried Forward (Line 7 Less Line 8)	\$

Schedule H - TO BE COMPLETED BY ALL CORPORATIONS

- Incorporated under the Laws of the State of North Carolina on 11-27-63
- If Foreign corporations, the date qualified to do business in the State of South Carolina is: 2-24-63
- The Registered Office of the corporation in the State of South Carolina is See line 5 in the city of Greenville and Registered Agent at such address is T. C. Berry
- Was the name of the corporation changed during the year? No Give old name _____
- Location of Principal office in S.C. Suite 700, Green Gate Park, Woods Lake Road, Greenville, SC 29606
- Nature of principal business in S.C. Production and sale of electricity
- Corporation's books are in care of Norman Morrow, Controller Located 422 South Church Street, Charlotte, North Carolina 28242
- If Foreign corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of State, South Carolina _____
- If filing consolidated or have affiliated corporations, attach schedule listing name, address and affiliation of all corporations.
- The Authorized Capital Stock by Shares, Par Value and Class is as follows:

NO. of SHARES	PAR VALUE	CLASS
150,000,000	No par	Common

10. The total amount of Stated Capital is:

Total paid in Capital Stock	\$
Total paid in Capital Surplus	\$
The total amount of Stated Capital is	\$

11. The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are: (If additional space necessary attach separate schedule).

NAME AND PERCENTAGE OF STOCK HELD	ADDRESS AND OFFICE
List attached	All officers can be reached in care of:
	Duke Power Company, P. O. Box 33189
	Charlotte, North Carolina 28242
	No officer or director owns as much as
	3/100 of 1% of the outstanding stock.

What years were corporate tax returns last adjusted by the Internal Revenue Service 1978
 Reported to South Carolina Yes ☒ No ☐ If answer is No, please furnish copies of reports or adjustments made, under separate cover.
 This statement does not relieve notification requirements of Section 12-7-2230 Code of Laws of 1976, as amended.

AFFIDAVIT

I, the undersigned, principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief a true and complete return made in good faith for the taxable period as stated, pursuant to the Code of Laws of 1976 as amended and the Regulations issued under authority thereof.

DELOITTE & TOUCHE LLP

This Return is by:

David M. Kelly
 12/11/2002

12/12/2002
 Date

AMENDED

4375

[Signature]
 Signature of Officer Authorized to Sign
 Vice President

DES00010731

Duke Power Company

Statement Attached To And Made Part Of
1983 South Carolina Corporation Income Tax Return

Counties in South Carolina where property is located:

Abbeville
Aiken
Anderson
Cherokee
Chester
Fairfield

Greenville
Greenwood
Kershaw
Lancaster
Laurens

McCormick
Newberry
Oconee
Pickens

Saluda
Spartanburg
Union
York

AMENDED

DUKE POWER COMPANY
F&E DIVISION
F&E 100-1003

6 ADJUSTED SOUTHWARD WALK
DATE: 11/1/88

RECAPITULATION OF NET INCOME & TAX

	1979	1978	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
NET INCOME BEFORE FEDERAL TAXES	202,752,911	130,008,397	123,746,757	188,259,251	212,898,579	271,829,198	376,882,978	529,431,732	693,388,366	848,269,380	987,434,884	1,129,847,508	1,281,446,547	1,442,370,393	1,607,572,287	1,782,472,287	1,967,472,287
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	201,435,890	118,989,484	103,955,534	177,153,770	184,010,730	268,004,075	368,109,454	519,611,909	681,699,783	830,449,050	959,161,999	1,092,676,487	1,233,173,663	1,381,200,372	1,532,300,403	1,691,301,266	1,859,301,266
STATE ADJUSTED INCOME	201,435,890	118,989,484	103,955,534	177,153,770	184,010,730	268,004,075	368,109,454	519,611,909	681,699,783	830,449,050	959,161,999	1,092,676,487	1,233,173,663	1,381,200,372	1,532,300,403	1,691,301,266	1,859,301,266
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	200,118,869	107,970,571	84,164,311	166,048,289	155,122,881	264,168,952	359,335,930	509,792,086	670,011,200	812,629,380	930,889,115	1,055,505,466	1,184,900,779	1,320,029,351	1,457,027,519	1,600,130,245	1,751,130,245
FEDERAL TAXES	52,529,719	32,380,000	20,880,000	42,880,000	48,880,000	68,880,000	93,880,000	128,880,000	168,880,000	208,880,000	248,880,000	288,880,000	328,880,000	368,880,000	408,880,000	448,880,000	488,880,000
ADJUSTED NET INCOME AFTER FEDERAL TAXES	147,589,150	75,590,571	63,284,311	123,168,289	106,242,881	195,288,952	265,455,930	380,912,086	501,131,200	603,749,380	681,909,115	766,625,466	856,020,779	951,149,351	1,048,147,519	1,151,250,245	1,262,250,245
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	146,272,129	64,571,658	43,493,088	112,062,808	77,355,032	191,453,829	256,682,406	370,732,263	489,442,617	584,929,650	653,636,231	729,454,445	807,747,895	890,000,330	972,874,635	1,061,079,224	1,154,079,224
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	144,955,108	53,552,745	23,701,865	100,957,327	48,467,183	187,618,706	247,908,882	360,912,440	477,754,034	567,110,280	625,363,347	692,283,424	759,474,971	828,829,309	897,601,751	970,908,203	1,045,908,203
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	143,638,087	42,533,832	4,910,642	89,851,846	19,579,334	183,783,583	239,135,358	351,092,617	466,065,451	549,290,950	607,090,463	655,112,403	701,202,087	757,658,288	812,328,866	869,736,982	927,736,982
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	142,321,066	31,514,919	(14,880,581)	78,746,365	(9,308,515)	179,948,460	230,361,832	341,272,794	454,376,868	531,471,620	578,817,579	617,941,382	658,929,203	696,487,267	731,055,982	768,565,961	807,565,961
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	141,004,045	20,496,006	(34,671,804)	67,640,884	(38,196,364)	176,113,337	221,588,308	331,452,971	442,688,285	513,652,290	550,544,695	580,770,361	610,656,319	640,316,246	665,783,098	697,394,940	736,394,940
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	139,687,024	9,477,093	(54,463,027)	56,535,403	(67,084,213)	172,278,460	212,814,782	321,632,744	431,000,002	495,832,960	522,271,811	543,601,340	562,383,435	589,145,225	610,510,214	636,221,919	677,221,919
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	138,370,003	(1,541,820)	(74,254,250)	45,429,922	(95,972,062)	168,443,337	204,041,258	311,812,921	419,311,419	478,013,630	484,000,927	506,430,319	524,110,551	547,974,204	565,237,330	587,050,898	628,050,898
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	137,052,982	(11,560,733)	(94,045,473)	34,324,441	(124,860,011)	164,608,460	195,267,732	302,000,098	407,622,836	460,194,300	455,728,043	469,259,298	475,837,665	496,803,183	511,964,446	531,879,877	577,879,877
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	135,735,961	(22,579,646)	(113,836,696)	23,218,960	(153,747,860)	160,443,583	186,494,208	292,180,275	396,004,253	442,374,970	427,455,159	432,088,277	437,564,781	455,632,162	466,691,562	482,708,856	529,708,856
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	134,418,940	(33,598,559)	(133,627,919)	12,113,479	(182,635,709)	156,608,460	177,716,684	282,360,452	384,315,670	429,554,300	409,182,275	404,917,256	409,291,897	424,461,141	431,418,678	441,535,875	481,535,875
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	133,101,919	(44,617,472)	(153,419,142)	1,007,998	(211,523,558)	152,773,337	168,943,208	272,540,629	372,627,087	411,734,970	380,909,391	367,746,235	361,018,913	373,289,260	376,145,794	380,364,854	413,364,854
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	131,784,898	(55,636,385)	(173,210,365)	902,513	(240,411,407)	148,938,214	160,169,682	262,720,806	361,008,504	393,915,640	352,636,507	330,575,214	322,746,029	332,118,139	330,871,910	331,193,933	365,193,933
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	130,467,877	(66,655,300)	(193,001,588)	891,007	(269,299,256)	145,103,091	151,396,158	252,901,003	349,319,921	376,136,270	324,363,623	293,404,193	274,473,145	270,947,018	255,603,026	250,020,912	284,020,912
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	129,150,856	(77,674,213)	(212,792,811)	879,502	(298,187,105)	141,267,968	142,622,634	243,081,180	337,631,338	358,316,940	296,090,739	256,233,172	226,200,261	219,776,137	210,334,142	208,850,990	242,850,990
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	127,833,835	(88,693,126)	(232,584,034)	868,000	(327,074,954)	137,432,845	133,849,110	233,261,357	326,000,755	340,500,610	267,817,855	208,062,151	177,927,377	171,605,256	160,061,258	157,679,968	191,679,968
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	126,516,814	(99,712,039)	(252,375,257)	856,500	(356,062,803)	133,600,722	125,075,586	223,441,534	314,312,172	322,681,280	239,544,971	170,890,130	139,654,493	130,434,175	118,788,374	115,506,987	149,506,987
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021)
ADJUSTED NET INCOME	125,200,793	(110,730,952)	(272,166,480)	845,000	(385,050,652)	129,765,599	116,302,062	213,621,711	302,623,589	304,861,950	211,272,087	132,719,109	101,381,609	92,263,294	81,515,493	78,330,966	111,330,966
ADJUSTMENTS FOR STATE TAXES	(1,317,021)	(11,018,913)	(19,791,223)	(11,105,481)	(28,887,849)	(3,835,123)	(8,773,524)	(9,819,823)	(11,688,583)	(17,819,330)	(28,272,884)	(37,171,021)	(48,272,884)	(61,171,021)	(75,272,884)	(91,171,021)	(108,171,021

Data Form Company
 Form 9 (7-70000)
 Form 1075-1983

ALLOCATION ITEMS

EVIDENCE ALLOCATIONS PER EN
 EVIDENCE ALLOCATIONS PER RETURN
 SC ADJUST ADJUSTMENTS
 INTEREST ADJUSTMENTS ON SC ADJUST
 DAMAGES OUTSTANDING PERIOD
 ASAL PROPERTY ADJUSTMENTS
 DISALLOWED ON SC ADJUSTMENTS

EVIDENCE ALLOCATIONS AS ADJUSTED

SC ALLOCATIONS PER EN + SCMS
 SC ALLOCATIONS PER RETURN
 SC ADJUST ADJUSTMENTS
 ASAL PROPERTY ADJUSTMENTS
 DISALLOWED ON SC ADJUSTMENTS

SC ALLOCATIONS AS ADJUSTED

AUCTIONEER: SOUTHARD BAY, ROM
 DATE: 10/20/99

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	20
1978																
12,345,570	811,320	772,190	902,157	2,380,124	2,751,927	2,021,021	2,754,730	349,431	101,013	302,107	271,875	103,184	4,700,030	215,000	10,000,000	10,000,000
700,074																
1,301																
1,000,000	(7,702,000)		1,079,000			1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000
10,000,000	(10,000,000)	772,190	1,079,000	2,380,124	2,751,927	2,021,021	2,754,730	349,431	101,013	302,107	271,875	103,184	4,700,030	215,000	10,000,000	10,000,000
11,000,000	0,272	10,000	(1,000)	97,100	101,342	0,072	97,440	11,000	20,100	0	20,100	11,000	0	10,000	10,000	10,000
1,000,000			1,079,000			1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000
12,000,000	0,272	10,000	1,079,000	97,100	101,342	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000	1,079,000

4378

AMENDED

DESO0010734

Auditing Supervisor/Officer
Date: 11/20/20

1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993

	02/15/1979	04/04/1979	05/02/1980	06/10/1981	07/25/1981	08/26/1981	09/01/1981	10/14/1981	11/23/1981	12/04/1981	01/05/1982	02/05/1982	03/05/1982	04/05/1982	05/05/1982	06/05/1982	07/05/1982	08/05/1982	09/05/1982	10/05/1982	11/05/1982	12/05/1982	01/05/1983	02/05/1983	03/05/1983	04/05/1983	05/05/1983	06/05/1983	07/05/1983	08/05/1983	09/05/1983	10/05/1983	11/05/1983	12/05/1983	01/05/1984	02/05/1984	03/05/1984	04/05/1984	05/05/1984	06/05/1984	07/05/1984	08/05/1984	09/05/1984	10/05/1984	11/05/1984	12/05/1984	01/05/1985	02/05/1985	03/05/1985	04/05/1985	05/05/1985	06/05/1985	07/05/1985	08/05/1985	09/05/1985	10/05/1985	11/05/1985	12/05/1985	01/05/1986	02/05/1986	03/05/1986	04/05/1986	05/05/1986	06/05/1986	07/05/1986	08/05/1986	09/05/1986	10/05/1986	11/05/1986	12/05/1986	01/05/1987	02/05/1987	03/05/1987	04/05/1987	05/05/1987	06/05/1987	07/05/1987	08/05/1987	09/05/1987	10/05/1987	11/05/1987	12/05/1987	01/05/1988	02/05/1988	03/05/1988	04/05/1988	05/05/1988	06/05/1988	07/05/1988	08/05/1988	09/05/1988	10/05/1988	11/05/1988	12/05/1988	01/05/1989	02/05/1989	03/05/1989	04/05/1989	05/05/1989	06/05/1989	07/05/1989	08/05/1989	09/05/1989	10/05/1989	11/05/1989	12/05/1989	01/05/1990	02/05/1990	03/05/1990	04/05/1990	05/05/1990	06/05/1990	07/05/1990	08/05/1990	09/05/1990	10/05/1990	11/05/1990	12/05/1990	01/05/1991	02/05/1991	03/05/1991	04/05/1991	05/05/1991	06/05/1991	07/05/1991	08/05/1991	09/05/1991	10/05/1991	11/05/1991	12/05/1991	01/05/1992	02/05/1992	03/05/1992	04/05/1992	05/05/1992	06/05/1992	07/05/1992	08/05/1992	09/05/1992	10/05/1992	11/05/1992	12/05/1992	01/05/1993	02/05/1993	03/05/1993	04/05/1993	05/05/1993	06/05/1993	07/05/1993	08/05/1993	09/05/1993	10/05/1993	11/05/1993	12/05/1993	01/05/1994	02/05/1994	03/05/1994	04/05/1994	05/05/1994	06/05/1994	07/05/1994	08/05/1994	09/05/1994	10/05/1994	11/05/1994	12/05/1994	01/05/1995	02/05/1995	03/05/1995	04/05/1995	05/05/1995	06/05/1995	07/05/1995	08/05/1995	09/05/1995	10/05/1995	11/05/1995	12/05/1995	01/05/1996	02/05/1996	03/05/1996	04/05/1996	05/05/1996	06/05/1996	07/05/1996	08/05/1996	09/05/1996	10/05/1996	11/05/1996	12/05/1996	01/05/1997	02/05/1997	03/05/1997	04/05/1997	05/05/1997	06/05/1997	07/05/1997	08/05/1997	09/05/1997	10/05/1997	11/05/1997	12/05/1997	01/05/1998	02/05/1998	03/05/1998	04/05/1998	05/05/1998	06/05/1998	07/05/1998	08/05/1998	09/05/1998	10/05/1998	11/05/1998	12/05/1998	01/05/1999	02/05/1999	03/05/1999	04/05/1999	05/05/1999	06/05/1999	07/05/1999	08/05/1999	09/05/1999	10/05/1999	11/05/1999	12/05/1999	01/05/2000	02/05/2000	03/05/2000	04/05/2000	05/05/2000	06/05/2000	07/05/2000	08/05/2000	09/05/2000	10/05/2000	11/05/2000	12/05/2000	01/05/2001	02/05/2001	03/05/2001	04/05/2001	05/05/2001	06/05/2001	07/05/2001	08/05/2001	09/05/2001	10/05/2001	11/05/2001	12/05/2001	01/05/2002	02/05/2002	03/05/2002	04/05/2002	05/05/2002	06/05/2002	07/05/2002	08/05/2002	09/05/2002	10/05/2002	11/05/2002	12/05/2002	01/05/2003	02/05/2003	03/05/2003	04/05/2003	05/05/2003	06/05/2003	07/05/2003	08/05/2003	09/05/2003	10/05/2003

ASSIGNED

4379

DES00010735

South Carolina Tax Commission
Form 1101-U

Make Checks Payable To:
S.C. TAX COMMISSION
Mail This Return With
Remittance To:
S.C. TAX COMMISSION
P.O. BOX 125
Columbia, SC 29214

CORPORATION TAX RETURN
FOR PUBLIC UTILITIES

Return For **DEC 31, 1983 INCOME**
Period Ending **DEC 31, 1984 LICENSE**

Consolidated Return? ☐ YES ☒ NO
Extension Requested ☒ YES ☐ NO

RETURN DUE ON OR
BEFORE

DO NOT WRITE IN THIS SPACE
A COPY OF THE FEDERAL RETURN
MUST BE ATTACHED AND MADE PART
OF THIS RETURN

DUKE POWER COMPANY
P O BOX 33189
CHARLOTTE NC

28242

MAR 15, 1984

560205520

32

4900

12

20090024-9

Employer Identification No.

Business Code

File Number

County in South Carolina where propo
is located See attachment

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Total net income as Reconciled (Schedule A, Page 2 or Schedule E, Line 6).....	(21,516,658)
2. Less: Qualified Energy Conservation Deduction (Schedule G)	
Loss Carry-Over Brought Forward (ATTACH SCHEDULE)	
Allowable Contributions (See Instructions).....	
3. NET INCOME OF CORPORATION.....	(21,516,658)
4. Income Tax (6% of Line 3)	-0-
5. Credits: A. Tax Withheld	
B. Paid by Declaration	2,250,000
C. Paid with Tentative Return	
D. Tax Credit (See Instruction XV) Schedule MUST be attached....	
E. Credit from Line 23.....	
6. Total Credits	2,250,000
7. Overpaid (If Line 6 exceeds Line 4 enter difference).....	2,250,000
8. Balance Due (If Line 4 exceeds Line 6, enter difference).....	
9. Interest Due (A)	
Penalty Due (B)	
Total (A & B)	
10. Total Amount Due (Line 8 Plus 9).....	
11. Application (If Line 7 reflects an overpayment).....	
(a) Credited To: Estimate 2,249,336 License Fee 664	(b) Refunded

PART II COMPUTATION OF LICENSE FEE LIABILITY

12. Total value of the property (Schedule B — Page 2).....	879,181,052	
13. Tax Due — One (1) mill on each dollar shown by Item 12.....		879,181
14. Total Gross Receipts (Schedule C — Page 2).....	686,606,439	
15. Tax Due — Three (3) mills on each dollar shown in Item 14.....		2,059,819
16. Total Tax Due — Item 13 plus Item 15 but not less than \$10.00.....		2,939,000
17. Credits: A. Paid with Tentative Return	2,938,336	
B. Credit from Line 11.....	664	
18. Total Credits		2,939,000
19. Overpaid (If Line 18 exceeds Line 16).....		
20. Balance Due (If Line 16 exceeds Line 18)		None
21. Interest Due (A)		
Penalty Due (B)		
Total (A & B)		
22. Total Amount Due (Line 20 plus 21 if applicable).....		
23. Application (If Line 19 reflects an overpayment).....		
(a) Credited To: Income Tax Estimate	(b) Refunded	
TOTAL AMOUNT DUE (Lines 10 and 22)		None

AS ORIGINALLY FILED

Module A — RECONCILIATION OF NET INCOME AS SHOWN ON FEDERAL RETURN WITH STATE NET INCOME

Income as Shown On Federal Return (Before Loss Carryovers)		(71,825,958)
Adjustments:		
Taxes on or Measured by Income	\$	
All Contributions (Domestic Corporations)		
Unallowable Contributions (Multistate Corporations)	1,305,503	
Depreciation	15,138,010	
Interest on tax exempt bonds	107	
Interest on power agency advances	1,146,351	
Total Additions	\$17,589,971	
Deductions:		
Interest on U.S. Obligations	\$	
Deemed distribution from controlled foreign corp.	71,295	
Targeted jobs credit not deducted on Federal	8,676	
Federal fuel tax credit	44,473	
Repair allowance	2,870,461	
Total Deductions	\$ 2,994,905	
Net Difference		14,595,066
Net Income as Shown on Page 1, Line 1 Part I (or Line 1, Schedule E)		(57,230,892)

Schedule B — TO BE COMPLETED BY ALL CORPORATIONS

Value of Property Owned and Used in the Conduct of the Business For the Year Ending Date 12-31-83
Fair Market Value of Property Owned and Used in the Conduct of Business in South Carolina as Determined By South Carolina Tax Commission for Property Tax Purposes. \$ 879,181,052

Schedule C — TO BE COMPLETED BY ALL CORPORATIONS

Statement of Gross Receipts for Year Ending <u>12-31-83</u>	Total System (A)	Intrastate South Carolina (B)
Operating Revenues, (Itemize):		
Electric	\$ 2,419,521,297	\$ 673,913,501
Water and transit	5,903,057	3,319,302
Merchandising	18,938,538	6,232,359
Total Operating Revenues	\$ 2,444,362,892	\$ 683,465,162
Other Receipts, (Itemize):		
Non-utility operations	582,906	
Interest	10,550,544	2,949,932
Dividends	2,893,312	
Sale of assets	328,615	191,345
Total Other Receipts	\$ 14,355,377	\$ 3,141,277
Total - Note: Enter total on Line 14 Part II Page 1	\$ 2,458,718,269	\$ 686,606,439

SCHEDULES D, E, F ARE TO BE COMPLETED BY MULTISTATE CORPORATIONS

Schedule D — INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts	Less: Related Expenses	Net Amounts Allocable Directly to S.C. and Other States	Net Amounts Allocable Directly to S.C.	Payroll to Be Excluded from Payroll Factor	Property to Be Excluded from Property Factor
Interest received not connected with business	\$	\$	\$	\$	\$	XXXXXX
Dividends received	2,893,312		2,893,312			XXXXXX
Rents						\$
Gains or losses on real property	329,478		329,478	191,345		
Gains or losses on intangible personal property	(863)		(863)			
Investment income directly allocated						
TOTAL INCOME DIRECTLY ALLOCATED			\$3,221,927	XXXXXX		
INCOME DIRECTLY ALLOCATED TO S.C.			XXXXX	191,345	XXXXXX	XXXXXX
TOTALS TO APPORTIONMENT FACTORS			XXXXXX	XXXXXX	\$	\$

AS ORIGINALLY FILED

Schedule E —

COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTISTATE OPERATIONS

1. Total net income as reconciled (Schedule A, Page 2)	\$ (57,230,892)
2. Less: Income subject to direct allocation to S.C. and other states from Schedule D, Line 7	3,221,927
3. Total net income subject to apportionment	\$ (60,452,819)
4. Apportionable to S.C. by appropriate ratio from Schedule F 35.909	\$ (21,708,003)
5. Add: Income subject to direct allocation to S.C. from Schedule D, Line 8	191,345
6. Total net income allocable to S.C. (sum of Lines 4 and 5 above) Enter on Line 1, Page 1	\$ (21,516,658)

COMPUTATION OF APPORTIONMENT RATIO

Schedule F-1 —(PROPERTY, PAYROLL, SALES)—To be filled in by a corporation claiming multistate operations and whose principal profits or income are derived from either manufacturing, producing, collecting, buying, assembling, processing or selling, distributing or dealing in tangible personal property within South Carolina.

PROPERTY-(TANGIBLE PROPERTY USED IN TRADE OR BUSINESS)	In South Carolina	Total	Ratio
Beginning of Period			Schedule Attach
Realty: Land	\$	\$	
Buildings			
Personal: Machinery and Equipment			
Inventories			
Other Property			
Total Cost at Beginning of Period	\$	\$	
Exclusions (See Instructions)			
Cost of Beginning Property (For Ratio)	\$	\$	
End of Period			
Realty: Land	\$	\$	
Buildings			
Personal: Machinery and Equipment			
Inventories			
Other Property			
Total Cost at End of Period	\$	\$	32.57
Exclusions (See Instructions)			
Cost of Ending Property (For Ratio)	\$	\$	
Average of Beginning and End of Periods	\$	\$	
Add: Rental or Lease Value (See Instructions)			
Total	\$	\$	
RATIO OF AVERAGE PROPERTY (After adding Rental or Lease Value)	XXXXXXXXXX	XXXXXXXXXX	
Payrolls (Total)	\$	\$	47.22
Less: Officers with Company Wide Authority			
Payrolls for Income Allocated Separately			
Payrolls Net	\$	\$	
RATIO OF PAYROLLS	XXXXXXXXXX	XXXXXXXXXX	27.92
RATIO OF SALES (Attach Schedule)			
Total of Three Ratios	XXXXXXXXXX	XXXXXXXXXX	
Arithmetical Average Ratio	XXXXXXXXXX	XXXXXXXXXX	35.90

Schedule F-2 —(GROSS RECEIPTS)—To be filled in by a corporation claiming multistate operations, if principal profits or income are derived from sources other than manufacturing, producing, collecting, buying, assembling, processing or selling, distributing or dealing in tangible personal property within South Carolina.

	In South Carolina	Total	Ratio
Total Gross Receipts	\$	\$	XXXX XX
Less: Exclusion (See Instructions)			
Gross Receipts (For Ratio)	\$	\$	
Ratio of Gross Receipts	XXXX XX	XXXX XX	

Schedule F-3—(RATIO FOR PUBLIC SERVICE CORPORATIONS)—To be filled in by corporations, as designated in Section 12-7-640, S.C. Code 1976 as amended, with operating revenues within the jurisdiction of South Carolina.

	Amount	Ratio
Total Within South Carolina		
Total for System		
Ratio (South Carolina ÷ Total System)		

AS ORIGINALLY FILED

4382

DES00010738

Schedule G - COMPUTATION OF QUALIFIED ENERGY CONSERVATION DEDUCTION

1. Deduction Earned In Previous Years	\$
2. Less: Deduction Allowed In Previous Years	\$
3. Balance Brought Forward To This Year	\$
4. Additional Deduction: Expenditure X 25%	\$
5. Deduction Earned (Add Line 3 & Line 4)	\$
6. Maximum Allowed (\$1,000 Less Line 2)	\$
7. Amount Allowable (Line 5 or Line 6 whichever is LESS)	\$
8. Amount Allowed This Year (Limited to Net Income Part 1 Line 1)	\$
9. Balance Carried Forward (Line 7 Less Line 8)	\$

Schedule H - TO BE COMPLETED BY ALL CORPORATIONS

- Incorporated under the Laws of the State of North Carolina on 11-27-63.
- If Foreign corporations, the date qualified to do business in the State of South Carolina is 2-24-63.
- The Registered Office of the corporation in the State of South Carolina is See line 5 in the city of Greenville and Registered Agent at such address is T. C. Berry.
- Was the name of the corporation changed during the year? No Give old name _____.
- Location of Principal office in S.C. Suite 700, Green Gate Park, Woods Lake Road, Greenville, SC 29606.
- Nature of principal business in S.C. Production and sale of electricity.
- The corporation's books are in care of Norman Morrow, Controller Located 422 South Church Street, Charlotte, North Carolina 28242.
- If Foreign corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of State, South Carolina _____.
- If filing consolidated or have affiliated corporations, attach schedule listing name, address and affiliation of all corporations.
- The Authorized Capital Stock by Shares, Par Value and Class is as follows:

NO. of SHARES	PAR VALUE	CLASS
150,000,000	No par	Common

10. The total amount of Stated Capital is:

Total paid in Capital Stock	\$
Total paid in Capital Surplus	\$
The total amount of Stated Capital is	\$

11. The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are: (If additional space necessary attach separate schedule).

NAME AND PERCENTAGE OF STOCK HELD	ADDRESS AND OFFICE
List attached	All officers can be reached in care of:
	Duke Power Company, P. O. Box 33189
	Charlotte, North Carolina 28242
	No officer or director owns as much as
	3/100 of 1% of the outstanding stock.

What years were corporate tax returns last adjusted by the Internal Revenue Service 1978
 Reported to South Carolina Yes ☒ No ☐ If answer is No, please furnish copies of reports or adjustments made, under separate cover.
 statement does not relieve notification requirements of Section 12-7-2230 Code of Laws of 1976, as amended.

AFFIDAVIT

I, the undersigned, principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief a true and complete return made in good faith for the taxable period as stated, pursuant to the Code of Laws of 1976 as amended and the Regulations issued under authority thereof.

September 17, 1984

Date

This Return Prepared

AS ORIGINALLY FILED

Signature of Officer Authorized to Sign

Sr. Vice President

4383

DES00010739

**STATE OF SOUTH CAROLINA
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION**

FORM 1101-T (Rev. 8/82)

PO Box 125
Columbia, S. C. 29214

S. C. FILE NO.		Return for the Period Ending	1. Tentative Tax Based on Net Income	None
20090024-9		DEC 1983		
FED. E.I. NO.		Return extended to	2. LESS: Estimated Tax Payments	\$2,250,000
560205520		September 15, 1984		
SIGNATURE <u>Carolyn R. Duncan</u>		DATE <u>3-2-84</u>	3. Tentative Tax Due	None
DUKE POWER COMPANY			4. Total Capital and Paid in Surplus not less than 10.00 Tentative License Fee	\$2,938,336
P O BOX 33189				
CHARLOTTE NC 28242			5. Balance Remitted Herewith	\$2,938,336

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1983 South Carolina Corporation Income Tax Return

Counties in South Carolina where property is located:

Abbeville
Aiken
Anderson
Cherokee
Chester
Fairfield

Greenville
Greenwood
Kershaw
Lancaster
Laurens

McCormick
Newberry
Oconee
Pickens

Saluda
Spartanburg
Union
York

AS ORIGINALLY FILED

Duke Power Company
Statement Attached To And Made Part Of
1983 South Carolina Corporation Income Tax Return

1983 Apportionment Ratio

	<u>South Carolina</u>	<u>Total</u>	<u>Ratio</u>
Beginning of period			
Electric	1,954,905,131	5,930,879,172	
Water	13,130,425	20,106,949	
Transit	568,817	2,974,176	
Materials and supplies	<u>35,466,587</u>	<u>271,113,641</u>	
Total	\$ <u>2,004,070,960</u>	\$ <u>6,225,073,938</u>	
End of period			
Electric	2,114,249,874	6,257,803,348	
Water	13,214,702	26,929,447	
Transit	568,817	2,934,123	
Materials and supplies	<u>37,234,973</u>	<u>237,941,813</u>	
Total	\$ <u>2,165,268,366</u>	\$ <u>6,525,608,731</u>	
Average property	2,084,669,663	6,375,341,335	
Add: Rental	<u>4,251,632</u>	<u>37,263,032</u>	
Property for ratio	\$ <u>2,088,921,295</u>	\$ <u>6,412,604,367</u>	32.575%
Payrolls	\$ 255,904,593	\$ 545,658,316	
Less: Officers	<u>88,250</u>	<u>3,985,429</u>	
Payroll for ratio	\$ <u>255,816,343</u>	\$ <u>541,672,887</u>	47.227%
Sales	\$ <u>686,606,439</u>	\$ <u>2,458,718,269</u>	27.925%
Total of three ratios			107.727%
Average ratio			<u>35.909%</u>

AS ORIGINALLY FILED

August 20, 1987

Memo to The Files

Subject: S. C. Depreciation

The 1987 South Carolina Legislature changed the Code of Laws of South Carolina Section 12-7-455(e) to conform South Carolina's depreciation method to Federal for all vintages prior to 1985. See Remi Taylor's letter dated August 6, 1987.

The years 1985 and after will follow Federal depreciation methods. The vintage years 1981 - 1984 will use Federal ACRS depreciation beginning with the tax year 1985. Tax years prior to 1985 for vintages 1981 - 1984 will use either the ADR depreciation method or the modified South Carolina ACRS depreciation method.

When vintages 1981 - 1984 become fully depreciated using Federal ACRS depreciation methods, any remaining South Carolina depreciation will be written off in two years for personal property and 5 years for real property.

Vintage years 1971 - 1980 will use the South Carolina depreciation method agreed to by Duke Power, SCANA, CP & L and the South Carolina Tax Commission at a meeting in 1980.

Larry C. Auten

AS ORIGINALLY FILED

4387

DES00010743

SC 12.7-455(e)

August 6, 1987

TO: LARRY AUTEN
JANET BRIDGES
DON STRATTON

FROM: REMI TAYLOR

RE: SOUTH CAROLINA DEPRECIATION

I have been advised by the South Carolina Tax Commission that Section 12.7-455(e) of the South Carolina Code of Laws, 1976 has been amended by the General Appropriations Bill of 1987. This amendment will adopt the Federal depreciation for assets placed in service prior to 1985. When the assets are fully depreciated for Federal tax purposes, the remaining South Carolina basis of personal property will be written off over two years and real property over five years.

This will result in an additional depreciation deduction in 1986 of about \$2 million on the South Carolina return.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1983 South Carolina Corporation Income Tax Return

GLC	Function	Vintages	Federal CLADR & ACRS Tax Depreciation	S.C. Tax Depreciation	Income increase (decrease)
00.110	Furniture & fixtures	71-83	\$ 1,164,806 ~~1,449,597~~ 418,184	\$ 1,130,301 ~~1,415,092~~ 411,632	\$ 34,505
00.120	EDP Equipment	71-83	~~1,081,462~~	~~1,074,910~~	6,552
00.125	Dispatch and other Computers	71-83	195,487 ~~383,557~~ 491,913	198,148 ~~387,732~~ 491,322	(2,161)
00.130	Data handling equip.	71-83	~~573,564~~	~~572,973~~	591
00.230	Buses	74;81	139,902 ~~135,998~~	124,629 ~~124,708~~	15,273 ~~15,282~~
49.005	Other general plant	81-83	1,733,481 ~~2,480,693~~ 4,217,136	1,347,413 ~~2,103,499~~	386,068 ~~377,194~~ (320,430)
49.110	Hydro	71-83	~~4,232,327~~	4,537,566	~~(305,239)~~
49.118	Hydro-structures	81;83	14,845	5,139	9,706
49.120	Nuclear	73-83	136,106,370 ~~136,966,912~~ 45,758,582	105,120,434 ~~105,043,467~~ 55,238,842	30,985,936 ~~31,923,445~~
49.121	Nuclear fuel	74; 76-83	~~67,351,213~~	~~77,031,475~~	(9,480,260)
49.128	Nuclear-structures	81-83	2,615,484 ~~2,638,124~~	2,244,970 ~~2,291,148~~	370,514 ~~346,976~~
49.131	Steam	70-83	24,111,307	30,159,151	(6,047,844)
49.132	Other production	71-80	952,063	1,196,049	(243,986)
49.138	Steam-structures	82-83	47,321	19,883	27,438
49.141	Transmission	71-83	31,949,404 ~~31,947,344~~	31,974,640 ~~31,976,606~~	(25,236) ~~(29,262)~~
49.142	Distribution	71-83	55,175,307 ~~55,198,157~~	57,909,699 ~~57,876,463~~	(2,734,392) ~~(2,678,306)~~
49.150	Combustion turbines	81;83	1,137	699	438
49.300	Water	71-83	743,757	558,735	185,022
65.000	Structures	81-83	1,472,754 ~~1,473,239~~ 307,309,746	474,861 ~~475,320~~ 293,144,113	997,893 ~~997,919~~ 14,165,633
			<u>\$331,908,645</u>	<u>\$316,770,635</u>	<u>\$15,138,010</u>

Depreciation on the Federal return was computed using Section 1.167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980, depreciation was computed using Section 168 Accelerated Cost Recovery System.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1983 South Carolina Corporation Income Tax Return

<u>GLC</u>	<u>Function</u>	<u>Vintages</u>	<u>Federal CLADR & ACRS Tax Depreciation</u>	<u>S.C. Tax Depreciation</u>	<u>Income increase (decrease)</u>
00.110	Furniture & fixtures	71-83	\$ 1,449,597	\$ 1,415,092	\$ 34,505
00.120	EDP Equipment	71-83	1,081,462	1,074,910	6,552
00.125	Dispatch and other Computers	71-83	305,591	307,752	(2,161)
00.130	Data handling equip.	71-83	573,564	572,973	591
00.230	Buses	74;81	139,990	124,708	15,282
49.005	Other general plant	81-83	2,480,693	2,103,499	377,194
49.110	Hydro	71-83	4,232,327	4,537,566	(305,239)
49.118	Hydro-structures	81;83	14,845	5,139	9,706
49.120	Nuclear	73-83	136,966,912	105,043,467	31,923,445
49.121	Nuclear fuel	74; 76-83	67,551,215	77,031,475	(9,480,260)
49.128	Nuclear-structures	81-83	2,638,124	2,291,148	346,976
49.131	Steam	70-83	24,111,307	30,159,151	(6,047,844)
49.132	Other production	71-80	952,063	1,196,049	(243,986)
49.138	Steam-structures	82-83	47,321	19,883	27,438
49.141	Transmission	71-83	31,947,344	31,976,606	(29,262)
49.142	Distribution	71-83	55,198,157	57,876,463	(2,678,306)
49.150	Combustion turbines	81;83	1,137	699	438
49.300	Water	71-83	743,757	558,735	185,022
65.000	Structures	81-83	1,473,239	475,320	997,919
			<u>\$331,908,645</u>	<u>\$316,770,635</u>	<u>\$15,138,010</u>

Depreciation on the Federal return was computed using Section 1.167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980, depreciation was computed using Section 168 Accelerated Cost Recovery System.

AS ORIGINALLY FILED

Schedule TC-1

Year 1983

CONSERVATION TILLAGE EQUIPMENT, DRIP/TRICKLE IRRIGATION SYSTEMS AND DUAL PURPOSE COMBINATION TRUCK AND CRANE EQUIPMENT

(Attach this schedule to Form 1001, 1101, 1101-U, or 1401)

Name as shown on tax return

Duke Power Company

Your Social Security Number or
Corporation File Number

56-0205520

List the items, purchase prices and installation costs of your Conservation Tillage Equipment, Drip/Trickle Irrigation Systems and Dual Purpose Combination Truck and Crane Equipment.

1 Conservation Tillage Equipment		
.....		
.....		
.....		
2 Drip/Trickle Irrigation Systems (including but not limited to)		
a Dams		
b Pipe		
c Pumps		
d Wells		
e Other items (list here)		
.....		
3 Dual Purpose Combination Truck and Crane Equipment		
.....	119,297	
.....		
4 Add amounts on lines 1, 2 and 3	119,297	
5 Enter 25% of line 4	29,824	
6 Maximum credit allowed	2,500	00
7 Enter total of lines 18 and 19 of form 1001, line 24 of form 1401, or line 4 of forms 1101 or 1101-U	(a)	
Subtract credit for Income Taxes paid another State (this does not apply to Corporations) and/or minority tax credit	(b)	
Net tax liability	(c)	-0-
8 Enter amount from line 5, 6, or 7(c), whichever is less. This is your tax credit which is to be included on line 23 of form 1001, line 5 of form 1101 or 1101-U, or line 25 of form 1401.		-0-
9 Total earned credit - enter amount from line 5 or 6, whichever is less		2,500
10 Less credit allowed this year		-0-
11 Carryover of unused credit		2,500

AS ORIGINALLY FILED

4391

DES00010747

DUKE POWER CO.
FEB 08 1985
RATE DEPT

DUKE POWER COMPANY
FINANCIAL STATEMENTS

MONTH OF

DEC 1984

RATE DEPT FILE COPY
DO NOT REMOVE

PETITIONERS
EXHIBIT

**Deloitte
& Touche**

TAXPAYER DUKE POWER COMPANY

INSTRUCTIONS FOR FILING

AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1984

To be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of Tax	Total Tax \$ Less: payments & credits \$ Balance due (overpayment) \$(11,689,532)
Overpayment	☒ Refunded to you \$11,689,532. ☐ Credited to your estimated tax \$ ☐ \$ refunded and \$ credited
Draw check to N/A	<i>NOTE: Your social security number or employer identification number should be entered on your remittance.</i>
Mail tax return and check (if applicable) to	SC DEPT. OF REVENUE COLUMBIA, SC 29214
Return must be mailed on or before	IMMEDIATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	

MISCSTATELTRS

South Carolina Tax Commission
Form SC 1120 U
Rev. 10/84

STATE OF SOUTH CAROLINA
CORPORATION TAX RETURN

Make Checks Payable To:
TAX COMMISSION
Mail This Return With
Remittance To:
S.C. TAX COMMISSION
P.O. Box 125
Columbia, SC 29214

Return For DEC 31, 1984 INCOME
Period Ending DEC 31, 1985 LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

A COPY OF FEDERAL FORM 1120 OR 1120 S
AND SUPPORTING SCHEDULES MUST BE
ATTACHED AND MADE A PART OF THIS
RETURN

Federal EI Number 56-0205520

Extension Requested: Yes ☒ No ☐

Type of SC Return Separate ☒

Consolidated ☐ Combined ☐

If Final Return, Indicate Whether Merged ☐

Reorganized ☐ Dissolved ☐ Withdrawn ☐

County in SC Where Property is located
Scheduled

Telephone Number (704) 373-5706

Did any of the corporations in this Return have
any property presumed abandoned under
Chapter 17, Title 27 of the South Carolina Code
of Laws, 1976? YES If yes, have Returns been
filed? Yes

Audit Location:
City Charlotte State NC Zip Code 28242

NAME AND ADDRESS

RETURN DUE ON OR
BEFORE

DUKE POWER COMPANY
P O BOX 33189
CHARLOTTE NC

28242

MAR 15, 1985

560205520

32

4900

12

20090024-9

Employer Identification No.

Business Code

File Number

PART I

COMPUTATION OF INCOME TAX LIABILITY

1. Net Income Per Attached Federal Return Form 1120, Line 28 or Form 1120S Line 24	1.	821,708,444
2. Additions To Federal Net Income (Sch. A-Line 7) See Attached Audit Report	2.	111,448,328
3. Deductions From Federal Net Income (Sch. B-Line 7)	3.	
4. Total Net Income As Reconciled (Add Lines 1 & 2 Less Line 3)	4.	933,156,772
5. Total S.C. Net Income (a) If Line 4 is derived from sources entirely within SC Enter Line 4	5a.	
(b) If Line 4 is derived from SC and other states enter Line 6, Schedule G	5b.	115,555,807
6. S.C. Loss Carryover (Attach Schedule)	6.	10,640,180
7. Net Income After Loss Carryover (Line 5a or b Less Line 6)	7.	104,915,627
8. Allowable Contributions (Limited to 5% of Line 7)	8.	0
9. S.C. Taxable Net Income (Line 7 Less Line 8)	9.	6,294,938
10. TAX DUE (6% of Line 9)	10.	
11. Credit From Schedule C-Line 5	11.	
12. Adjusted Tax Due (Line 10 Less Line 11)	12.	
13. CREDITS: (a) Tax Withheld (attach Form W-2)	(b) Paid by Declaration	
(c) Paid With Tentative Return <u>17,984,469</u>	(d) Credit From Line 26	
14. Total Credits (Add Lines 13(a) Through (d))	14.	
15. Balance Of Tax Due (Line 12 Less Line 14)	15.	
16. Amount of Over-payment (Line 14 Less Line 12)	16.	
17. Interest Due	17.	
Penalty Due (See Instructions)	17.	
18. TOTAL TAX - Interest & Penalty Due (Add Lines 15 & 17)	18.	
19. Application: (If Line 16 Reflects An Overpayment)		
Credit To: (a) Estimate	(b) License Fee	(c) Refund <u>11,689,532</u>
		19.

PART II

COMPUTATION OF LICENSE FEE

20. Total License Fee Due From Schedule J Line 9 Page 5	20.	4,035,805
21. Credits: (a) Paid with Tentative Return <u>3,356,000</u>	(b) Credit from Line 18 <u>679,805</u>	21.
22. Balance of Fee Due (Line 20 Less Line 21)	22.	None
23. Amount of Overpayment (Line 21 Less Line 20)	23.	
24. Interest Due	24.	
Penalty Due (See Instructions)	24.	
25. Total Fee, Interest and Penalty Due (Add Lines 22 and 24)	25.	
26. Application: (If Line 23 Reflects An Overpayment)		
Credit To: (a) Estimate	(b) Income Tax	(c) Refund
		26.
27. TOTAL AMOUNT DUE (ADD LINES 18 AND 25)	27.	

I, the undersigned, principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief a true and complete return made in good faith for the taxable period as stated, pursuant to the Code of Laws of 1976 as amended and the Regulations issued under authority thereof.

DELOITTE & TOUCHE LLP

This Return Prepared By

by: Dan M. Lutz
12/11/2002

AMENDED

12/12/2002
Date

[Signature]
Signature of Officer Authorized to Sign

SCHEDULE A

ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	PER
2. Contributions	2.	ATTACHED
Interest on power agency advances	3.	AUDIT
5. Interest on debt used to carry U.S. Government obligations	4.	REPORT
6. Federal depreciation in excess of South Carolina depreciation	5.	
7. Total Additions (Add Lines 1 Through 6) Enter On Line 2 - Part I	6.	111,448,328
	7.	

SCHEDULE B

DEDUCTIONS FROM FEDERAL NET INCOME

1. Interest On Obligations Of The U.S.	1.	
2. Deemed distribution from controlled foreign corporation	2.	
3. Targeted jobs credit not deducted on Federal return	3.	
4. Federal fuel tax credit	4.	
5. PAYSEP contribution	5.	
6. Federal gain in excess of state tax gain on sale of depreciable assets	6.	
7. Total Deductions (Add Lines 1 Through 6) Enter On Line 3 - Part I	7.	

SCHEDULE C

NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year	1.	
2. Add: (a) Drip/Trickle Irrigation System (TC-1)	2a.	
(b) Minority Business (TC-2)	b.	
(c) Water Resources (TC-3)	c.	
(d) Renewable Energy (SC 5695)	d.	
(e) Scenic Rivers (Attach Schedule)	e.	
3. Total Credits (Add Lines 1 and 2)	3.	
4. Tax Due (Line 10- Part I Corporate Return)	4.	
5. Lesser Of Line 3 or 4 (To Line 11 - Part I - Corporate Return)	5.	
6. Credit Carryover (Line 3 Less Line 4)	6.	

SCHEDULE D

ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

Incorporated under the Laws of the State of North Carolina on 11-27-63

2. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 2-24-63

3. The Registered Office of the Corporation in the State of South Carolina is See line 5 in the City of Greenville
Registered Agent at such address is T. C. Berry

4. Was the name of the Corporation changed during the year? No Give old name

5. Location of principal office in S.C. Suite 700, Green Gate Park, Woods Lake Road, Greenville, SC 29606
Nature of principal business in S.C. Production and sale of electricity

6. The Corporation's books are in the care of Norman Morrow, Controller
Located 422 South Church Street, Charlotte, North Carolina 28242

7. If Foreign Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of State, South Carolina

8. If filing consolidated or have affiliated corporations, attach Schedule I listing name, address and affiliation of all Corporations.

9. The Authorized Capital Stock by Shares, Par Value and class is as follows:

NO. OF SHARES

150,000,000

PAR VALUE

no par

CLASS

common

10. The total amount of Stated Capital is:

Total paid in Capital Stock

\$

Total paid in Capital Surplus

\$

The total amount of Stated Capital is

\$

11. The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are: (If additional space necessary attach separate schedule).

NAME AND PERCENTAGE OF STOCK HELD

ADDRESS AND OFFICE

List attached

All officers can be reached in care of:

Duke Power Company

P. O. Box 33189

Charlotte, North Carolina 28242

No officer or director owns as much as

3/100 of 1% of the outstanding stock.

AMENDED

SCHEDULES E, F, G, & H ARE TO BE COMPLETED BY MULTISTATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE-MULTISTATE CORPORATIONS

1. Total Capital and Paid in Surplus end of Year (Do Not Reduce By Treasury Stock)

\$ _____

2. S.C. PROPORTION: (Item 1 X Ratio from Schedule H 1, 2, 3, as appropriate)

\$ _____

Carry amount from line 2 above to line 20 - Part II

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Dir. to S.C. and Other States 3	Net Amounts Allocated Directly to SC 4	Payroll to be Excluded from Payroll Factor 5	Property to Be Excluded from property Factor 6
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains or losses on real property						
5. Gains or losses on intangible personal property.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED			924,908,889			
8. INCOME DIRECTLY ALLOCATED TO S.C.			XXXXXXXX	115,555,807		
9. TOTALS TO APPORTIONMENT FACTORS			XXXXXXXX			

PER ATTACHED

AUDIT SCHEDULE

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTISTATE OPERATIONS

1. Total net income as reconciled Enter amount from Line 4 Part I	1. 933,156,772
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, Line 7	2. 8,247,883
3. Total net income subject to apportionment (Line 1 Less Line 2)	3. 924,908,889
4. Apportionable to S.C. by appropriate ratio from Schedule H-1, 2 or 3	4. 11.8848%
5. Add: Income subject to direct allocation to SC from Schedule F Line 8	5. 5,632,235
6. Total S.C. Net Income (sum of Lines 4 and 5 above) enter on Line 5b Part I	6. 115,555,807

SCHEDULE H-1 COMPUTATION OF APPORTIONMENT RATIO

	1 Within S.C.		2 Total Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
1. Land				
2. Buildings				
3. Machinery & Equipment				
4. Inventories				
5. Other Property		See Attached Schedule		
6. Exclusions				
7. TOTAL (Add Lines 1 Thru 5-Less 6)				
8. Average of Beginning & Ending Period (Add Line 7 (a) & (b) And Divide by 2)		1. Within S.C.	2. Total Everywhere	3. Ratio
9. Rental or Lease Value				
10. TOTAL (Add Lines 8 & 9, Divide Column 1 By 2 & Enter in Column 3)				%
11. TOTAL Payroll (Less Officers Compensation & Exclusions)				%
12. TOTAL Sales				%
13. TOTAL of Three Ratios (Add Column 3 - Lines 10, 11 & 12)				%
14. Arithmetical Average of Three Ratios				%

SCHEDULE H - 2 GROSS RECEIPTS

	In 1 South Carolina	2 Total	3 Ratio
1. Total Gross Receipts			
2. Less: Exclusion (See Instructions - Section 3)			
3. Gross Receipts (For Ratio)	803,708,530	6,762,483,786	
4. Ratio of Gross Receipts	XXXXXXXX	XXXXXXXXXX	11.8848 %

SCHEDULE H - 3 RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
1. Total Within South Carolina		
2. Total for System		%
3. Ratio (South Carolina - Total System)		%

AMENDED

SCHEDULE I CORPORATION INCLUDED IN CONSOLIDATED OR COMBINED RETURN
AFFILIATED CORPORATION NO. 1

- (1) Name _____ S.C.I.D. NO. _____
(2) Address _____
(3) Date of Incorp. _____ Under Laws of _____
(4) The Registered Office of the Corporation in the State of South Carolina is _____
In the City of _____ and Registered Agent at such address is _____
(5) Was the name of the Corporation changed during the year? _____ Give old name _____
(6) Location of principal office in S.C. _____
(7) Nature of principal business in S.C. _____
(8) The Authorized Capital stock by Shares, Par Value and Class is as follows: _____

NO. OF SHARES

PAR VALUE

CLASS

- (9) (a) Total paid in Capital Stock _____ (b) Total paid in Capital Surplus _____
(10) The total amount of Stated Capital is _____
(11) The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are:
(If additional space is necessary attach separate Schedule).

NAME AND PERCENTAGE OF STOCK HELD

ADDRESS AND OFFICE

AFFILIATED CORPORATION NO. 2

- (1) Name _____ S.C.I.D. NO. _____
(2) Address _____
(3) Date of Incorp. _____ Under Laws of _____
(4) The Registered Office of the Corporation in the State of South Carolina is _____
In the City of _____ and Registered Agent at such address is _____
(5) Location of principal office in S.C. _____
(6) The Corporation's books are in the care of _____ Located _____
(7) Nature of principal business in S.C. _____
(8) The Authorized Capital stock by Shares, Par Value and Class is as follows: _____

NO. OF SHARES

PAR VALUE

CLASS

- (9) (a) Total paid in Capital Stock _____ (b) Total paid in Capital Surplus _____
(10) The total amount of Stated Capital is _____
(11) The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are:
(If additional space is necessary attach separate Schedule).

NAME AND PERCENTAGE OF STOCK HELD

ADDRESS AND OFFICE

AFFILIATED CORPORATION NO. 3

- (1) Name _____ S.C.I.D. NO. _____
(2) Address _____
(3) Date of Incorp. _____ Under Laws of _____
(4) The Registered Office of the Corporation in the State of South Carolina is _____
In the City of _____ and Registered Agent at such address is _____
(5) Was the name of the Corporation changed during the year? _____ Give old name _____
(6) Location of principal office in S.C. _____
(7) Nature of principal business in S.C. _____
(8) The Authorized Capital Stock by Shares, Par Value and Class is as follows: _____

NO. OF SHARES

PAR VALUE

CLASS

- (9) (a) Total paid in Capital Stock _____ (b) Total paid in Capital Surplus _____
(10) The total amount of Stated Capital is _____
(11) The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are:
(If additional space is necessary attach separate Schedule).

NAME AND PERCENTAGE OF STOCK HELD

ADDRESS AND OFFICE

AMENDED

4398

DES00010753

SCHEDULE J COMPUTATION OF LICENSE FEE — UTILITIES AND ELECTRIC COOPERATIVES

Fair Market Value of Property Owned and Used in the Conduct of Business in South Carolina as determined by South Carolina Tax Commission for property Tax Purposes **908,000,000**
2. Fee Due Line 1 x .001 **908,000**

STATEMENT OF GROSS RECEIPTS

	Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):		
4. Total Operating Revenues		
5. Other Receipts, (Itemize):		

Schedule Attached

6. Total Other Receipts
7. Total Gross Receipts (Add Lines 4 and 6) **1,042,601,613**
8. Fee Due (Line 7, Column B x .003) **3,127,805**
9. Total License Fee Due (Add Lines 2 and 8) (Enter on Line 20 Part II Page 1) **4,035,805**

Taxpayer has included in the total gross receipts proceeds from the sale of a partial interest in a nuclear station in accordance with audit adjustments of a prior year.

INSTRUCTIONS

In lieu of the license fee imposed by Section 12-9-70 and in addition to any and all other taxes, a license fee of one mill is levied upon each dollar of the fair market value of property as determined by the South Carolina Tax Commission for property tax purposes, for the preceding accounting period, owned and used within South Carolina in the conduct of the business of every railroad company, express company, street railway company, navigation company, waterworks company, power company, electric company, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, tank car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

In addition to the license fee based upon the fair market value of property, utilities and electric cooperatives must pay a license fee of three mills upon the entire gross receipts from business within this State during the calendar year next preceding.

Gross Receipts includes all receipts from operations within this State, income from intangibles used in the business within this State and also other profit and loss items with a local situs.

The license fee is due on or before the fifteenth day of the third month next after the preceding income year.

If you are filing a combined or consolidated return refer to paragraph K for any Corporation that is required to pay a license fee based on capital stock and paid in surplus.

AMENDED

South Carolina Tax Commission
Form SC 1120 U
Rev. 10/84

STATE OF SOUTH CAROLINA
CORPORATION TAX RETURN

Make Checks Payable To:
S.C. TAX COMMISSION
Mail This Return With
Remittance To:
S.C. TAX COMMISSION
P.O. Box 125
Columbia, SC 29214

Return For DEC 31, 1984 INCOME
Period Ending DEC 31, 1985 LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

A COPY OF FEDERAL FORM 1120 OR 1120-S
AND SUPPORTING SCHEDULES MUST BE
ATTACHED AND MADE A PART OF THIS
RETURN

Federal EI Number 56-0205520
Extension Requested: Yes ☒ No ☐
Type of SC Return Separate ☒
Consolidated ☐ Combined ☐
If Final Return, Indicate Whether Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn ☐
County in SC Where Property is located ☐
Scheduled ☐

NAME AND ADDRESS

RETURN DUE ON OR
BEFORE

DUKE POWER COMPANY
P O BOX 33189
CHARLOTTE NC

28242

MAR 15, 1985

560205520

32

4900

12

20090024-9

Employer Identification No.

Business Code

File Number

Telephone Number (704) 373-5705
Did any of the corporations in this Return have
any property presumed abandoned under
Chapter 17, Title 27 of the South Carolina Code
of Laws, 1976? Yes If yes, have Returns been
filed? Yes
Audit Location:
City Charlotte State NC Zip Code 28242

PART I

COMPUTATION OF INCOME TAX LIABILITY

1. Net Income Per Attached Federal Return Form 1120, Line 28 or Form 1120S Line 24	1.	826,883,978
2. Additions To Federal Net Income (Sch. A-Line 7)	2.	110,165,447
3. Deductions From Federal Net Income (Sch. B-Line 7)	3.	11,176,433
4. Total Net Income As Reconciled (Add Lines 1 & 2 Less Line 3)	4.	925,874,992
5. Total S.C. Net Income (a) If Line 4 is derived from sources entirely within SC Enter Line 4	5a.	317,337,389
(b) If Line 4 is derived from SC and other states enter Line 6, Schedule G	5b.	(25,157,872)
6. S.C. Loss Carryover (Attach Schedule)	6.	
7. Net Income After Loss Carryover (Line 5a or b Less Line 6)	7.	292,179,517
8. Allowable Contributions (Limited to 5% of Line 7)	8.	296,071
9. S.C. Taxable Net Income (Line 7 Less Line 8)	9.	291,883,446
10. TAX DUE (6% of Line 9)	10.	17,513,007
11. Credit From Schedule C-Line 5	11.	5,000
12. Adjusted Tax Due (Line 10 Less Line 11)	12.	17,508,007
13. CREDITS: (a) Tax Withheld (attach Form W-2)	(b) Paid by Declaration	19,000,000
(c) Paid With Tentative Return	(d) Credit From Line 26	
14. Total Credits (Add Lines 13(a) Through (d))	14.	19,000,000
15. Balance Of Tax Due (Line 12 Less Line 14)	15.	1,491,993
16. Amount of Over-payment (Line 14 Less Line 12)	16.	
17. Interest Due (See Instructions)	17.	
18. TOTAL TAX - Interest & Penalty Due (Add Lines 15 & 17)	18.	
19. Application: (If Line 16 Reflects An Overpayment)	19.	
Credit To: (a) Estimate <u>812,188</u> (b) License Fee <u>679,805</u> (c) Refund		

PART II

COMPUTATION OF LICENSE FEE

20. Total License Fee Due From Schedule J Line 9 Page 5	20.	4,035,805
21. Credits: (a) Paid with Tentative Return <u>3,356,000</u> (b) Credit from Line 19 <u>679,805</u>	21.	4,035,805
22. Balance of Fee Due (Line 20 Less Line 21)	22.	None
23. Amount of Overpayment (Line 21 Less Line 20)	23.	
24. Interest Due (See Instructions)	24.	
25. Total Fee, Interest and Penalty Due (Add Lines 22 and 24)	25.	
26. Application: (If Line 23 Reflects An Overpayment)	26.	
Credit To: (a) Estimate (b) Income Tax (c) Refund		
27. TOTAL AMOUNT DUE (ADD LINES 18 AND 25)	27.	

I, the undersigned, principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief a true and complete return made in good faith for the taxable period as stated, pursuant to the Code of Laws of 1976 as amended and the Regulations issued under authority thereof.

This Return Prepared By

AS ORIGINALLY FILED

4400

DES00010755

SCHEDULE A

ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	51,312,789
2. Contributions	2.	6,597,850
3.	3.	
4. Interest on power agency advances	4.	220,976
5. Interest on debt used to carry U.S. Government obligations	5.	2,663,787
6. Federal depreciation in excess of South Carolina depreciation	6.	49,370,045
7. Total Additions (Add Lines 1 Through 6) Enter On Line 2 - Part I	7.	110,165,447

SCHEDULE B

DEDUCTIONS FROM FEDERAL NET INCOME

1. Interest On Obligations Of The U.S.	1.	7,221,171
2. Deemed distribution from controlled foreign corporation	2.	196,146
3. Targeted jobs credit not deducted on Federal return	3.	5,210
4. Federal fuel tax credit	4.	71,535
5. PAYSON contribution	5.	2,600,315
6. Federal gain in excess of state tax gain on sale of depreciable assets	6.	1,080,056
7. Total Deductions (Add Lines 1 Through 6) Enter On Line 3 - Part I	7.	11,174,433

SCHEDULE C

NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year	1.	2,500
2. Add: (a) Drip/Trickle Irrigation System (TC-1)	2a.	2,500
(b) Minority Business (TC-2)	b.	
(c) Water Resources (TC-3)	c.	
(d) Renewable Energy (SC 5895)	d.	
(e) Scenic Rivers (Attach Schedule)	e.	
3. Total Credits (Add Lines 1 and 2)	3.	5,000
4. Tax Due (Line 10- Part I Corporate Return)	4.	
5. Lesser Of Line 3 or 4 (To Line 11 - Corporate Return)	5.	5,000
6. Credit Carryover (Line 3 Less Line 4)	6.	-0-

SCHEDULE D

ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

- Incorporated under the Laws of the State of North Carolina on 11-27-63
- If Foreign Corporation, the date qualified to do business in the State of South Carolina is 2-24-63
- The Registered Office of the Corporation in the State of South Carolina is See line 5 in the City of Greenville
Registered Agent at such address is T. C. Berry
- Was the name of the Corporation changed during the year? NO Give old name
- Location of principal office in S.C. Suite 700, Green Gate Park, Woods Lake Road, Greenville, SC 29606
Nature of principal business in S.C. Production and sale of electricity
- The Corporation's books are in the care of Norman Morrow, Controller
Located 422 South Church Street, Charlotte, North Carolina 28242
- If Foreign Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of State, South Carolina
- If filing consolidated or have affiliated corporations, attach Schedule I listing name, address and affiliation of all Corporations.
- The Authorized Capital Stock by Shares, Par Value and class is as follows:

NO. OF SHARES	PAR VALUE	CLASS
150,000,000	no par	common

10. The total amount of Stated Capital is:

Total paid in Capital Stock	\$ _____
Total paid in Capital Surplus	\$ _____
The total amount of Stated Capital is	\$ _____

11. The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are: (If additional space necessary attach separate schedule).

NAME AND PERCENTAGE OF STOCK HELD	ADDRESS AND OFFICE
	All officers can be reached in care of:
	Duke Power Company
List attached	P. O. Box 33189
	Charlotte, North Carolina 28242
	No officer or director has more than
	3/100 of 1% of the outstanding stock.

AS ORIGINALLY FILED

4401

DES00010756

SCHEDULES E, F, G, & H ARE TO BE COMPLETED BY MULTISTATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE-MULTISTATE CORPORATIONS

1. Total Capital and Paid-in Surplus end of Year (Do Not Reduce By Treasury Stock) \$ _____
 2. S.C. PROPORTION: (Item 1 X Ratio from Schedule H 1, 2, 3, as appropriate) \$ _____
- Carry amount from line 2 above to line 20 - Part II

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Dir. to S.C. and Other States 3	Net Amounts Allocated Directly to SC 4	Payrolls to be Excluded from Payroll Factor 5	Property to Be Excluded from property Factor 6
1. Interest not connected with business						
2. Dividends received	2,462,741		2,462,741			
3. Rents						
4. Gains or losses on real property	101,868		101,868	5,973		
5. Gains or losses on intangible personal property	57,012		57,012			
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED			2,621,621	XXXXXXX		
8. INCOME DIRECTLY ALLOCATED TO S.C.			XXXXXXX	5,973		
9. TOTALS TO APPORTIONMENT FACTORS			XXXXXXX	XXXXXXX		

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTISTATE OPERATIONS

1. Total net income as reconciled Enter amount from Line 4 Part I	1.	925,874,992
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, Line 7	2.	2,621,621
3. Total net income subject to apportionment (Line 1 Less Line 2)	3.	923,253,371
4. Apportionable to S.C. by appropriate ratio from Schedule H-1, 2 or 3	4.	317,331,416
5. Add: Income subject to direct allocation to SC from Schedule F Line 8	5.	5,973
6. Total S.C. Net Income (sum of Lines 4 and 5 above) enter on Line 5b Part I	6.	317,337,389

SCHEDULE H-1 COMPUTATION OF APPORTIONMENT RATIO

	1 Within S.C.		2 Total Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
1. Land				
2. Buildings				
3. Machinery & Equipment				
4. Inventories				
5. Other Property		See Attached	Schedule	
6. Exclusions				
7. TOTAL (Add Lines 1 Thru 5-Less 6)				
8. Average of Beginning & Ending Period (Add Line 7 (a) & (b) And Divide by 2)		1. Within S.C.	2. Total Everywhere	3. Ratio
9. Rental or Lease Value				
10. TOTAL (Add Lines 8 & 9, Divide Column 1 By 2 & Enter in Column 3)				30.776 %
11. TOTAL Payroll (Less Officers Compensation & Exclusions)				43.295 %
12. TOTAL Sales				29.041 %
13. TOTAL of Three Ratios (Add Column 3 - Lines 10, 11 & 12)				103.112 %
14. Arithmetical Average of Three Ratios				34.371 %

SCHEDULE H - 2 GROSS RECEIPTS

	In 1 South Carolina	2 Total	3 Ratio
1. Total Gross Receipts			
2. Less: Exclusion (See Instructions - Section 3)			
3. Gross Receipts (For Ratio)			
4. Ratio of Gross Receipts	XXXXXXX	XXXXXXX	%

SCHEDULE H - 3 RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
1. Total Within South Carolina		
2. Total for System		%
3. Ratio (South Carolina - Total System)		%

AS ORIGINALLY FILED

SCHEDULE 1 CORPORATION INCLUDED IN CONSOLIDATED OR COMBINED RETURN
AFFILIATED CORPORATION NO. 1

- (1) Name _____ S.C.I.D. NO. _____
(2) Address _____
(3) Date of Incorp. _____ Under Laws of _____
(4) The Registered Office of the Corporation in the State of South Carolina is _____
In the City of _____ and Registered Agent at such address is _____
(5) Was the name of the Corporation changed during the year? _____ Give old name _____
(6) Location of principal office in S.C. _____
(7) Nature of principal business in S.C. _____
(8) The Authorized Capital stock by Shares, Par Value and Class is as follows: _____

NO. OF SHARES	PAR VALUE	CLASS

- (9) (a) Total paid in Capital Stock _____ (b) Total paid in Capital Surplus _____
(10) The total amount of Stated Capital is _____
(11) The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are:
(If additional space is necessary attach separate Schedule).

NAME AND PERCENTAGE OF STOCK HELD	ADDRESS AND OFFICE

AFFILIATED CORPORATION NO. 2

- (1) Name _____ S.C.I.D. NO. _____
(2) Address _____
(3) Date of Incorp. _____ Under Laws of _____
(4) The Registered Office of the Corporation in the State of South Carolina is _____
In the City of _____ and Registered Agent at such address is _____
(5) Location of principal office in S.C. _____
(6) The Corporation's books are in the care of _____ Located _____
(7) Nature of principal business in S.C. _____
(8) The Authorized Capital stock by Shares, Par Value and Class is as follows: _____

NO. OF SHARES	PAR VALUE	CLASS

- (9) (a) Total paid in Capital Stock _____ (b) Total paid in Capital Surplus _____
(10) The total amount of Stated Capital is _____
(11) The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are:
(If additional space is necessary attach separate Schedule).

NAME AND PERCENTAGE OF STOCK HELD	ADDRESS AND OFFICE

AFFILIATED CORPORATION NO. 3

- (1) Name _____ S.C.I.D. NO. _____
(2) Address _____
(3) Date of Incorp. _____ Under Laws of _____
(4) The Registered Office of the Corporation in the State of South Carolina is _____
In the City of _____ and Registered Agent at such address is _____
(5) Was the name of the Corporation changed during the year? _____ Give old name _____
(6) Location of principal office in S.C. _____
(7) Nature of principal business in S.C. _____
(8) The Authorized Capital Stock by Shares, Par Value and Class is as follows: _____

NO. OF SHARES	PAR VALUE	CLASS

- (9) (a) Total paid in Capital Stock _____ (b) Total paid in Capital Surplus _____
(10) The total amount of Stated Capital is _____
(11) The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are:
(If additional space is necessary attach separate Schedule).

NAME AND PERCENTAGE OF STOCK HELD	ADDRESS AND OFFICE

SCHEDULE J COMPUTATION OF LICENSE FEE — UTILITIES AND ELECTRIC COOPERATIVES

1. Fair Market Value of Property Owned and Used in the Conduct of Business in South Carolina as determined by South Carolina Tax Commission for property Tax Purposes 908,000,000
2. Fee Due Line 1 x .001 908,000

STATEMENT OF GROSS RECEIPTS

	Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):		
4. Total Operating Revenues		
5. Other Receipts, (Itemize):		

Schedule Attached

6. Total Other Receipts
7. Total Gross Receipts (Add Lines 4 and 5) 1,042,601,613
8. Fee Due (Line 7, Column B x .003) 3,127,805
9. Total License Fee Due (Add Lines 2 and 8) (Enter on Line 20 Part II Page 1) 4,035,805

Taxpayer has included in the total gross receipts proceeds from the sale of a partial interest in a nuclear station in accordance with audit adjustments of a prior year.

INSTRUCTIONS

In lieu of the license fee imposed by Section 12-9-70 and in addition to any and all other taxes, a license fee of one mill is levied upon each dollar of the fair market value of property as determined by the South Carolina Tax Commission for property tax purposes, for the preceding accounting period, owned and used within South Carolina in the conduct of the business of every railroad company, express company, street railway company, navigation company, waterworks company, power company, electric company, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, tank car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

In addition to the license fee based upon the fair market value of property, utilities and electric cooperatives must pay a license fee of three mills upon the entire gross receipts from business within this State during the calendar year next preceding.

Gross Receipts includes all receipts from operations within this State, income from intangibles used in the business within this State and also other profit and loss items with a local situs.

The license fee is due on or before the fifteenth day of the third month next after the preceding income year.

If you are filing a combined or consolidated return refer to paragraph K for any Corporation that is required to pay a license fee based on capital stock and paid in surplus.

AS ORIGINALLY FILED

**STATE OF SOUTH CAROLINA
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION**

S. C. FILE NO. 20090024-9 560205520 FED. E.I. NO.	Return for the Period Ending DEC 1984 Return extended to <u>September 15, 1985</u>	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">1. Tentative Tax Based on Net Income</td> <td style="width:30%; text-align: right;">\$19,000,000</td> </tr> <tr> <td>2. LESS: Estimated Tax Payments</td> <td style="text-align: right;">10,000,000</td> </tr> <tr> <td>3. Tentative Tax Due</td> <td style="text-align: right;">9,000,000</td> </tr> <tr> <td>4. Total Capital and Paid in Surplus x .001 but not less than 10.00 Tentative License Fee</td> <td style="text-align: right;">3,356,000</td> </tr> <tr> <td>5. Balance Remitted Herewith</td> <td style="text-align: right;">12,356,000</td> </tr> </table>	1. Tentative Tax Based on Net Income	\$19,000,000	2. LESS: Estimated Tax Payments	10,000,000	3. Tentative Tax Due	9,000,000	4. Total Capital and Paid in Surplus x .001 but not less than 10.00 Tentative License Fee	3,356,000	5. Balance Remitted Herewith	12,356,000
1. Tentative Tax Based on Net Income	\$19,000,000											
2. LESS: Estimated Tax Payments	10,000,000											
3. Tentative Tax Due	9,000,000											
4. Total Capital and Paid in Surplus x .001 but not less than 10.00 Tentative License Fee	3,356,000											
5. Balance Remitted Herewith	12,356,000											
SIGNATURE <u>Duncan Lennon</u> DATE <u>3/13/85</u> DUKE POWER COMPANY P O BOX 33189 CHARLOTTE NC 28242		FORM 1120-T (Rev. 8-84) PO BOX 125 Columbia, S. C. 29214										

CORPORATION DECLARATION OF ESTIMATED INCOME TAX

VOUCHER 01 DUE DATE MAR 15 1985 Return this form with check or money order payable to: THE SOUTH CAROLINA TAX COMMISSION	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">A. Estimated tax for the current accounting year.</td> <td style="width:30%; text-align: right;">\$ 20,000,000</td> </tr> <tr> <td>B. Overpayment from last year credited to estimated tax for this year</td> <td style="text-align: right;">\$</td> </tr> </table>	A. Estimated tax for the current accounting year.	\$ 20,000,000	B. Overpayment from last year credited to estimated tax for this year	\$	FORM 1120-COE (Rev. 8-84) PO BOX 125 Columbia, S. C. 29214		
A. Estimated tax for the current accounting year.	\$ 20,000,000							
B. Overpayment from last year credited to estimated tax for this year	\$							
S. C. FILE NO. 20090024-9 560205520 FED. E.I. NO.	SIGNATURE OF DULY AUTHORIZED OFFICER OR TAXPAYER <u>Duncan Lennon</u> DATE <u>3/13/85</u> For accounting period ending DEC 1985							
DUKE POWER COMPANY P O BOX 33189 CHARLOTTE NC 28242								
		<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">1. Amount of this installment</td> <td style="width:30%; text-align: right;">5,000,000.00</td> </tr> <tr> <td>2. Amount of overpayment credit applied to this installment (See instruction)</td> <td style="text-align: right;">1</td> </tr> <tr> <td>3. Amount of this installment payment (line 1 less line 2)</td> <td style="text-align: right;">5,000,000.00</td> </tr> </table>	1. Amount of this installment	5,000,000.00	2. Amount of overpayment credit applied to this installment (See instruction)	1	3. Amount of this installment payment (line 1 less line 2)	5,000,000.00
1. Amount of this installment	5,000,000.00							
2. Amount of overpayment credit applied to this installment (See instruction)	1							
3. Amount of this installment payment (line 1 less line 2)	5,000,000.00							

0807 0020090024 9 1285 0807 0020090024 9 1285

AS ORIGINALLY FILED

4405

DES00010760

August 20, 1987

Memo to The Files

Subject: S. C. Depreciation

The 1987 South Carolina Legislature changed the Code of Laws of South Carolina Section 12-7-455(e) to conform South Carolina's depreciation method to Federal for all vintages prior to 1985. See Remi Taylor's letter dated August 6, 1987.

The years 1985 and after will follow Federal depreciation methods. The vintage years 1981 - 1984 will use Federal ACRS depreciation beginning with the tax year 1985. Tax years prior to 1985 for vintages 1981 - 1984 will use either the ADR depreciation method or the modified South Carolina ACRS depreciation method.

When vintages 1981 - 1984 become fully depreciated using Federal ACRS depreciation methods, any remaining South Carolina depreciation will be written off in two years for personal property and 5 years for real property.

Vintage years 1971 - 1980 will use the South Carolina depreciation method agreed to by Duke Power, SCANA, CP & L and the South Carolina Tax Commission at a meeting in 1980.

Larry C. Auten

AS ORIGINALLY FILED

SC PH. 110

August 6, 1987

TO: LARRY AUTEN
JANET BRIDGES
DON STRATTON

FROM: REMI TAYLOR

RE: SOUTH CAROLINA DEPRECIATION

I have been advised by the South Carolina Tax Commission that Section 12.7-455(e) of the South Carolina Code of Laws, 1976 has been amended by the General Appropriations Bill of 1987. This amendment will adopt the Federal depreciation for assets placed in service prior to 1985. When the assets are fully depreciated for Federal tax purposes, the remaining South Carolina basis of personal property will be written off over two years and real property over five years.

This will result in an additional depreciation deduction in 1986 of about \$2 million on the South Carolina return.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1984 South Carolina Corporation Income Tax Return

<u>GLC</u>	<u>Function</u>	<u>Vintages</u>	<u>Federal CLADR & ACRS Tax Depreciation</u>	<u>S.C. Tax Depreciation</u>	<u>Income increase (decrease)</u>
00.110	Furniture & fixtures	71-84	~~1,012,191~~ \$ ~~1,930,513~~	~~890,189~~ \$ ~~1,778,511~~	~~122,002~~ \$ ~~122,002~~
00.120	EDP Equipment	71-84	~~331,730~~ ~~2,170,641~~	~~308,382~~ ~~2,147,425~~	~~23,348~~ ~~23,215~~
00.125	Dispatch and other Computers	71-84	~~186,389~~ ~~437,753~~	~~154,276~~ ~~405,640~~	~~32,113~~
00.130	Data handling equip.	71-84	~~428,241~~ ~~649,098~~	~~375,570~~ ~~336,427~~	~~52,671~~
00.230	Buses	74;81	~~138,935~~ ~~139,023~~	~~101,969~~ ~~102,034~~	~~36,966~~ ~~36,989~~
49.005	Other general plant	81-84	~~1,662,297~~ ~~4,025,608~~	~~1,154,352~~ ~~3,525,958~~	~~507,945~~ ~~499,650~~
49.110	Hydro	71-84	~~4,215,186~~ ~~4,229,960~~	~~4,482,674~~	~~(267,482)~~ ~~(252,714)~~
49.118	Hydro-structures	81;83-84	~~35,622~~	~~16,598~~	~~19,024~~
49.120	Nuclear	73-84	~~162,306,329~~ ~~162,944,721~~	~~119,100,871~~ ~~118,946,941~~	~~43,205,468~~ ~~43,997,780~~
49.121	Nuclear fuel	74;76-84	~~41,013,026~~ ~~89,631,136~~	~~36,066,681~~ ~~84,684,791~~	~~4,946,345~~
49.128	Nuclear-structures	81-84	~~3,487,611~~ ~~3,764,836~~	~~2,365,656~~ ~~2,353,923~~	~~1,121,955~~ ~~1,411,023~~
49.131	Steam	70-84	~~23,568,260~~	~~28,807,377~~	~~(5,239,117)~~
49.132	Other production	71-80	~~867,602~~	~~1,089,480~~	~~(221,878)~~
49.138	Steam-structures	82-84	~~98,588~~	~~33,357~~	~~65,231~~
49.141	Transmission	71-84	~~34,008,476~~ ~~33,985,705~~	~~35,762,244~~ ~~32,959,840~~	~~1,046,212~~ ~~1,025,865~~
49.142	Distribution	71-84	~~62,904,117~~ ~~66,152,470~~	~~62,458,410~~ ~~65,414,994~~	~~445,707~~ ~~737,476~~
49.150	Combustion turbines	81;83-84	~~4,358~~	~~2,115~~	~~2,243~~
49.300	Water	71-84	~~1,080,972~~	~~798,300~~	~~282,672~~
65.000	Structures	81-84	~~2,620,540~~ ~~2,623,099~~	~~793,566~~ ~~794,442~~	~~1,827,154~~ ~~1,828,657~~
			~~339,970,500~~ <u>\$398,310,065</u>	~~291,856,927~~ <u>\$348,940,020</u>	~~48,113,573~~ <u>\$49,370,045</u>

Depreciation on the Federal return was computed using Section 1.167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980, depreciation was computed using Section 168 Accelerated Cost Recovery System.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1984 South Carolina Corporation Income Tax Return

<u>GLC</u>	<u>Function</u>	<u>Vintages</u>	<u>Federal CLADR & ACRS Tax Depreciation</u>	<u>S.C. Tax Depreciation</u>	<u>Income increase (decrease)</u>
00.110	Furniture & fixtures	71-84	\$ 1,900,613	\$ 1,778,611	\$ 122,002
00.120	EDP Equipment	71-84	2,170,641	2,147,426	23,215
00.125	Dispatch and other Computers	71-84	437,753	405,640	32,113
00.130	Data handling equip.	71-84	649,098	596,427	52,671
00.230	Buses	74;81	139,023	102,034	36,989
49.005	Other general plant	81-84	4,025,608	3,525,958	499,650
49.110	Hydro	71-84	4,229,960	4,482,674	(252,714)
49.118	Hydro-structures	81;83-84	35,622	16,598	19,024
49.120	Nuclear	73-84	162,944,721	118,946,941	43,997,780
49.121	Nuclear fuel	74;76-84	89,631,136	84,684,791	4,946,345
49.128	Nuclear-structures	81-84	3,764,836	2,353,015	1,411,821
49.131	Steam	70-84	23,568,260	28,807,377	(5,239,117)
49.132	Other production	71-80	867,602	1,089,480	(221,878)
49.138	Steam-structures	82-84	98,588	33,357	65,231
49.141	Transmission	71-84	33,985,705	32,959,840	1,025,865
49.142	Distribution	71-84	66,152,470	65,414,994	737,476
49.150	Combustion turbines	81;83-84	4,358	2,115	2,243
49.300	Water	71-84	1,080,972	798,300	282,672
65.000	Structures	81-84	2,623,099	794,442	1,828,657
			<u>\$398,310,065</u>	<u>\$348,940,020</u>	<u>\$49,370,045</u>

Depreciation on the Federal return was computed using Section 1.167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980, depreciation was computed using Section 168 Accelerated Cost Recovery System.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1984 South Carolina Corporation Income Tax Return

1984 Apportionment Ratio

	<u>South Carolina</u>	<u>Total</u>	<u>Ratio</u>
Beginning of period			
Electric	\$ 2,114,249,874	\$ 6,257,803,348	
Water	13,214,702	26,929,447	
Transit	568,817	2,934,123	
Materials and supplies	<u>37,234,973</u>	<u>237,941,813</u>	
Total	\$ <u>2,165,268,366</u>	\$ <u>6,525,608,731</u>	
End of period			
Electric	\$ 2,291,455,537	\$ 7,815,802,086	
Water	14,263,149	27,402,578	
Transit	547,049	2,851,809	
Materials and supplies	<u>31,131,280</u>	<u>217,971,081</u>	
Total	\$ <u>2,337,397,015</u>	\$ <u>8,064,027,554</u>	
Average property	\$ 2,251,332,691	\$ 7,294,818,143	
Add: Rental	<u>4,543,344</u>	<u>35,181,328</u>	
Property for ratio	\$ <u>2,255,876,035</u>	\$ <u>7,329,999,471</u>	30.776
Payrolls	\$ 259,278,778	\$ 603,271,592	
Less: Officers	<u>96,450</u>	<u>4,633,085</u>	
Payroll for ratio	\$ <u>259,182,328</u>	\$ <u>598,638,507</u>	43.295
Sales	\$ <u>803,708,530</u>	\$ <u>2,767,539,534</u>	29.041
Total of three ratios			103.112
Average ratio			<u>34.371</u>

AS ORIGINALLY FILED

Schedule TC-1

Year 1984

CONSERVATION TILLAGE EQUIPMENT, DRIP/TRICKLE IRRIGATION SYSTEMS AND DUAL PURPOSE COMBINATION TRUCK AND CRANE EQUIPMENT

(Attach this schedule to Form 1001, 1001-A, 1101, 1101-U or 1401)

Name as shown on tax return

Duke Power Company

Your Social Security Number or
Corporation File Number

56-0205520

List the items, purchase prices and installation costs of your Conservation Tillage Equipment, Drip/Trickle Irrigation Systems and Dual Purpose Combination Truck and Crane Equipment.

1 Conservation Tillage Equipment		
.....		
.....		
.....		
2 Drip/Trickle Irrigation Systems (including but not limited to)		
a Dams		
b Pipe		
c Pumps		
d Wells		
e Other items (list here)		
.....		
.....		
3 Dual Purpose Combination Truck and Crane Equipment		
Diamond Reo Road Tractor with National Series 700 Hydraulic Crane	120,677	
Serial # 1D9MC61B1E1009448		
.....		
4 Add amounts on lines 1, 2 and 3	120,677	
5 Enter 25% of line 4	30,169	
6 Maximum credit allowed	2,500	00
7 Enter total of lines 17 and 18 of form 1001, line 15 and 16 of form 1001-A, Line 24 form 1401, or line 4 of forms 1101 or 1101-U		
Subtract credit for Income Taxes paid another State (this does not apply to Corporations) and/or minority tax credit		
Net tax liability		(c)
8 Enter amount from line 5, 6, or 7(c), whichever is less. This is your tax credit which is to be included on line 21 of form 1001, line 19 of form 1001-A, line 4 of form 1101 or 1101-U or line 25 of form 1401.	2,500	
9 Total earned credit - enter amount from line 5 or 6, whichever is less	2,500	
10 Less credit allowed this year	2,500	
11 Carryover of unused credit	-0-	

AS ORIGINALLY FILED

4411

DES00010766

Duke Power Company

Statement Attached To And Made Part Of
1984 South Carolina Income Tax Return

Statement of Gross Receipts

	<u>Total</u>	<u>South Carolina</u>	<u>Other</u>
Electric Revenues	\$2,709,298,148	\$ 789,809,295	\$1,919,488,853
Water Revenues	5,064,936	3,325,344	1,739,592
Bus Revenues	1,827,047	370,279	1,456,768
Merchandising	25,282,467	8,173,188	17,109,279
Non-Utility Operations	25,908,056	2,024,451	23,883,605
Interest	40,146,158	11,673,057	28,473,101
Dividends	2,462,741	-	2,462,741
Sale of Assets	158,880	5,973	152,907
Sales of Interest in Nuclear Station	227,220,026	227,220,026	-
	<u>\$3,037,368,459</u>	<u>\$1,042,601,613</u>	<u>\$1,994,766,846</u>

AS ORIGINALLY FILED

**Deloitte
& Touche**

TAXPAYER DUKE POWER COMPANY

**INSTRUCTIONS FOR FILING
AMENDED CORPORATION TAX RETURN**

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1985

To be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of Tax	Total Tax \$ Less: payments & credits \$ Balance due (overpayment) \$(6,026,358)
Overpayment	☒ Refunded to you \$6,026,358. ☐ Credited to your estimated tax \$ ☐ \$ refunded and \$ credited
Draw check to N/A	<i>NOTE: Your social security number or employer identification number should be entered on your remittance.</i>
Mail tax return and check (if applicable) to	SC DEPT. OF REVENUE COLUMBIA, SC 29214
Return must be mailed on or before	IMMEDIATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	

MISCSTATELTRS



SC 1120U

(Rev. 10/85)

Make Checks Payable To:
S.C. TAX COMMISSION
Mail This Return To:
S.C. TAX COMMISSION
P.O. Box 125
Columbia, SC 29214

STATE OF SOUTH CAROLINA
PUBLIC UTILITY TAX RETURN

DEC 31, 1985 INCOME
DEC 31, 1986 LICENSE

Return For
Period Ending

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

A COPY OF FEDERAL FORM 1120 OR 1120 S
AND SUPPORTING SCHEDULES MUST BE
ATTACHED AND MADE PART OF THIS
RETURN

Federal EI Number 56-0205520

Extension Requested: Yes ☒ No ☐

Type of SC Return Separate ☒ Consolidated ☐ Combined ☐

If Final Return, Indicate Whether Merged ☐

Reorganized ☐ Dissolved ☐ Withdrawn ☐

County in SC Where Property is located

Scheduled

Did any of the corporations in this Return have
any property presumed abandoned under
Chapter 17, Title 27 of the South Carolina Code
of Laws, 1976? YES If yes, have Returns been
filed? Yes

Audit Location:

City Charlotte State NC Zip Code 28242
Telephone Number (704) 373-5706

NAME AND ADDRESS

RETURN DUE ON OR
BEFORE

DUKE POWER COMPANY
P O BOX 33189
CHARLOTTE NC

28242

MAR 15, 1986

560205520

23

4900-R

12

20090024-9

Employer Identification No.

Business Code

File Number

PART 1

COMPUTATION OF INCOME TAX LIABILITY

1. Federal Taxable Income Per Federal Form 1120, Line 30, Form 1120A Lines 28 or Form 1120S Line 24	1.	<u>511,912,819</u>
2. Additions To Federal Net Income (Sch. A-Line 7) <u>See Attached Audit Adjustment</u>	2.	<u>76,700,547</u>
3. Deductions From Federal Net Income (Sch. B-Line 7)	3.	
4. Total Net Income As Reconciled (Add Lines 1 & 2 Less Line 3)	4.	<u>588,613,466</u>
5. Total S.C. Net Income (a) If Line 4 is derived from sources entirely within SC Enter Line 4	5a.	
(b) If Line 4 is derived from SC and other states enter Line 6, Schedule G	5b.	<u>76,161,183</u>
6. Subchapter S Distribution	6.	
7. S.C. Taxable Net Income (Line 5a or b Less Line 6)	7.	<u>76,161,183</u>
8. TAX DUE (6% of Line 7)	8.	<u>4,569,671</u>
9. Credit From Schedule C-Line 5	9.	
Adjusted Tax Due (Line 8 Less Line 9)		
PAYMENTS: (a) Tax Withheld (attach Form W-2)		
(b) Paid by Declaration of Credit From Line 26b		
(c) Paid With Tentative Return <u>10,596,029</u>		
12. Total Payments (Add Lines 11(a) Through (d))	12.	
13. Balance Of Tax Due (Line 10 Less Line 12)	13.	<u>(6,026,358)</u>
14. Amount of Overpayment (Line 12 Less Line 10)	14.	
15. Interest Due	15.	
Penalty Due (See Instructions)	15.	
16. TOTAL INCOME TAX, - Interest & Penalty Due (Add Lines 13 & 15)	16.	
17. Application: (If Line 14 Reflects An Overpayment)	17.	
Credit To: (a) Estimate		
(b) License Fee		
(c) Refund <u>(6,026,358)</u>		

PART II

COMPUTATION OF LICENSE FEE

18. Total License Fee Due From Schedule J Line 9 Page 5	18.	<u>3,646,804</u>
19. Payments: (a) Paid With Tentative Return <u>2,100,000</u>	19.	<u>3,646,804</u>
(b) Credit from Line 17b <u>1,546,804</u>		
20. Balance of Fee Due (Line 18 Less Line 19)	20.	
21. Amount of Overpayment (Line 19 Less Line 18)	21.	
22. Interest Due	22.	
Penalty Due (See Instructions)	22.	
23. Total License Fee, Interest and Penalty Due (Add Lines 20 and 22)	23.	
24. Application: (If Line 21 Reflects An Overpayment)	24.	
Credit To: (a) Estimate		
(b) Income Tax		
(c) Refund		
25. TOTAL INCOME TAX AND LICENSE FEE DUE (ADD LINES 17 AND 23)	25.	

I, the undersigned, principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief a true and complete return made in good faith for the taxable period as stated, pursuant to the Code of Laws of 1976 as amended and the Regulations issued under authority thereof.

DELOITTE & TOUCHE LLP

This Return Prepared By

Date

Signature of Officer Authorized to Sign

by: David M. Hoff
12/11/2002

AMENDED

SCHEDULE A ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	See Attached
2.	2.	Audit
3.	3.	Adjustments
4. Interest on Power Agency advances	4.	
Interest on debt used to carry U.S. Government obligations	5.	
Federal depreciation in excess of South Carolina depreciation	6.	
7. Total Additions (Add Lines 1 Through 6) Enter On Line 2 - Part I	7.	76,700,547

SCHEDULE B DEDUCTIONS FROM FEDERAL NET INCOME

1. Interest On Obligations Of The U.S.	1.	See Attached
2. Deemed distribution from controlled foreign corporation	2.	
3. Targeted jobs credit not deducted on Federal return	3.	Audit
4. Federal fuel tax credit	4.	
5. Federal gain in excess of South Carolina gain on sale of depreciable assets	5.	
6. PAYSOP and ESOP contribution taken as credit on Federal return	6.	Adjustment
7. Total Deductions (Add Lines 1 Through 6) Enter On Line 3 - Part I	7.	

SCHEDULE C NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year	1.	-0-
2. Add: (a) Drip/Trickle Irrigation System (TC-1)	2a.	
(b) Minority Business (TC-2)	b.	
(c) Water Resources (TC-3)	c.	
(d) Renewable Energy (SC 5695)	d.	
(e) Scenic Rivers (TC-5)	e.	
3. Total Credits (Add Lines 1 and 2a through e)	3.	
4. Tax Due (Line 8 - Part I Corporate Return)	4.	
5. Lesser Of Line 3 or 4 (To Line 7 - Part I - Utility Return)	5.	
6. Credit Carryover (Line 3 Less Line 4)	6.	

SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Incorporated under the Laws of the State of North Carolina on November 27, 1963

2. If Foreign Corporation, the date qualified to do business in the State of South Carolina is February 24, 1963

The Registered Office of the Corporation in the State of South Carolina is See line 5

Registered Agent at such address is T. C. Berry

4. Was the name of the Corporation changed during the year? No Give old name _____

5. Location of principal office in S.C. Suite 700, Green Gate Park, Woods Lake Rd., Greenville, SC 29606

Nature of principal business in S.C. Production and sale of electricity

6. The Corporation's books are in the care of Norman Morrow

Located 422 South Church Street, Charlotte, NC 28242

7. If Foreign Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of State, South Carolina _____

8. If filing consolidated or combined, attach Schedule I listing name, address and affiliation of all Corporations.

9. The Authorized Capital Stock by Shares, Par Value and class is as follows:

NO. OF SHARES	PAR VALUE	CLASS
150,000,000	No par	Common

10. The total amount of Stated Capital is:

Total paid in Capital Stock	\$ 2,565,599,190
Total paid in Capital Surplus	\$
The total amount of Stated Capital is	\$ 2,565,599,190

11. The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are: (If additional space is necessary attach separate schedule).

NAME, ADDRESS, AND PERCENTAGE OF STOCK HELD

	All officer can be reached in care of:
	Duke Power Company
	P. O. Box 33189
List attached	Charlotte, NC 28242
	No officer or director owns as much as
	3/100 of 1% of the outstanding stock

AMENDED

SCHEDULES E, F, G, & H AI TO BE COMPLETED BY MULTISTATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE-MULTISTATE CORPORATIONS

1. Total Capital and Paid in Surplus end of Year (Do Not Reduce By Treasury Stock) \$ _____
 2. S.C. PROPORTION: (Item 1 X Ratio from Schedule F 1, 2, 3, as appropriate) \$ _____
- Enter amount from line 2 above to line 18 - Part II - Page 1

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Dir. to S.C. and Other States 3	Net Amounts Allocated Directly to SC 4	Payrolls to be Excluded from Payroll Factor 5	Property to Be Excluded from Property Factor 6
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains or losses on real property						
5. Gains or losses on intangible personal property..						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED			27,729,770			
8. INCOME DIRECTLY ALLOCATED TO S.C.			XXXXXXXXXX	(29,979,286)		
9. TOTALS TO APPORTIONMENT FACTORS			XXXXXXXXXX	XXXXXXXXXX		

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTISTATE OPERATIONS

1. Total net income as reconciled Enter amount from Line 4 Part I 1. 588,613,466
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, Line 7 2. 27,729,770
3. Total net income subject to apportionment (Line 1 Less Line 2) 3. 616,343,230
4. Apportionable to S.C. by appropriate ratio from Schedule F-1, 2 or 3 17.2210% 4. 106,140,469
5. Add: Income subject to direct allocation to SC from Schedule F Line 8 5. (29,979,286)
6. Total S.C. Net Income (sum of Lines 4 and 5 above) enter on Line 5b Part I 6. 76,161,183

SCHEDULE H-1 COMPUTATION OF APPORTIONMENT RATIO

	1 Within S.C.		2 Total Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
1. Land				
2. Buildings				
3. Machinery & Equipment				
4. Inventories				
5. Other Property				
6. Exclusions				
7. TOTAL (Add Lines 1 Thru 5-Less 6)				
8. Average of Beginning & Ending Period (Add Line 7 (a) & (b) And Divide by 2)				
9. Rental or Lease Value				
10. TOTAL (Add Lines 8 & 9, Divide Column 1 By 2 & Enter in Column 3)				%
11. TOTAL Payroll (Less Officers Compensation & Exclusions)				%
12. TOTAL Sales				%
13. TOTAL of Three Ratios (Add Column 3 - Lines 10, 11 & 12)				%
14. Arithmetical Average of Three Ratios				%

SCHEDULE H - 2 GROSS RECEIPTS

	1 In South Carolina	2 Total	3 Ratio
1. Total Gross Receipts			XXXXXXXXXX
2. Less: Exclusion (See Instructions - Section 3)			XXXXXXXXXX
3. Gross Receipts (For Ratio)	874,835,090	5,080,041,085	17.2210%
4. Ratio of Gross Receipts	XXXXXXXXXX	XXXXXXXXXX	%

SCHEDULE H - 3 RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
1. Total Within South Carolina		XXXXXXXXXX
2. Total for System		XXXXXXXXXX
3. Ratio (South Carolina - Total System)	XXXXXXXXXX	%

AMENDED

SCHEDULE J COMPUTATION OF LICENSE FEE — UTILITIES AND ELECTRIC COOPERATIVES

1. Fair Market Value of Property Owned and Used in the Conduct of Business in South Carolina as determined by South Carolina Tax Commission for property Tax Purposes 1,047,619.050
 2. Fee Due Line 1 x .001 1,047,619

	Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):		
	\$ 2,899,661,273	\$ 862,221,978
	5,590,164	3,785,950
	1,868,358	387,062
4. Total Operating Revenues	\$ 2,907,119,795	\$ 866,394,970
5. Other Receipts, (Itemize):		

6. Total Other Receipts \$ \$
 7. Total Gross Receipts (Add Lines 4 and 6) 866,394,970
 8. Fee Due (Line 7, Column B x .003) \$ 2,599,185
 9. Total License Fee Due (Add Lines 2 and 8) (Enter on Line 16 Part II Page 1) \$ 3,646,804

INSTRUCTIONS

In lieu of the license fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of one mill is levied upon each dollar of the fair market value of property as determined by the South Carolina Tax Commission for property tax purposes, for the preceding accounting period, owned and used within South Carolina in the conduct of the business of every road company, express company, street railway company, navigation company, waterworks company, power company, electric company, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, tank car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind, there is levied an annual license fee of three mills upon the gross receipts derived from services rendered from regulated business within this state during the calendar year next preceding by every railroad company, express company, street railway company, navigation company, waterworks company, power company, distribution electric cooperative, light company, gas company, telegraph company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, fruit growers express car company, and all other privately operated car lines. However, where a consolidated return pursuant to Section 12-7-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' shall not include gross receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided for by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by this section shall file reports pursuant to the provisions of Sections 12-19-20 and 12-19-139.

The license fees are due on, or before the fifteenth day of the third month next after the preceding income year.

AMENDED

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 05-11-2010 BY 60322 UCBAW/STW/STW

॥ श्रीगणेशाय नमः ॥

[illegible]

4419

MINDED

DES00010774

Anthony R. DeFuria
Date 11/20/99

[illegible]

DES00010775

SC 1120U
(Rev. 10/85)Make Checks Payable To:
S.C. TAX COMMISSION
Mail This Return To:
S.C. TAX COMMISSION
P.O. Box 125
Columbia, SC 29214**STATE OF SOUTH CAROLINA**
PUBLIC UTILITY TAX RETURN**DEC 31, 1985 INCOME**
DEC 31, 1986 LICENSEReturn For
Period Ending _____RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEARA COPY OF FEDERAL FORM 1120 OR 1120 S
AND SUPPORTING SCHEDULES MUST BE
ATTACHED AND MADE PART OF THIS
RETURNFederal EI Number **56-0205520**Extension Requested: Yes ☒ No ☐Type of SC Return Separate ☒Consolidated ☐ Combined ☐If Final Return, Indicate Whether Merged ☐Reorganized ☐ Dissolved ☐ Withdrawn ☐

County in SC Where Property is located _____

ScheduledDid any of the corporations in this Return have
any property presumed abandoned under
Chapter 17, Title 27 of the South Carolina Code
of Laws, 1976? ☒ Yes If yes, have Returns been
filed? ☒ Yes

Audit Location:

City State Zip Code

Charlotte NC 28242

Telephone Number (704) 373-5706

NAME AND ADDRESS

RETURN DUE ON OR
BEFORE**DUKE POWER COMPANY**
P O BOX 33189
CHARLOTTE NC**28242****MAR 15, 1986****560205520****23****4900-R****12****20090024-9**

Employer Identification No.

Business Code

File Number

PART 1**COMPUTATION OF INCOME TAX LIABILITY**

1. Federal Taxable Income Per Federal Form 1120, Line 30, Form 1120A Lines 26 or Form 1120S Line 24	1.	<u>520,431,722</u>
2. Additions To Federal Net Income (Sch. A-Line 7)	2.	<u>90,039,146</u>
3. Deductions From Federal Net Income (Sch. B-Line 7)	3.	<u>13,924,610</u>
4. Total Net Income As Reconciled (Add Lines 1 & 2 Less Line 3)	4.	<u>596,546,258</u>
5. Total S.C. Net Income (a) If Line 4 is derived from sources entirely within SC Enter Line 4	5a.	<u>199,113,592</u>
(b) If Line 4 is derived from SC and other states enter Line 6, Schedule G	5b.	<u>199,113,592</u>
6. Subchapter S Distribution	6.	<u>199,113,592</u>
7. S.C. Taxable Net Income (Line 5a or b Less Line 6)	7.	<u>11,946,816</u>
8. TAX DUE (6% of Line 7)	8.	<u>7,500</u>
9. Credit From Schedule C-Line 5	9.	<u>11,944,316</u>
10. Adjusted Tax Due (Line 8 Less Line 9)	10.	<u>14,000,000</u>
11. PAYMENTS: (a) Tax Withheld (attach Form W-2)	(b) Paid by Declaration	<u>14,000,000</u>
(c) Paid With Tentative Return	(d) Credit From Line 9b	<u>14,000,000</u>
12. Total Payments (Add Lines 11(a) Through (d))	12.	<u>14,000,000</u>
13. Balance Of Tax Due (Line 10 Less Line 12)	13.	<u>2,055,684</u>
14. Amount of Over-payment (Line 12 Less Line 10)	14.	<u>2,055,684</u>
15. Interest Due _____ Penalty Due _____ (See Instructions)	15.	
16. TOTAL INCOME TAX, - Interest & Penalty Due (Add Lines 13 & 15)	16.	
17. Application: (If Line 14 Reflects An Overpayment)		
Credit To: (a) Estimate <u>508,880</u> (b) License Fee <u>1,546,804</u> (c) Refund _____	17.	

PART II**COMPUTATION OF LICENSE FEE**

18. Total License Fee Due From Schedule J Line 9 Page 5	18.	<u>3,646,804</u>
19. Payments: (a) Paid With Tentative Return <u>2,100,000</u> (b) Credit from Line 17b <u>1,546,804</u>	19.	<u>3,646,804</u>
20. Balance of Fee Due (Line 18 Less Line 19)	20.	
21. Amount of Overpayment (Line 19 Less Line 18)	21.	
22. Interest Due _____ Penalty Due _____ (See Instructions)	22.	
23. Total License Fee, Interest and Penalty Due (Add Lines 20 and 22)	23.	
24. Application: (If Line 21 Reflects An Overpayment)		
Credit To: (a) Estimate _____ (b) Income Tax _____ (c) Refund _____	24.	
25. TOTAL INCOME TAX AND LICENSE FEE DUE (ADD LINES 17 AND 23)	25.	

I, the undersigned, principal officer of the corporation for which this return is made, declare that this return including accompanying
statements and schedules has been examined by me and is to the best of my knowledge and belief a true and complete return made in good faith
for the taxable period as stated, pursuant to the Code of Laws of 1976 as amended and the Regulations issued under authority thereof.

This Return Prepared By _____

Date _____

Signature of Officer Authorized to Sign _____

AS ORIGINALLY FILED

SCHEDULE A		ADDITIONS TO FEDERAL NET INCOME	
1. Taxes on or Measured By Income	1.	35,908,135	
2.	2.		
3.	3.		
4. Interest on Power Agency advances	4.	291,984	
Interest on debt used to carry U.S. Government obligations	5.	780,709	
5. Federal depreciation in excess of South Carolina depreciation	6.	53,058,318	
7. Total Additions (Add Lines 1 Through 6) Enter On Line 2 - Part I	7.	90,039,146	

SCHEDULE B		DEDUCTIONS FROM FEDERAL NET INCOME	
1. Interest On Obligations Of The U.S.	1.	5,484,928	
2. Deemed distribution from controlled foreign corporation	2.	45,509	
3. Targeted jobs credit not deducted on Federal return	3.	717	
4. Federal fuel tax credit	4.	80,312	
5. Federal gain in excess of South Carolina gain on sale of depreciable assets	5.	2,126,309	
6. PAYSOP and ESOP contribution taken as credit on Federal return	6.	6,186,835	
7. Total Deductions (Add Lines 1 Through 6) Enter On Line 3 - Part I	7.	13,924,610	

SCHEDULE C		NON-REFUNDABLE TAX CREDITS	
1. Credit Carryover From Previous Year	1.	-0-	
2. Add: (a) Drip/Trickle Irrigation System (TC-1)	2a.	2,500	
(b) Minority Business (TC-2)	b.		
(c) Water Resources (TC-3)	c.		
(d) Renewable Energy (SC 5695)	d.		
(e) Scenic Rivers (TC-5)	e.		
3. Total Credits (Add Lines 1 and 2a through e)	3.	2,500	
4. Tax Due (Line 8 - Part I Corporate Return)	4.	11,946,816	
5. Lesser Of Line 3 or 4 (To Line 7 - Part I - Utility Return)	5.	2,500	
6. Credit Carryover (Line 3 Less Line 4)	6.		

SCHEDULE D		ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS	
1. Incorporated under the Laws of the State of	North Carolina	on	November 27, 1963
2. If Foreign Corporation, the date qualified to do business in the State of South Carolina is	February 24, 1963		
3. The Registered Office of the Corporation in the State of South Carolina is	See line 5		
Registered Agent at such address is	T. C. Berry		
4. Was the name of the Corporation changed during the year?	No	Give old name	
5. Location of principal office in S.C.	Suite 700, Green Gate Park, Woods Lake Rd., Greenville, SC 29606		
Nature of principal business in S.C.	Production and sale of electricity		
6. The Corporation's books are in the care of	Norman Morrow		
Located	422 South Church Street, Charlotte, NC 28242		
7. If Foreign Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of State, South Carolina			
8. If filing consolidated or combined, attach Schedule I listing name, address and affiliation of all Corporations.			
9. The Authorized Capital Stock by Shares, Par Value and class is as follows:			

NO. OF SHARES	PAR VALUE	CLASS
150,000,000	No par	Common

10. The total amount of Stated Capital is:

Total paid in Capital Stock	\$ 2,565,599,190
Total paid in Capital Surplus	\$
The total amount of Stated Capital is	\$ 2,565,599,190

11. The Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are: (If additional space is necessary attach separate schedule).

NAME, ADDRESS, AND PERCENTAGE OF STOCK HELD

	All officer can be reached in care of:
	Duke Power Company
	P. O. Box 33189
	Charlotte, NC 28242
List attached	No officer or director owns as much as
	3/100 of 12 of the outstanding stock

AS ORIGINALLY FILED

SCHEDULES E, F, G, & H. ALL TO BE COMPLETED BY MULTISTATE CORPORATIONS
SCHEDULE E COMPUTATION FOR LICENSE FEE-MULTISTATE CORPORATIONS

1. Total Capital and Paid In Surplus end of Year (Do Not Reduce By Treasury Stock) \$ _____
 2. S.C. PROPORTION: (Item 1 X Ratio from Schedule F 1, 2, 3, as appropriate) \$ _____
 Enter amount from line 2 above to line 18 - Part II - Page 1

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Dir. to S.C. and Other States 3	Net Amounts Allocated Directly to SC 4	Payrolls to be Excluded from Payroll Factor 5	Property to Be Excluded from property Factor 6
1. Interest not connected with business						
2. Dividends received	2,204,049		2,204,049			
3. Rents						
4. Gains or losses on real property	207,870		207,870	92,488		
5. Gains or losses on intangible personal property.	342,817		342,817			
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED			2,754,736	XXXXXXXXXX		
8. INCOME DIRECTLY ALLOCATED TO S.C.			XXXXXXXXXX	92,488		
9. TOTALS TO APPORTIONMENT FACTORS			XXXXXXXXXX	XXXXXXXXXX		

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTISTATE OPERATIONS

1. Total net income as reconciled Enter amount form Line 4 Part I	1.	596,546,258
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, Line 7	2.	2,754,736
3. Total net income subject to apportionment (Line 1 Less Line 2)	3.	593,791,522
4. Apportionable to S.C. by appropriate ratio from Schedule F-1, 2 or 3	4.	199,021,104
5. Add: Income subject to direct allocation to SC from Schedule F Line 8	5.	92,488
6. Total S.C. Net Income (sum of Lines 4 and 5 above) enter on Line 5b Part I	6.	199,113,592

SCHEDULE H-1 COMPUTATION OF APPORTIONMENT RATIO

	1 Within S.C.		2 Total Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
1. Land				
2. Buildings				
3. Machinery & Equipment				
4. Inventories			Schedule	Attached
5. Other Property				
6. Exclusions				
7. TOTAL (Add Lines 1 Thru 5-Less 6)				
8. Average of Beginning & Ending Period (Add Line 7 (a) & (b) And Divide by 2)		1. Within S.C.	2. Total Everywhere	3. Ratio
9. Rental or Lease Value				
10. TOTAL (Add Lines 8 & 9, Divide Column 1 By 2 & Enter in Column 3)				30.534 %
11. TOTAL Payroll (Less Officers Compensation & Exclusions)				40.365 %
12. TOTAL Sales				29.653 %
13. TOTAL of Three Ratios (Add Column 3 - Lines 10, 11 & 12)				100.552 %
14. Arithmetical Average of Three Ratios				33.517 %

SCHEDULE H - 2 GROSS RECEIPTS

	In 1 South Carolina	2 Total	3 Ratio
1. Total Gross Receipts			XXXXXXXXXX
2. Less: Exclusion (See Instructions - Section 3)			XXXXXXXXXX
3. Gross Receipts (For Ratio)			
4. Ratio of Gross Receipts	XXXXXXXXXX	XXXXXXXXXX	%

SCHEDULE H - 3 RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
1. Total Within South Carolina		XXXXXXXXXX
2. Total for System		XXXXXXXXXX %
3. Ratio (South Carolina - Total System)	XXXXXXXXXX	%

AS ORIGINALLY FILED

4423

DES00010778

SCHEDULE J COMPUTATION OF LICENSE FEE — UTILITIES AND ELECTRIC COOPERATIVES

1. Fair Market Value of Property Owned and Used in the Conduct of Business in South Carolina as determined by South Carolina Tax Commission for property Tax Purposes 1,047,619.250
 2. Fee Due Line 1 x .001 1,047,619

	Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):		
	\$ 2,899,661,273	\$ 862,221,978
	5,590,164	3,785,950
	1,868,358	387,042
4. Total Operating Revenues	\$ 2,907,119,795	\$ 866,394,970
5. Other Receipts, (Itemize):		

6. Total Other Receipts \$ \$
 7. Total Gross Receipts (Add Lines 4 and 6) 866,394,970
 8. Fee Due (Line 7, Column B x .003) 2,599,185
 9. Total License Fee Due (Add Lines 2 and 8) (Enter on Line 16 Part II Page 1) \$ 3,646,804

INSTRUCTIONS

In lieu of the license fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of one mill is levied on each dollar of the fair market value of property as determined by the South Carolina Tax Commission for property tax purposes, for the preceding accounting period, owned and used within South Carolina in the conduct of the business of every railroad company, express company, street railway company, navigation company, waterworks company, power company, electric company, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, tank car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind, there is levied an annual license fee of three mills upon the gross receipts derived from services rendered from regulated business within this state during the calendar year next preceding by every railroad company, express company, street railway company, navigation company, waterworks company, power company, distribution electric cooperative, light company, gas company, telegraph company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, fruit growers express car company, and all other privately operated car lines. However, where a consolidated return pursuant to Section 12-7-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' shall not include gross receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided for by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by this section shall file reports pursuant to the provisions of Sections 12-19-20 and 12-19-139.

The license fees are due on or before the fifteenth day of the third month next after the preceding income year.

AS ORIGINALLY FILED

CORPORATION DECLARATION OF ESTIMATED INCOME TAX

VOUCHER 01		DUE DATE MAR 15 1986	A. Estimated tax for the current accounting year. \$ 14,000,000
Return this form with check or money order payable to: THE SOUTH CAROLINA TAX COMMISSION			B. Overpayment from last year credited to estimated tax for this year \$
S. C. FILE NO. 20090024-9	<i>Duncan Lennox, V.P.</i> (SIGNATURE OF DULY AUTHORIZED OFFICER OR TAXPAYER)	3/13/86 DATE	
560205520 FED. E.I. NO.	For accounting period ending DEC 1986		
DUKE POWER COMPANY P O BOX 33189 CHARLOTTE NC 28242		1. Amount of this Installment	3,500,000
		2. Amount of overpayment credit applied to this Installment (See instruction)	
		3. Amount of this Installment payment (line 1 less line 2)	3,500,000

FORM 901-20-CORP (Rev. 8/84)
PO BOX 125
Columbia, S. C. 29214

3807 0020090024 9 1286 0807 0020090024 9 1286

STATE OF SOUTH CAROLINA TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

S. C. FILE NO. 20090024-9	Return for the Period Ending DEC 1985	1. Tentative Tax Based on Net Income	12,453,196
560205520 FED. E.I. NO.	Return extended to September 15, 1986	2. LESS: Estimated Tax Payments	14,000,000
SIGNATURE <i>Duncan Lennox, V.P.</i> DATE <i>3/13/86</i>		3. Tentative Tax Due	(1,546,804)
DUKE POWER COMPANY P O BOX 33189 CHARLOTTE NC 28242		4. Total Capital and Paid In Surplus x .001 plus \$5.00 but not less than \$15.00 Tentative License Fee	3,646,804
		5. Balance Remitted Herewith	2,100,000

FORM 901-20-CORP (Rev. 8/84)
PO BOX 125
Columbia, S. C. 29214

AS ORIGINALLY FILED

(Attach this schedule to Form 1001, 1101, 1101-U, or 1401)

Your Social Security Number or Corporation File Number

56-0205520

1 Conservation Tillage Equipment

2 Drip/Trickle Irrigation Systems (including but not limited to)

Bridges and Dams

b Pipe

c Pumps

d Wells

e Other items (list here)

3 Dual Purpose Combination Truck and Crane Equipment

Link-Belt - HTC - 855 Hydraulic truck crane - 50 ton

Seq. # 36G8280

4 Add amounts on lines 1, 2 and 3

5 Enter 25% of line 4

6 Maximum credit allowed

7 Enter total of lines 18 and 19 of form 1001, line 24 of

Subtract credit for Income Taxes paid another State (this does not apply to Corporations) and/or minority tax credit

Net tax liability

8 Enter amount from line 5, 6, or 7(c), whichever is less. This is your tax credit which is to be included on line 23 of form 1001, line 5 of form 1101 or 1101-U, or line 25 of form 1401.

9 Total earned credit - enter amount from line 5 or 6, whichever is less

10 Less credit allowed this year

11 Carryover of unused credit

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1985 South Carolina Corporation Income Tax Return

1985 Apportionment Ratio

	<u>South Carolina</u>	<u>Total</u>	<u>Ratio</u>
Beginning of period			
Electric	\$ 2,291,455,537	\$ 7,815,802,086	
Water	14,263,149	27,402,578	
Transit	547,049	2,851,809	
Materials and supplies	<u>31,131,280</u>	<u>217,971,081</u>	
Total	\$ <u>2,337,397,015</u>	\$ <u>8,064,027,554</u>	
End of period			
Electric	\$ 2,813,626,811	\$ 8,616,297,295	
Water	14,449,611	27,608,445	
Transit	547,049	2,609,720	
Materials and supplies	<u>37,518,557</u>	<u>271,514,930</u>	
Total	\$ <u>2,866,142,028</u>	\$ <u>8,918,030,390</u>	
Average property	\$ 2,601,769,522	\$ 8,491,028,972	
Add: Rental	<u>5,125,344</u>	<u>46,601,784</u>	
Property for ratio	\$ <u>2,606,894,866</u>	\$ <u>8,537,630,756</u>	30.534
Payrolls	\$ 252,584,223	\$ 629,887,864	
Less: Officers	<u>109,373</u>	<u>4,400,581</u>	
Payroll for ratio	\$ <u>252,474,850</u>	\$ <u>625,487,283</u>	40.365
Sales	\$ <u>874,835,090</u>	\$ <u>2,950,253,258</u>	29.653
Total of three ratios			100.552
Average ratio			<u>33.517</u>

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1985 South Carolina Income Tax Return

Statement of Regulated Gross Receipts

	<u>Total</u>	<u>South Carolina</u>	<u>Other</u>
Electric Revenues	\$2,899,661,273	\$ 862,221,978	\$2,037,439,295
Water Revenues	5,590,164	3,785,950	1,804,214
Bus Revenues	<u>1,868,358</u>	<u>387,042</u>	<u>1,481,316</u>
	<u>\$2,907,119,795</u>	<u>\$ 866,394,970</u>	<u>\$2,040,724,825</u>

AS ORIGINALLY FILED

August 20, 1987

Memo to The Files

Subject: S. C. Depreciation

The 1987 South Carolina Legislature changed the Code of Laws of South Carolina Section 12-7-455(e) to conform South Carolina's depreciation method to Federal for all vintages prior to 1985. See Remi Taylor's letter dated August 6, 1987.

The years 1985 and after will follow Federal depreciation methods. The vintage years 1981 - 1984 will use Federal ACRS depreciation beginning with the tax year 1985. Tax years prior to 1985 for vintages 1981 - 1984 will use either the ADR depreciation method or the modified South Carolina ACRS depreciation method.

When vintages 1981 - 1984 become fully depreciated using Federal ACRS depreciation methods, any remaining South Carolina depreciation will be written off in two years for personal property and 5 years for real property.

Vintage years 1971 - 1980 will use the South Carolina depreciation method agreed to by Duke Power, SCANA, CP & L and the South Carolina Tax Commission at a meeting in 1980.

Larry C. Auten

AS ORIGINALLY FILED

SC PH. P-10

August 6, 1987

TO: LARRY AUTEN
JANET BRIDGES
DON STRATTON

FROM: REMI TAYLOR

RE: SOUTH CAROLINA DEPRECIATION

I have been advised by the South Carolina Tax Commission that Section 12.7-455(e) of the South Carolina Code of Laws, 1976 has been amended by the General Appropriations Bill of 1987. This amendment will adopt the Federal depreciation for assets placed in service prior to 1985. When the assets are fully depreciated for Federal tax purposes, the remaining South Carolina basis of personal property will be written off over two years and real property over five years.

This will result in an additional depreciation deduction in 1986 of about \$2 million on the South Carolina return.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1985 South Carolina Corporation Income Tax Return

GLC	Function	Vintages	Federal CLADR & ACRS Tax Depreciation	S.C. Tax Depreciation	Income increase (decrease)
00.110	Furniture & fixtures	71-84	315,686 \$ -1,869,497	329,211 \$ -1,780,588	83,525 \$ -88,909
00.120	EDP Equipment	71-84	111,693 -2,238,528	126,067 -2,328,684	14,374 (90,156)
00.125	Dispatch and other Computers	71-84	7,005 467,394	7,395 -406,886	(390) 60,508
00.130	Data handling equip.	71-84	78,784 -612,245	87,549 -537,740	8,815 74,505
00.230	Buses	74;81	6 -336,354	79,309 -79,359	79,309 -56,995
49.110	Hydro	71-84	3,847,400 -4,203,246	4,187,987 -4,414,488	(340,587) (211,242)
49.120	Nuclear	73-84	15,942,215 -149,645,563	19,895,023 -112,522,529	(3,952,808) 37,123,034
.121	Nuclear fuel	74;76-84	1,173,633 -93,351,982	2,084,832 -77,156,783	(911,199) 16,195,199
49.131	Steam	70-84	18,940,234 -22,286,880	24,372,972 -27,053,822	(5,432,738) (4,766,942)
49.132	Other production	71-80	783,143	982,913	(199,770)
49.141	Transmission	71-84	18,566,051 -33,145,762	20,618,207 -32,426,853	(2,052,156) 718,909
49.142	Distribution	71-84	28,928,241 -65,688,739	35,590,441 -65,002,599	(6,662,200) -686,148
49.300	Water	71-84	164,515 1,065,148	210,723 841,870	(46,208) 223,271
			88,858,600 \$385,587,729	108,572,679 \$332,529,402	(19,714,07) \$53,058,311

Depreciation on the Federal return was computed using Section 1.167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980, depreciation was computed using Section 168 Accelerated Cost Recovery System.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1985 South Carolina Corporation Income Tax Return

<u>GLC</u>	<u>Function</u>	<u>Vintages</u>	<u>Federal CLADR & ACRS Tax Depreciation</u>	<u>S.C. Tax Depreciation</u>	<u>Income increase (decrease)</u>
00.110	Furniture & fixtures	71-84	\$ 1,869,497	\$ 1,780,588	\$ 88,909
00.120	EDP Equipment	71-84	2,238,528	2,328,684	(90,156)
00.125	Dispatch and other Computers	71-84	467,394	406,886	60,508
00.130	Data handling equip.	71-84	612,245	537,740	74,505
00.230	Buses	74;81	136,354	79,359	56,995
49.005	Other general plant	81-84	4,248,576	3,801,086	447,490
49.110	Hydro	71-84	4,203,246	4,414,488	(211,242)
49.118	Hydro-structures	81;83-84	72,663	27,545	45,118
49.120	Nuclear	73-84	149,645,563	112,522,529	37,123,034
49.121	Nuclear fuel	74;76-84	93,351,982	77,156,783	16,195,199
49.128	Nuclear-structures	81-84	3,049,466	2,097,970	951,496
49.131	Steam	70-84	22,286,880	27,053,822	(4,766,942)
49.132	Other production	71-80	783,143	982,913	(199,770)
49.138	Steam-structures	82-84	87,426	40,365	47,061
49.141	Transmission	71-84	33,145,762	32,426,853	718,909
49.142	Distribution	71-84	65,688,739	65,002,599	686,140
49.150	Combustion turbines	81;83-84	6,307	3,257	3,050
49.300	Water	71-84	1,065,148	841,870	223,278
65.000	Structures	81-84	<u>2,628,801</u>	<u>1,024,065</u>	<u>1,604,736</u>
			<u>\$385,587,720</u>	<u>\$332,529,402</u>	<u>\$53,058,318</u>

Depreciation on the Federal return was computed using Section 1.167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980, depreciation was computed using Section 168 Accelerated Cost Recovery System.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To And Made Part Of
1985 South Carolina Corporation Income Tax Return

Counties in South Carolina where property is located:

Abbeville
Aiken
Anderson
Cherokee
Chester
Fairfield

Greenville
Greenwood
Kershaw
Lancaster
Laurens

McCormick
Newberry
Oconee
Pickens

Saluda
Spartanburg
Union
York

AS ORIGINALLY FILED

INSTRUCTIONS FOR FILING

AMENDED CORPORATION TAX RETURN FOR PUBLIC UTILITIES

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

12-31-86

To be signed and dated by	☒ Officer ☐ General Partner
Amount of tax	Total tax Less: payments and credits Balance due (overpayment) \$(4,968,971) ☐ Payable in full
Overpayment	☒ Refunded to you \$4,968,971 ☐ Credited to your estimated tax \$ ☐ \$ refunded and \$ credited
Draw check to N/A	<i>NOTE: Your social security number or employer identification number should be entered on your remittance.</i>
Mail return and check (if applicable) to	SC DEPARTMENT OF REVENUE COLUMBIA, SC 29214
Return must be mailed on or before	IMMEDIATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	



Checks Payable To:
(COMMISSION

Return To:
COMMISSION
P.O. Box 125
Spartanburg, S.C. 29214

Return For
Period Ending

DEC 31, 1986 INCOME
DEC 31, 1987 LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

MAILING ADDRESS

RETURN DUE ON OR
BEFORE

WEEF COMPANY
32179
TE NO

28343

DEC 15, 1987

21 23 420-5 12 28343-2
Identification No. Business Code File Number

Federal EI Number: 56-0205520

Extension Requested: Yes ☒ No ☐

If Final Return, Indicate Whether: Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn

County in S.C. Where Property is located:
Schedule Attached

Did any of the corporations in this Return
property presumed abandoned under C
Title 27 of the South Carolina Code of La
Yes ☐ If yes, have Abandoned Property Rel
filed? Yes ☐

Audit Location
City State 2
Charlotte NC 2
Telephone Number: (704) 373-5

COMPUTATION OF INCOME TAX LIABILITY

Ordinary Income (loss) Per Federal Form 1120, 1120A or 1120S	1	494,086.61
Less: Federal Net Income (Sch. A-Line 7)	2	
Losses From Federal Net Income (Sch. B-Line 7)	3	410,555
Net Income As Reconciled (Add Lines 1 & 2 Less Line 3)	4	493,676.06
State Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 4	5	79,696.161
Distribution to shareholders of S corporation	6	
South Carolina Net Income subject to tax (Line 5 Less Line 6)	7	79,696.161
Multiply amount on Line 7 by .06 (6%)	8	4,781.770
Available credits from line 5, Schedule C	9	
Tax (Line 8 less line 9) Enter the difference but not less than zero.	10	4,781.770
Less: (a) Tax Withheld (attach form W-2)		
(b) Paid by declaration		9,750.741
(c) Paid with tentative return		
(d) Credit from Line 23b		
Payments (Add Lines 11a through 11d)	12	9,750.741
Refund of Tax Due (Line 10 less Line 12)	13	(4,968.971)
Due Penalty Due (See instructions for penalty and interest)	14	
INCOME TAX, Interest and Penalty Due (Add Lines 13 & 14)	15	
PAYMENT (Line 12 less Line 10)		4,968.971
(a) Estimated Tax		
(b) License Fee		
(c) Refunded		4,968.971

COMPUTATION OF LICENSE FEE

License Fee Due from Schedule J, Line 9, on page 5	17	4,437.
Less: (a) Paid With Tentative Return		4,439,248
(b) Credit From Line 18b		
Payments (Add Line 18 (a) & (b))	19	4,439.
Of Fee Due (Line 17 Less Line 19)	20	
Due Penalty Due (See instructions for penalty and interest)	21	
LICENSE FEE, Interest and Penalty Due (Add Lines 20 & 21)	22	
PAYMENT (Line 19 less Line 17)		1,470
To be applied as follows:		
Tax		1,470
(b) Income Tax		
(c) Refunded		
TOTAL: INCOME TAX & LICENSE FEE DUE (ADD LINES 15 AND 22)	24	

empt Federal interest not allowable in South Carolina 4. _____
3. _____
4. _____
5. _____
ditions (Attach Schedule) 6. _____
ditions (Add Lines 1 Through 6) Enter On Line 2 - Part I 7. _____

EDULE B DEDUCTIONS FROM FEDERAL NET INCOME

asi On Obligations Of The U.S. 1. _____
uth Carolina depreciation in excess of Federal 2. _____
justment to property basis required by Federal tax credit 3. _____
YSOP contribution taken as credit on Federal return 4. _____
ederal fuel tax credit 5. _____
Deductions (Attached Schedule) 6. _____
Deductions (Add Lines 1 Through 6) Enter On Line 3 - Part I Per Attached Audit Schedule 7. 410,555

EDULE C NON-REFUNDABLE TAX CREDITS

t Carryover From Previous Year 1. _____
(a) Drip/Trickle Irrigation System (TC-1) 2a. _____
(b) Minority Business (TC-2) b. _____
(c) Water Resources (TC-3) c. _____
(d) Renewable Energy (SC 5695) d. _____
(e) Scenic Rivers (TC-5) e. _____
(f) South Carolina New Jobs Credit (TC-4) f. _____
Credits (Add Lines 1 and 2a through f) 3. _____
Line 8, Part I, SC1120U) 4. _____
of Line 3 or 4 (Enter on Line 8, Part I, SC1120U) 5. _____
rryover (Line 3 Less Line 4) 6. _____

EDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

orporated under the Laws of the State of North Carolina on November 27, 1963
sign Corporation, the date qualified to do business in the State of South Carolina is February 24, 1963
egistered Office of the Corporation in the State of South Carolina is See line 5 In the City of Greenville
tered Agent at such address is T. C. Berry
e name of the Corporation changed during the year? No Give old name
on of Principal office in S.C. Suite 700, Green Gate Park, Woods Lake Road, Greenville, S
e of principal business in S.C. Production and sale of electricity
orporation's books are in the care of David Hanser, Acting Controller
ed 422 South Church Street, Charlotte, NC 28242
ign Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of
In South Carolina Yes
y consolidated or combined, attach Schedule I listing name, address and affiliation of all Corporations.
uthorized Capital Stock by Shares, Par Value and class is as follows:
NO. OF SHARES PAR VALUE CLASS
150,000,000 No par Comm

al amount of Stated Capital is:
paid in Capital Stock\$ 2,557,186,633
paid in Capital Surplus\$
al amount of Stated Capital\$ 2,557,186,633

s of the Officers and Directors and Percentage of Stock Ownership in the Corporation are: (if additional space is necessary, attach page

NAME, ADDRESS, AND PERCENTAGE OF STOCK HELD

RTION: (Line 1 X Ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 21, Part II

\$

F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Dir. to S.C. and Other States 3	Net Amounts Allocated Directly to S.C. 4	Payrolls to be Excluded from Payroll Factor 5	Property to Be Excluded from Property Factor 6
connected with business received		PER ATTACHED AUDIT ADJUSTMENTS				
on real property						
on intangible pers. prop.						
income directly allocated						
OME DIRECTLY ALLOCATED			245,793			
ECTLY ALLOCATED TO S.C.				16,348		
APPORTIONMENT FACTORS						

G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTISTATE OPERATIONS

ome as reconciled. Enter amount from Line 4, Part I	1. 493,676,064
subject to direct allocation to S.C. and other states from Schedule F, Line 7	2. 845,793
ome subject to apportionment (Line 1 Less Line 2)	3. 492,830,271
unt on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4. 79,679,813
subject to direct allocation to S.C. from Schedule F, Line 8	5. 16,348
Income (sum of Lines 4 and 5 above) also enter on Line 5, Part I	6. 79,696,161

H-1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
Equipment				
ty			Schedule	Attached
	<	>	<	>
Lines 1 - 5 Less Line 6)				
		1. Within S.C.	2. Total Everywhere	3. Ratio
nnng & Ending Period (Add Line 7a & b And Divide by 2)				
ise Value				
erty Add Lines 8 & 9. (Col. 1 + Col. 2 & Enter ratio in Col. 3)				
oll				
s Compensation & Exclusions	<	>	<	>
oll (Col. 1 + Col. 2 & Enter ratio in Col. 3)				
1 (Col. 1 + Col. 2 & Enter ratio in Col. 3)				
ree Ratios (Add Column 3 - Lines 10, 13 & 14)				
Average of Three Ratios				

H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Ratio
ecelpts			
on	<	>	
(For Ratio)	1,050,104,982	6,495,043,709	
cepts (Line 3, Col. 1 ÷ Line 3, Col. 2)			16.1678%

H-3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio

DECLASSIFICATION AUTHORITY DERIVED FROM:

1.	1,312.
2.	1,

plina Code Section 12-18-100

the license fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of one mill dollar of the fair market value of property as determined by the South Carolina Tax Commission for property owned during the preceding accounting period, owned and used within South Carolina in the conduct of the business of any, express company, street railway company, navigation company, waterworks company, power company, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind levied by the state during the calendar year next preceding by every railroad company, express company, street railway company, waterworks company, power company, distribution electric cooperative, light company, gas company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, express car company, and all other privately operated car lines. However, where a consolidated return pursuant to Section 17-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' shall not include any receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by this section shall file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

fees are due on or before the fifteenth day of the third month next after the preceding income year.

ense fee cannot be less than ten dollars (\$10.00).

1120 instructions If Public Utilities 'C' Corporation.

120S instructions if Public Utilities 'S' Corporation.

**STATE OF SOUTH CAROLINA
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION**

10.	Return for the Period Ending	1. Tentative Tax Based on Net Income	11,882,124
124-9	DEC 1986		
15520	Return extended to September 15, 1987	2. LESS: Estimated Tax Payments	9,500,000
1. NO.		3. Tentative Tax Due	2,382,124
<i>John A. O. V. Keefe</i>	DATE 3/11/87	4. Total Capital and Paid in Surplus x .001 plus \$5.00 but not less than \$15.00 Tentative License Fee	4,439,248
OWER COMPANY		5. Balance Remitted Herewith	6,821,372
X 33189			
TE NC 28242			

CORPORATION DECLARATION OF ESTIMATED INCOME TAX

01	DUE DATE MAR 15 1987	A. Estimated tax for the current accounting year.
Return this form with check or money order payable to:		\$ 10,800,000
THE SOUTH CAROLINA TAX COMMISSION		B. Overpayment from last year credited to estimated tax for this year
E NO.	<i>John A. O. V. Keefe</i>	\$
124-9	(SIGNATURE OF DULY AUTHORIZED OFFICER OR EMPLOYEE)	
15520	DATE 3/11/87	
NO.	For accounting period ending DEC 1987	
IER COMPANY		1. Amount of this installment 2,700,000.00
33189		2. Amount of overpayment credit applied to this installment (See Instruction)
NC 28242		3. Amount of this installment payment (line 1 less line 2) 2,700,000.00

0090024 9 1287 0807 0020090024 9 1287

Duke Power Company

Statement Attached To And Made Part Of
1986 South Carolina Income Tax Return

Statement of Regulated Gross Receipts

	<u>Total</u>	<u>South Carolina</u>	<u>Other</u>
ic Revenues	\$3,400,416,111	\$1,037,136,787	\$2,363,279,3
Revenues	6,440,442	4,229,314	2,211,1
venues	<u>1,758,273</u>	<u>382,396</u>	<u>1,375,8</u>
	<u>\$3,408,614,826</u>	<u>\$1,041,748,497</u>	<u>\$2,366,866,3</u>

Duke Power Company

Statement Attached To And Made Part Of
1986 South Carolina Corporation Income Tax Return

1986 Apportionment Ratio

	<u>South Carolina</u>	<u>Total</u>	<u>Ratio</u>
Beginning of period			
Electric	\$ 2,813,626,811	\$ 8,616,297,295	
Water	14,449,611	27,608,445	
Transit	547,049	2,609,720	
Materials and supplies	<u>37,518,557</u>	<u>271,514,930</u>	
Total	\$ <u>2,866,142,028</u>	\$ <u>8,918,030,390</u>	
End of period			
Electric	\$ 3,344,895,697	\$ 9,451,944,906	
Water	14,840,008	28,065,216	
Transit	547,049	2,549,179	
Materials and supplies	<u>47,626,249</u>	<u>226,707,779</u>	
Total	\$ 3,407,909,003	\$ 9,709,267,080	
Average property	\$ 3,137,025,516	\$ 9,313,648,735	
Add: Rental	<u>5,889,304</u>	<u>46,226,320</u>	
Property for ratio	<u>\$ 3,142,914,820</u>	<u>\$ 9,359,875,055</u>	33.57
Payrolls	\$ 223,259,570	\$ 642,297,198	
Less: Officers	<u>123,908</u>	<u>4,925,704</u>	
Payroll for ratio	<u>\$ 223,135,662</u>	<u>\$ 637,371,494</u>	35.00
Less	<u>\$ 1,050,104,982</u>	<u>\$ 3,462,367,130</u>	30.32
Total of three ratios			98.91
Average ratio			<u>32.97</u>

Duke Power Company

Statement Attached To And Made Part Of
1986 South Carolina Corporation Income Tax Return

Counties in South Carolina where property is located:

Abbeville
Aiken
Anderson
Cherokee
Chester
Fairfield

Greenville
Greenwood
Kershaw
Lancaster
Laurens

McCormick
Newberry
Oconee
Pickens

Saluda
Spartanburg
Union
York

EVENTS

EVENTS

EE 1
RETURN

100%

1

ADJUSTED

12

100%

1

12,344,570

811,200

798,874

1,381

1,000,000

13,792,288

4,025,287

5,824,741

141,083

1,343

14,508,211 15,481,081 722,180 4,707,730 3,380,124 3,271,827 8,747,847 2,825,819 843,783 101,813 385,187 376,875 123,184 4,240,938 319,816 10

11,344,024 8,773 18,898 (2,080) 87,188 131,343 1,975 92,454 15,000 76,184 0 76,483 11,277 84,827 78,483 9

1,892,498 4,025,718 5,874,742 101,803 1,343

13,284,782 6,272 51,888 4,025,898 87,188 131,343 5,874,742 113,874 16,348 76,188 0 76,483 11,277 84,827 78,483 10,001

4446

DES00010800

COMMISSION

Return To:
COMMISSION
Box 125
La, S.C. 29214Return For
Period EndingDEC 31, 1986 INCOME
DEC 31, 1987 LICENSERETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

NO ADDRESS

RETURN DUE ON OR
BEFORE

VEE COMPANY

22189

TE NO

28247

412 13, 1987

21

23

4280-8

12

28247-2

ification No.

Business Code

File Number

Federal EI Number: 20-0400040

Extension Requested: Yes ☒ No ☐If Final Return, Indicate Whether: Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn

County In S.C. Where Property is located:

Schedule Attached

Did any of the corporations in this Return
property presumed abandoned under C
Title 27 of the South Carolina Code of L
Yes ☒ If yes, have Abandoned Property Re
filed? Yes

Audit Location

City State
Charlotte NC

Telephone Number: (704) 373-5

COMPUTATION OF INCOME TAX LIABILITY

ordinary Income (loss) Per Federal Form 1120, 1120A or 1120S	1.	482,398.
is To Federal Net Income (Sch. A-Line 7)	2.	33,635.
ons From Federal Net Income (Sch. B-Line 7)	3.	< 34,270.
it Income As Reconciled (Add Lines 1 & 2 Less Line 3)	4.	481,764.
late Corporation, enter amount from line 8, Sch. G; otherwise, enter amount from line 4	5.	158,583.
istribution to shareholders of S corporation	6.	<
arolina Net Income subject to tax (Line 5 Less Line 6)	7.	158,583.
ultiply a amount on Line 7 by .06 (6%)	8.	9,515.
ndable credits from line 5, Schedule C	9.	
ix (Line 8 less line 9) Enter the difference but not less than zero.	10.	9,515.
is: (a) Tax Withheld (attach form W-2)		
(b) Paid by declaration		9,500,000
(c) Paid with tentative return		2,382,124
(d) Credit from Line 23b		
yments (Add Lines 11a through 11d)	12.	11,882.
of Tax Due (Line 10 less Line 12)	13.	
Due	14.	
Penalty Due	14.	
NCOME TAX, Interest and Penalty Due (Add Lines 13 & 14)	15.	
YMENT (Line 12 less Line 10) 2,367,090 To be applied as follows:		
(a) Estimated Tax		2,367,090
(b) License Fee		
(c) Refunded		

COMPUTATION OF LICENSE FEE

anse Fee Due from Schedule J, Line 9, on page 5	17.	4,437.
s: (a) Paid With Tentative Return 4,439,248 (b) Credit From Line 16b		
rments (Add Line 18 (a) & (b))	19.	4,439.
Of Fee Due (Line 17 Less Line 19)	20.	
Due	21.	
Penalty Due	21.	
ICENSE FEE, Interest and Penalty Due (Add Lines 20 & 21)	22.	
YMENT (Line 19 less Line 17) 1,470 To be applied as follows:		
Tax 1,470 (b) Income Tax		
(c) Refunded		
TOTAL: INCOME TAX & LICENSE FEE DUE (ADD LINES 15 AND 22)	24.	

2. empt Federal interest not allowable in South Carolina
 3. 3,36
 4. _____
 5. _____
 6. _____
 7. 33,63
 Deductions (Add Lines 1 Through 6) Enter On Line 2 - Part I

SCHEDULE B DEDUCTIONS FROM FEDERAL NET INCOME

1. st On Obligations Of The U.S.
 2. th Carolina depreciation in excess of Federal
 3. ustment to property basis required by Federal tax credit
 4. SOP contribution taken as credit on Federal return
 5. ederal fuel tax credit
 6. Deductions (Attached Schedule)
 7. Deductions (Add Lines 1 Through 6) Enter On Line 3 - Part I
 8. 34,27

SCHEDULE C NON-REFUNDABLE TAX CREDITS

1. Carryover From Previous Year
 2a. a) Drip/Trickle Irrigation System (TC-1)
 b. b) Minority Business (TC-2)
 c. c) Water Resources (TC-3)
 d. d) Renewable Energy (SC 5695)
 e. e) Scenic Rivers (TC-5)
 f. f) South Carolina New Jobs Credit (TC-4)
 3. Credits (Add Lines 1 and 2a through f)
 4. ne 8, Part I, SC1120U)
 5. ine 3 or 4 (Enter on Line 9, Part I, SC1120U)
 6. yover (Line 3 Less Line 4)

SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. orporated under the Laws of the State of North Carolina on November 27, 1963
 2. gn Corporation, the date qualified to do business in the State of South Carolina is February 24, 1963
 3. gistered Office of the Corporation in the State of South Carolina is See line 5 In the City of Greenville
 4. ired Agent at such address is T. C. Berry
 5. ame of the Corporation changed during the year? No Give old name
 6. n of Principal office in S.C. Suite 700, Green Gate Park, Woods Lake Road, Greenville, S
 7. of principal business in S.C. Production and sale of electricity
 8. orporation's books are in the care of David Hauser, Acting Controller
 9. 422 South Church Street, Charlotte, NC 28242
 10. gn Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of
 11. n South Carolina Yes

consolidated or combined, attach Schedule I listing name, address and affiliation of all Corporations.
 Authorized Capital Stock by Shares, Par Value and class is as follows:

NO. OF SHARES	PAR VALUE	CLASS
150,000,000	No par	Comm

Amount of Stated Capital is:

aid in Capital Stock	\$ 2,557,186,633
aid in Capital Surplus	\$ 2,557,186,633
Amount of Stated Capital	\$ 2,557,186,633

If the Officers and Directors and Percentage of Stock Ownership in the Corporation are: (if additional space is necessary, attach report)

NAME, ADDRESS, AND PERCENTAGE OF STOCK HELD

PORTION: (Line 1 X Ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 21, Part II

5

F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Dir. to S.C. and Other States 3	Net Amounts Allocated Directly to S.C. 4	Payrolls to be Excluded from Payroll Factor 5	Proper to Be Excl: from prop Factor 6
connected with business received	1,046		1,046			
on real property	832,219		832,219	15,006		
on intangible pers. prop.	11,186		11,186			
income directly allocated						
OME DIRECTLY ALLOCATED			844,451			
RECTLY ALLOCATED TO S.C.				15,006		
APPORTIONMENT FACTORS						

G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTISTATE OPERATIONS

ome as reconciled. Enter amount from Line 4, Part I	1.	481,764,284
e subject to direct allocation to S.C. and other states from Schedule F, Line 7	2.	844,451
ome subject to apportionment (Line 1 Less Line 2)	3.	480,919,833
unt on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	32.972 4.	158,568,887
: subject to direct allocation to S.C. from Schedule F, Line 8	5.	15,006
et Income (sum of Lines 4 and 5 above) also enter on Line 5, Part I	6.	158,583,893

H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
Equipment				
ty			Schedule	Attached
	<	>	<	>
(Lines 1 - 5 Less Line 6)				
		1. Within S.C.	2. Total Everywhere	3. Ratio
nnning & Ending Period (Add Line 7a & b And Divide by 2)				
ase Value				33.579
erly Add Lines 8 & 9. (Col. 1 + Col. 2 & Enter ratio in Col. 3)				
roll				
rs Compensation & Exclusions	<	>	<	>
oll (Col. 1 + Col. 2 & Enter ratio in Col. 3)				35.089
l (Col. 1 + Col. 2 & Enter ratio in Col. 3)				30.329
ree Ratios (Add Column 3 - Lines 10, 13 & 14)				98.917
Average of Three Ratios				32.972

H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Ratio
Receipts			
on	<	<	
pts (For Ratio)			
ceipts (Line 3, Col. 1 ÷ Line 3, Col. 2)			

3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
South Carolina		

South Carolina Tax Commission for Property Tax Purposes as determined
 Use: Line 1 x .001

1.	1,312.
2.	1.

		Total System (A)	Intra South C (E)
Operating Revenues, (Itemize):			
		\$	\$
Schedule Attached		3,408,614,826	1,041.
Operating Revenues	4.	\$	\$
Receipts, (Itemize):	5.		
Other Receipts	6.	\$ 3,408,614,826	\$1,041.
Gross Receipts (Add Lines 4 and 6)	7.		1,041.
(Line 7, Column B x .003)	8.		\$ 3.
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 17 Part II, Page 1)	9.		\$ 4.

South Carolina Code Section 12-19-100

The license fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of one mill per dollar of the fair market value of property as determined by the South Carolina Tax Commission for property in the preceding accounting period, owned and used within South Carolina in the conduct of the business of any, express company, street railway company, navigation company, waterworks company, power company, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

South Carolina Code Section 12-19-110

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind, there shall be levied an annual license fee of three mills upon the gross receipts derived from services rendered from regulated business in this state during the calendar year next preceding by every railroad company, express company, street railway company, waterworks company, power company, distribution electric cooperative, light company, gas company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, express car company, and all other privately operated car lines. However, where a consolidated return pursuant to Section 17-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' shall not include receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by this chapter shall be subject to the provisions of Sections 12-19-20 and 12-19-130.

The license fees are due on or before the fifteenth day of the third month next after the preceding income year.

The license fee cannot be less than ten dollars (\$10.00).

INSTRUCTIONS

1120 Instructions if Public Utilities 'C' Corporation.

1120S Instructions if Public Utilities 'S' Corporation.

STATE OF SOUTH CAROLINA
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

NO.	Return for the Period Ending	1. Tentative Tax Based on Net Income	11,882,124
1-9	DEC 1986		
05520	Return extended to September 15, 1987	2. LESS: Estimated Tax Payments	9,500,000
1. NO.		3. Tentative Tax Due	2,382,124
<i>John A. O. V. Keefe</i>	DATE 3/11/87	4. Total Capital and Paid in Surplus	
POWER COMPANY		x .001 plus	
XX 33189		\$5.00 but not less than \$15.00	
OTTE NC 28242		Tentative License Fee	4,439,248
		5. Balance Remitted Herewith	6,821,372

CORPORATION DECLARATION OF ESTIMATED INCOME TAX

01	DUE DATE MAR 15 1987	A. Estimated tax for the current accounting year.
Return this form with check or money order payable to:		\$ 10,800,000
THE SOUTH CAROLINA TAX COMMISSION		B. Overpayment from last year credited to estimated tax for this year
E NO.	<i>John A. O. V. Keefe</i>	\$
024-9	(SIGNATURE OF DULY AUTHORIZED OFFICER OR TAXPAYER)	
05520	DATE 3/11/87	
1. NO.	For accounting period ending DEC 1987	
NER COMPANY		1. Amount of this Installment 2,700,000.00
33189		2. Amount of overpayment credit applied to this installment (See instruction)
FE NC 28242		3. Amount of this installment payment (line 1 less line 2) 2,700,000.00

20090024 9 1287 0807 0020090024 9 1287

Duke Power Company

Statement Attached To And Made Part Of
1986 South Carolina Income Tax Return

Statement of Regulated Gross Receipts

	<u>Total</u>	<u>South Carolina</u>	<u>Other</u>
ic Revenues	\$3,400,416,111	\$1,037,136,787	\$2,363,279,3
Revenues	6,440,442	4,229,314	2,211,1
venues	<u>1,758,273</u>	<u>382,396</u>	<u>1,375,8</u>
	<u>\$3,408,614,826</u>	<u>\$1,041,748,497</u>	<u>\$2,366,866,3</u>

Duke Power Company

Statement Attached To And Made Part Of
1986 South Carolina Corporation Income Tax Return

1986 Apportionment Ratio

	<u>South Carolina</u>	<u>Total</u>	<u>Ratio</u>
Beginning of period			
Electric	\$ 2,813,626,811	\$ 8,616,297,295	
Water	14,449,611	27,608,445	
Transit	547,049	2,609,720	
Materials and supplies	<u>37,518,557</u>	<u>271,514,930</u>	
Total	\$ 2,866,142,028	\$ 8,918,030,390	
End of period			
Electric	\$ 3,344,895,697	\$ 9,451,944,906	
Water	14,840,008	28,065,216	
Transit	547,049	2,549,179	
Materials and supplies	<u>47,626,249</u>	<u>226,707,779</u>	
Total	\$ 3,407,909,003	\$ 9,709,267,080	
Average property	\$ 3,137,025,516	\$ 9,313,648,735	
Add: Rental	<u>5,889,304</u>	<u>46,226,320</u>	
Property for ratio	<u>\$ 3,142,914,820</u>	<u>\$ 9,359,875,055</u>	33.5
Payrolls	\$ 223,259,570	\$ 642,297,198	
Less: Officers	<u>123,908</u>	<u>4,925,704</u>	
Payroll for ratio	<u>\$ 223,135,662</u>	<u>\$ 637,371,494</u>	35.0
Sales	<u>\$ 1,050,104,982</u>	<u>\$ 3,462,367,130</u>	30.3
Total of three ratios			98.9
Average ratio			<u>32.9</u>

Duke Power Company

Statement Attached To And Made Part Of
1986 South Carolina Corporation Income Tax Return

Counties in South Carolina where property is located:

Abbeville
Aiken
Anderson
Cherokee
Chester
Fairfield

Greenville
Greenwood
Kershaw
Lancaster
Laurens

McCormick
Newberry
Oconee
Pickens

Saluda
Spartanburg
Union
York

INSTRUCTIONS FOR FILING

AMENDED CORPORATION TAX RETURN FOR PUBLIC UTILITIES

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

12-31-87

To be signed and dated by	☒ Officer ☐ General Partner
Amount of tax	Total tax Less: payments and credits Balance due (overpayment) \$(6,290,399) ☐ Payable in full
Overpayment	☒ Refunded to you \$6,290,399 ☐ Credited to your estimated tax \$ ☐ \$ refunded and \$ credited
Draw check to N/A	<i>NOTE: Your social security number or employer identification number should be entered on your remittance.</i>
Mail return and check (if applicable) to	SC DEPARTMENT OF REVENUE COLUMBIA, SC 29214
Return must be mailed on or before	IMMEDIATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	



Return To:
COMMISSION
125
S.C. 29214

Return For
Period Ending

DEC 31, 1987 INCOME
DEC 31, 1988 LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

AND ADDRESS

RETURN DUE ON OR
BEFORE

R COMPANY
13189
NC

28242

MAR 15, 1988

23

4900-R

12 20090024-0

ification No.

Business Code

File Number

MUST BE ATTACHED AND MADE
THIS RETURN

Extension Requested: Yes ☒ No ☐

Type of SC Return: Separate ☒

Consolidated ☐ Combined ☐

If Final Return, Indicate Whether: Merged ☐

Reorganized ☐ Dissolved ☐ Withdrawn ☐

County in S.C. Where Property is located:

Schedule Attached

Did any of the corporations in this Return

property presumed abandoned under C

Title 27 of the South Carolina Code of L

☒ yes ☐ no

City Audit Location

Charlotte, North Carol:

Telephone Number: (704) 373-

COMPUTATION OF INCOME TAX LIABILITY

Ordinary Income (loss) Per Federal Form 1120, 1120A or 1120S 1. _____
Adjustment from line 15, Schedule A and B 2. _____
Net Income As Reconciled (line 1 plus or minus line 2) 3. _____
-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3 4. _____
Distribution to shareholders of S corporation 5. ☒ _____
Carolina Net Income subject to tax (line 4 less line 5) 6. _____
Multiply amount on line 6 by .06 (6%) 7. _____
refundable credits from line 5, Schedule C 8. _____
a of tax (line 7 less line 8) enter the difference but not less than zero. 9. _____
- (a) Tax Withheld (attach Form W-2) (b) Paid by Declaration
(c) Paid with Tentative Return (d) Credit from line 23b
Payments (add lines 10a through 10d) 11. _____
e of Tax Due (line 9 less line 11) 12. _____
ution: Check for Wildlife Fund ; Children's Trust Fund 13. _____
t Due Penalty Due (See instructions for penalty and interest) ... 14. _____
INCOME TAX, Interest, Penalty, and Contribution Due (add lines 12 through 14) 15. _____
PAYMENT (line 11 less line 9) To be applied as follows: Schedule
Imated Tax (b) License Fee (c) Refunded Attached
ack for Wildlife Fund (e) Children's Trust Fund

COMPUTATION OF LICENSE FEE

License Fee Due from Schedule J, line 8, on page 5 17. _____
nts: (a) Paid with Tentative Return (b) Credit from line 16b
Payments (add line 18 (a) and (b)) 19. _____
s Of Fee Due (line 17 less line 19) 20. _____
t Due Penalty Due (See instructions for penalty and interest) ... 21. _____
LICENSE FEE, Interest and Penalty Due (add lines 20 and 21) 22. _____
PAYMENT (line 19 less line 17) To be applied as follows: Schedule
Imated Tax (b) Income Tax (c) Refunded Attached
D TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 15 and 22) 24. _____
Make checks payable to: South Carolina Tax Commission.

I, _____, a principal officer of the corporation for which this return is made, declare that this return including accom
and schedules has been examined by me and is to the best of my knowledge and belief a true and complete return.

TTE & TOLQUE

4. _____
5. _____
6. _____
7. _____

Atta

DEDUCTIONS FROM FEDERAL NET INCOME

8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____

Sche
Atta

DULE C NON-REFUNDABLE TAX CREDITS

1. _____
2a. _____
b. _____
c. _____
d. _____
e. _____
3. _____
4. _____
5. _____
6. _____

DULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

11-27-63
2-24-63
See line 5
Greenville
T. C. Berry
No
84 Villa Road
Greenville, South Carolina
Production and sale of electricity
David L. Hauser, Controller
422 South Church Street
Charlotte, North Carolina 28242
Yes

consolidated or combined, attach Schedule I listing name, address and affiliation of all Corporations.
Authorized Capital Stock by Shares, Par Value and class is as follows:

NO. OF SHARES	PAR VALUE	CLASS
50,000,000	No par	Common

2,554,052,938
2,554,052,938

NAME, ADDRESS, AND PERCENTAGE OF STOCK HELD

All officers can be reached in car

APPORTIONMENT: (line 1 X ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 21, Part II

\$ _____

FILE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Dir. to S.C. and Other States 3	Net Amounts Allocated Directly to S.C. 4	Payrolls to be Excluded from Payroll Factor 5	Pro- portion to Be Allocated from F
Income not connected with business						
Dividends received						
Losses on real property						
Losses on intangible pers. prop.						
Net income directly allocated						
INCOME DIRECTLY ALLOCATED						
INCOME DIRECTLY ALLOCATED TO S.C.						
INCOME SUBJECT TO APPORTIONMENT FACTORS						

FILE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATIONS

Net income as reconciled. Enter amount from line 4, Part I	1.
Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
Net income subject to apportionment (line 1 less line 2)	3.
Amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
Income subject to direct allocation to S.C. from Schedule F, line 8	5.
C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

FILE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
Real Estate				
Inventory & Equipment				
Intangible Assets				
Other Property				
Subtotal	< >	< >	< >	< >
(add lines 1 - 5, less line 6)				
	1. Within S.C.		2. Total Everywhere	3. Ratio
Beginning & Ending Period (add line 7a & b and divide by 2)				
Real Lease Value				
Property Add lines 8 & 9. (Col. 1 ÷ Col. 2 & enter ratio in Col. 3)				
Payroll				
Officers Compensation & Exclusions	< >	< >	< >	
Payroll (Col. 1 + Col. 2 & enter ratio in Col. 3)				
Sales (Col. 1 + Col. 2 & enter ratio in Col. 3)				
Of Three Ratios (add Column 3 - lines 10, 13 & 14)				
Final Average of Three Ratios				

FILE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Ratio
Gross Receipts			
Exclusion	< >	< >	
Receipts (for ratio)			
Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			

FILE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio

of Incorp. _____ Under Laws of _____

Registered Office of the Corporation in the State of South Carolina is _____

City of _____ and Registered Agent at such address is _____

name of the Corporation changed during the year? _____ Give old name _____

tion of principal Office in S.C. _____

re of principal business in S.C. _____

Authorized Capital stock by Shares, Par Value and Class is as follows:

D. OF SHARES PAR VALUE C

otal paid in Capital Stock _____ (b) Total paid in Capital Surplus _____

otal amount of Stated Capital is _____ (Add amounts on line 9a & b)

ames of the Officers and Directors and Percentage of Stock Ownership in the Corporation are:

ditional space is necessary, attach separate Schedule).

NAME AND PERCENTAGE OF STOCK HELD

ADDRESS AND OFFICE

AFFILIATED CORPORATION NO. 2

_____ S.C.I.D. NO. _____ Fed. E.I. No. _____

SS _____

of Incorp. _____ Under Laws of _____

Registered Office of the Corporation in the State of South Carolina is _____

ne City of _____ and Registered Agent at such address is _____

he name of the Corporation changed during the year? _____ Give old name _____

ion of principal office in S.C. _____

Principal business in S.C. _____

Authorized Capital stock by Shares, Par Value and Class is as follows:

D. OF SHARES PAR VALUE C

otal paid in Capital Stock _____ (b) Total paid in Capital Surplus _____

otal amount of Stated Capital is _____ (Add amounts on line 9a & b)

ames of the Officers and Directors and Percentage of Stock Ownership in the Corporation are:

ditional space is necessary, attach separate Schedule).

NAME AND PERCENTAGE OF STOCK HELD

ADDRESS AND OFFICE

AFFILIATED CORPORATION NO. 3

_____ S.C.I.D. NO. _____ Fed. E.I. No. _____

SS _____

of Incorp. _____ Under Laws of _____

Registered Office of the Corporation in the State of South Carolina is _____

ne City of _____ and Registered Agent at such address is _____

he name of the Corporation changed during the year? _____ Give old name _____

on of principal office in S.C. _____

re of principal business in S.C. _____

Authorized Capital Stock by Shares, Par Value and Class is as follows:

SHARES PAR VALUE C

otal paid in Capital Stock _____ (b) Total paid in Capital Surplus _____

otal amount of Stated Capital is _____ (Add amounts on line 9a & b)

Line 1 x .001			
		Total System (A)	Intrast South Ce (B)
ing Revenues, (Itemize):			
		\$	\$
Operating Revenues		4. \$	\$
Receipts, (Itemize):		5.	Schedt Attact
Other Receipts		6. \$	\$
Gross Receipts (Add Lines 4 and 6)		7.	
e (Line 7, Column B x .003)		8.	\$
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 17 Part II, Page 1)		9.	\$

Carolina Code Section 12-19-100

the license fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of one mill dollar of the fair market value of property as determined by the South Carolina Tax Commission for property, for the preceding accounting period, owned and used within South Carolina in the conduct of the business of any company, express company, street railway company, navigation company, waterworks company, power company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

Carolina Code Section 12-19-110

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of what amount, an annual license fee of three mills upon the gross receipts derived from services rendered from regulated business in this state during the calendar year next preceding by every railroad company, express company, street railway company, waterworks company, power company, distribution electric cooperative, light company, gas company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, fruit growers' express car company, and all other privately operated car lines. However, where a consolidated return pursuant to Section 12-7-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' shall not include receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by this chapter shall file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

License fees are due on or before the fifteenth day of the third month next after the preceding income year.

The license fee cannot be less than ten dollars (\$10.00).

INSTRUCTIONS

SC1120 instructions if Public Utilities 'C' Corporation.

SC1120S instructions if Public Utilities 'S' Corporation.

South Carolina Return - Part I
INCOME TAX LIABILITY

Income per Federal return 664,179,310

Net Adjustments 27,961,476

Total net income as reconciled 692,140,786

Amount from line 6, Sched G 125,379,602

SC Loss carryover

SC Taxable Net Income 125,379,602

TAX DUE @ 6% 7,522,776

Non Refundable Credit Schedule C

Balance

Payments

Tax Withheld 0

Paid by declaration

Paid with tentative return

Credit from line 23b 0

Total Payments

13,813,175

Balance of tax due

Contributions

Interest

Malty

TOTAL TAX

Amount of overpayment

6,290,399

Applied to Estimate 0

License Fee 0

Refund

6,290,399

Check for Wildlife Fund 0

Children's Trust Fund 0

Part II LICENSE FEE

DUE from Schedule J		4,772,61
Paid with tentative return	4,772,687	
Credit from line 16b	0	
Total Payments		<u>4,772,61</u>
Balance of fee due		
Interest due	0	
Penalty Due	0	
TOTAL LICENSE FEE		
Overpayment		
Credit to Estimate	0	
Credit to Income Tax	0	
Credit to Refund	0	
INCOME TAX and LICENSE FEE DUE		<u><u>669,40</u></u>

SCHEDULE A & B

Additions

Taxes on or measured by income	
Federal NOL	
Dividend received deduction	See Attached
Exempt interest taxable in SC	Audit Adjustme
Other Additions	
Total Additions	<u><u>27,961,476</u></u>

Deductions

Interest on Obligations of the US	
Federal Paysop Contribution	
Difference in Federal & SC depreciation	
Federal Fuel Tax Credit	
Adjustment to property basis	
Other deductions	
Total Deductions	<u><u> </u></u>
Adjustment	<u><u> </u></u>

SCHEDULE C

Credit Carryover from Previous Year
 Deep/Tickle Irrigation System
 Minority Business
 Water resources
 SC New Jobs Credit
 Scenic Rivers

0
 0
 0
 0
 0

Total Credits

Tax Due
 Lesser of Line 3 or 4

Credit Carryover

SCHEDULE J

Fair Market Value of SC Property
 Fee Due (Line 1 x .001)

1,380,628,5
 1,380,6

Regulated Receipts (see schedule)

Total System	Intrastate
3,713,524,081	1,130,685,9

Total Operating Revenues
 Other Receipts

3,713,524,081	1,130,685,9

Total Other Receipts

0

Total Gross Receipts

3,713,524,081	1,130,685,9

Fee Due (Line 7, Column B x .003)
 Total License Fee Due

3,392,0
 4,772,6

Schedule D

Balance Sheet

	Begin	End
Cash	56,921,660	56,559,51
Trade Notes & A/R	324,822,605	335,429,71
Less: Allow for Bad Debts	(3,866,537)	(3,709,51
Net Notes & Receivables	328,689,142	339,139,21
Inventories	232,986,520	248,824,21
Govt Obligations-US	0	
Govt Obligations-State	0	
Other Current Assets	18,365,102	15,321,41
Loans to Stockholders	0	
Mortgage & Real Estate Loans	0	
Other Investments	435,855,413	425,617,01
Bldg & Other Depr Assets	10,094,445,652	10,822,045,11
Less: Accum Depr	3,415,592,887	3,868,748,91
Net Bldg & Depr Assets	6,678,852,765	6,953,296,11
Depletable Assets	0	
Less Accum Depletion	0	
Net Depletable Assets	0	
Land (Net of Amort)	0	
Intangible Assets (Amort)	0	
Less: Accum Amort	0	
Net Intangible Assets	0	
Other Assets	758,111,572	826,219,21
TOTAL ASSETS	8,509,782,174	8,864,977,01
Liabilities and Stockholders Equity		
Accounts Payable	142,990,389	198,012,31
Mtges, Notes, Bonds Pay (less 1 yr)	38,911,036	59,579,31
Other Current Liabilities	222,671,284	167,436,11
Loans from Stockholders	0	
Mtges, Notes, Bonds Pay (more 1 yr)	2,752,409,210	2,739,890,11
Other Liabilities	1,582,669,527	1,764,494,11
Capital Stock Preferred >>>	690,540,921	691,875,11
Capital Stock Common >>>	1,861,627,683	1,862,177,11
Paid in or Capital Surplus >>>	0	
Retained Earnings - Appropriated	0	
Retained Earnings - Unappropriated	1,210,229,050	1,374,092,11
Less Cost of Treasury Stock	0	
TOTAL LIAB. + STOCKHOLDERS EQUITY	8,502,049,100	8,857,557,11

Statement Attached to and made part of
South Carolina State Income Tax Return

SCHEDULE F	1 Gross	2 Related	3 Net	4 Net to SC	5 Exclude Pay	6 Exclude Prop
Interest not connected with business	0	0	0	0		
Dividends received	664	0	664	0		
Losses	0	0	0	0	0	0
Gains or losses on real property	191,088	0	191,088	28,166		
Gains/losses on intangible per. prop.	(139)	0	(139)	0		
Investment Income directly allocated	0	0	0	0	0	0
TOTAL INCOME DIRECTLY ALLOCATED			191,613	//////////	//////////	//////////
TOTAL INCOME DIRECTLY ALLOCATED TO SC			=====	28,166	//////////	//////////
FACTORS TO APPORTIONMENT FACTORS	n/a	n/a	n/a	n/a	0	0

Statement Attached to and Made Part of
1987 South Carolina State Income Tax Return

SCHEDULE G

1 net income as reconciled	692,140,786
2 Inc subj to direct allocation to SC	191,613
3 net income subject to apportionment	691,949,173
4 portionable to SC by appropriate ratio	125,351,436
5 Income subject to direct allocation to SC	28,166
6 SC Net Income	<u>125,379,602</u>

SCHEDULE H-1

APPORTIONMENT FACTOR	w/i state	Everywhere
1	1,139,985,786	6,292,805,9
2 apportionment Factor	18.1157%	

MAINT + BC
E
16
11
\$ ADJUSTED
DCM 6
SC
17

ADJUST

(13,197,825)	(1,317,091)	(119,791,322)	11,405,461	(20,067,944)	3,670,173	45	(18,518,807)	11,668,081	11,810,330	(3,729,613)	29,111,431	(28,172,944)	11,442,811	75,005
180,284,726	137,763,546	103,027,412	302,644,723	182,099,848	(84,195,321)	831	911,912,819	664,098,818	644,178,310	330,708,781	857,095,187	318,196,183	535,836,222	817,878
47,298,271	44,841,314	(20,802,880)	(8,110,329)	(71,327,204)	4,879,182	111	79,703,547	(110,908)	77,981,478	27,800,643	21,099,289	34,807,294	118,114,194	5,018
282,802,127	172,404,940	67,204,822	181,834,104	171,871,444	(93,345,943)	823,136,177	588,912,998	483,878,034	872,143,298	878,570,221	578,114,428	544,020,457	512,214,978	622,648
(14,308,811)	2,461,087	(722,183)	(4,797,709)	(2,385,174)	(1,271,777)	(8,347,883)	77,729,770	(843,793)	(181,813)	280,187	(567,875)	(143,144)	(115,809)	710,953
218,452,818	164,686,001	86,712,322	186,776,433	188,306,270	(94,787,842)	92,808,888	818,340,336	493,830,271	801,849,173	876,179,027	577,346,351	542,810,773	513,763,092	612,518,775
33,781,076	30,397,076	35,220,076	34,580,076	35,420,076	35,890,076	34,310,076	33,810,076	32,870,076	31,341,076	33,411,076	33,430,076	33,100,076	33,370,076	34,070,076
13,817,898	68,398,183	21,530,730	84,567,218	56,534,778	(72,867,802)	317,800,434	209,379,782	162,493,897	230,191,472	182,889,408	183,164,517	180,473,888	172,809,375	208,774,814
13,284,180	0.773	10,889	4,073,089	67,188	18,345	5,025,225	(79,879,389)	18,345	18,345	24,786	24,683	11,222	54,877	18,181
87,082,188	85,299,794	23,548,854	84,390,818	84,973,874	(73,781,515)	323,327,898	179,470,476	182,512,345	230,218,569	182,889,408	183,130,875	180,309,131	172,180,402	208,725,945
(113,814)	(140,799)	71,548,854	84,390,818	56,391,718	(73,781,515)	323,327,898	178,803,476	182,512,345	230,218,569	182,889,408	183,130,875	180,309,131	172,180,402	208,725,945
86,898,315	85,254,767	23,548,854	84,390,818	56,391,718	(73,781,515)	323,327,898	178,803,476	182,512,345	230,218,569	182,889,408	183,130,875	180,309,131	172,180,402	208,725,945
0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
0.218,099	3,818,730	1,412,878	4,118,438	3,343,303	0	17,884,489	10,589,878	8,750,111	12,812,173	10,807,817	9,058,548	7,076,754	8,828,020	10,436,784
0.264,887	4,038,178	1,894,315	3,422,980	3,097,448	0	17,884,489	11,844,316	9,515,034	13,422,220	10,854,417	9,064,894	7,458,263	8,833,809	11,737,773
(1,046,783)	(272,170)	(283,828)	192,470	(271,643)	0	479,492	11,344,287	235,707	340,753	(50,800)	79,133	(475,128)	(44,599)	(800,808)

DES00010822

1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	2968	2969	2970	2971	2972	2973	2974	2975	2976	2977	2978	2979	2980	2981	2982	2983	2984	2985	2986	2987	2988	2989	2990	2991	2992	2993	2994	2995	2996	2997	2998	2999	3000

DES00010823

Return To:
COMMISSION
P.O. Box 125
Columbia, S.C. 29214

Return For
Period Ending **DEC 31, 1987 INCOME**
DEC 31, 1986 LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

NAME AND ADDRESS

RETURN DUE ON OR
BEFORE

POWER COMPANY
33189
TE NC

28242

MAR 15, 1988

126

23

4903-R

12 20090024-0

Identification No.

Business Code

File Number

ITEMS AND SUPPORTING DOCUMENTS
MUST BE ATTACHED AND MAILED
WITH THIS RETURN

Extension Requested: Yes ☒ No ☐

Type of SC Return: Separate ☒

Consolidated ☐ Combined ☐

If Final Return, Indicate Whether: Merge
Reorganized ☐ Dissolved ☐ Withdrawn
County in S.C. Where Property is located
Schedule Attached

Did any of the corporations in this Return
property presumed abandoned under
Title 27 of the South Carolina Code of
Laws? ☒ yes ☐ no

City **Charlotte, North Carolina**
Audit Location

Telephone Number: **(704) 375-3751**

I COMPUTATION OF INCOME TAX LIABILITY

1. Total ordinary income (loss) per Federal Form 1120, 1120A or 1120S	2. Adjustment from line 15, Schedule A and B	3. Total Net Income As Reconciled (line 1 plus or minus line 2)	4. Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	5. S-Corporation: Distribution to shareholders of S corporation	6. South Carolina Net Income subject to tax (line 4 less line 5)	7. Multiply amount on line 6 by .06 (6%)	8. Non-refundable credits from line 5, Schedule C	9. Tax of tax (line 7 less line 8) enter the difference but not less than zero.
10. Payments: (a) Tax Withheld (attach Form W-2) (b) Paid by Declaration (c) Paid with Tentative Return (d) Credit from line 23b								
11. Total Payments (add lines 10a through 10d)								
12. Balance of Tax Due (line 9 less line 11)								
13. Contribution: Check for Wildlife Fund; Children's Trust Fund								
14. Interest Due Penalty Due (See instructions for penalty and interest.)								
15. TOTAL INCOME TAX, Interest, Penalty, and Contribution Due (add lines 12 through 14)								
16. OVERPAYMENT (line 11 less line 9) To be applied as follows:								
17. Estimated Tax (b) License Fee (c) Refunded								
18. Check for Wildlife Fund (e) Children's Trust Fund								

II COMPUTATION OF LICENSE FEE

17. Total License Fee Due from Schedule J, line 9, on page 5	19. Total Payments (add line 18 (a) and (b))	20. Balance Of Fee Due (line 17 less line 19)	21. Interest Due Penalty Due (See instructions for penalty and interest.)	22. TOTAL LICENSE FEE; Interest and Penalty Due (add lines 20 and 21)
23. OVERPAYMENT (line 19 less line 17) To be applied as follows:				
24. Estimated Tax (b) Income Tax (c) Refunded				
GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 15 and 22)				

Make checks payable to: South Carolina Tax Commission.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including attachments and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

3. _____ Sci
4. _____ Att
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____

DEDUCTIONS FROM FEDERAL NET INCOME

16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____
25. _____
26. _____
27. _____
28. _____
29. _____
30. _____
31. _____
32. _____
33. _____
34. _____
35. _____
36. _____
37. _____
38. _____
39. _____
40. _____
41. _____
42. _____
43. _____
44. _____
45. _____
46. _____
47. _____
48. _____
49. _____
50. _____
51. _____
52. _____
53. _____
54. _____
55. _____
56. _____
57. _____
58. _____
59. _____
60. _____
61. _____
62. _____
63. _____
64. _____
65. _____
66. _____
67. _____
68. _____
69. _____
70. _____
71. _____
72. _____
73. _____
74. _____
75. _____
76. _____
77. _____
78. _____
79. _____
80. _____
81. _____
82. _____
83. _____
84. _____
85. _____
86. _____
87. _____
88. _____
89. _____
90. _____
91. _____
92. _____
93. _____
94. _____
95. _____
96. _____
97. _____
98. _____
99. _____
100. _____

SCHEDULE C NON-REFUNDABLE TAX CREDITS

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____
25. _____
26. _____
27. _____
28. _____
29. _____
30. _____
31. _____
32. _____
33. _____
34. _____
35. _____
36. _____
37. _____
38. _____
39. _____
40. _____
41. _____
42. _____
43. _____
44. _____
45. _____
46. _____
47. _____
48. _____
49. _____
50. _____
51. _____
52. _____
53. _____
54. _____
55. _____
56. _____
57. _____
58. _____
59. _____
60. _____
61. _____
62. _____
63. _____
64. _____
65. _____
66. _____
67. _____
68. _____
69. _____
70. _____
71. _____
72. _____
73. _____
74. _____
75. _____
76. _____
77. _____
78. _____
79. _____
80. _____
81. _____
82. _____
83. _____
84. _____
85. _____
86. _____
87. _____
88. _____
89. _____
90. _____
91. _____
92. _____
93. _____
94. _____
95. _____
96. _____
97. _____
98. _____
99. _____
100. _____

SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____
25. _____
26. _____
27. _____
28. _____
29. _____
30. _____
31. _____
32. _____
33. _____
34. _____
35. _____
36. _____
37. _____
38. _____
39. _____
40. _____
41. _____
42. _____
43. _____
44. _____
45. _____
46. _____
47. _____
48. _____
49. _____
50. _____
51. _____
52. _____
53. _____
54. _____
55. _____
56. _____
57. _____
58. _____
59. _____
60. _____
61. _____
62. _____
63. _____
64. _____
65. _____
66. _____
67. _____
68. _____
69. _____
70. _____
71. _____
72. _____
73. _____
74. _____
75. _____
76. _____
77. _____
78. _____
79. _____
80. _____
81. _____
82. _____
83. _____
84. _____
85. _____
86. _____
87. _____
88. _____
89. _____
90. _____
91. _____
92. _____
93. _____
94. _____
95. _____
96. _____
97. _____
98. _____
99. _____
100. _____

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____
25. _____
26. _____
27. _____
28. _____
29. _____
30. _____
31. _____
32. _____
33. _____
34. _____
35. _____
36. _____
37. _____
38. _____
39. _____
40. _____
41. _____
42. _____
43. _____
44. _____
45. _____
46. _____
47. _____
48. _____
49. _____
50. _____
51. _____
52. _____
53. _____
54. _____
55. _____
56. _____
57. _____
58. _____
59. _____
60. _____
61. _____
62. _____
63. _____
64. _____
65. _____
66. _____
67. _____
68. _____
69. _____
70. _____
71. _____
72. _____
73. _____
74. _____
75. _____
76. _____
77. _____
78. _____
79. _____
80. _____
81. _____
82. _____
83. _____
84. _____
85. _____
86. _____
87. _____
88. _____
89. _____
90. _____
91. _____
92. _____
93. _____
94. _____
95. _____
96. _____
97. _____
98. _____
99. _____
100. _____

NAME, ADDRESS, AND PERCENTAGE OF STOCK HELD

3. _____

\$ _____

INCOME SUBJECT TO DIRECT ALLOCATION

DULE H-3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

Address _____
State of Incorp. _____ Under Laws of _____
Registered Office of the Corporation in the State of South Carolina is _____
City of _____ and Registered Agent at such address is _____
Has the name of the Corporation changed during the year? _____ Give old name _____
Location of principal Office in S.C. _____
Nature of principal business in S.C. _____

Authorized Capital stock by Shares, Par Value and Class is as follows:

NO. OF SHARES

PAR VALUE

(a) Total paid in Capital Stock _____ (b) Total paid in Capital Surplus _____

Total amount of Stated Capital is _____ (Add amounts on line 9a & b)

Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are:

(If additional space is necessary, attach separate Schedule).

NAME AND PERCENTAGE OF STOCK HELD

ADDRESS AND OFFICE

AFFILIATED CORPORATION NO. 2

Name _____ S.C.I.D. NO. _____ Fed. E.I. No. _____

Address _____

State of Incorp. _____ Under Laws of _____

Registered Office of the Corporation in the State of South Carolina is _____

In the City of _____ and Registered Agent at such address is _____

Has the name of the Corporation changed during the year? _____ Give old name _____

Location of principal office in S.C. _____

Nature of principal business in S.C. _____

Authorized Capital stock by Shares, Par Value and Class is as follows:

NO. OF SHARES

PAR VALUE

(a) Total paid in Capital Stock _____ (b) Total paid in Capital Surplus _____

Total amount of Stated Capital is _____ (Add amounts on line 9a & b)

Names of the Officers and Directors and Percentage of Stock Ownership in the Corporation are:

(If additional space is necessary, attach separate Schedule).

NAME AND PERCENTAGE OF STOCK HELD

ADDRESS AND OFFICE

AFFILIATED CORPORATION NO. 3

Name _____ S.C.I.D. NO. _____ Fed. E.I. No. _____

Address _____

State of Incorp. _____ Under Laws of _____

Registered Office of the Corporation in the State of South Carolina is _____

In the City of _____ and Registered Agent at such address is _____

Has the name of the Corporation changed during the year? _____ Give old name _____

Location of principal office in S.C. _____

Nature of principal business in S.C. _____

Authorized Capital Stock by Shares, Par Value and Class is as follows:

NO. OF SHARES

PAR VALUE

(a) Total paid in Capital Stock _____ (b) Total paid in Capital Surplus _____

South Carolina Tax Commission 101 Property Tax Return

Due: Line 1 x .001

		2.	
		Total System (A)	Intra South (
Operating Revenues, (Itemize):			
		\$	\$
Total Operating Revenues		4. \$	\$
Other Receipts, (Itemize):		5.	Sche
			Atta
Total Other Receipts		6. \$	\$
Total Gross Receipts (Add Lines 4 and 6)		7.	
Due (Line 7, Column B x .003)		8. \$	\$
Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 17 Part II, Page 1)		9. \$	\$

Carolina Code Section 12-19-100

of the license fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of one dollar for each dollar of the fair market value of property as determined by the South Carolina Tax Commission for the preceding accounting period, owned and used within South Carolina in the conduct of the business of a company, express company, street railway company, navigation company, waterworks company, power company, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

Carolina Code Section 12-19-110

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind levied an annual license fee of three mills upon the gross receipts derived from services rendered from regulated business in this state during the calendar year next preceding by every railroad company, express company, street railway company, navigation company, waterworks company, power company, distribution electric cooperative, light company, gas company, telegraph company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, fruit growers express car company, and all other privately operated car lines. However, where a consolidated return on 12-7-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' shall mean the gross receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided for by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives are exempt from the license fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by the reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

License fees are due on or before the fifteenth day of the third month next after the preceding income year.

Total license fee cannot be less than ten dollars (\$10.00).

INSTRUCTIONS

Refer to SC1120 instructions if Public Utilities 'C' Corporation.

Refer to SC1120S instructions if Public Utilities 'S' Corporation.

1987 South Carolina State Income Tax Return

South Carolina Return - Part I
INCOME TAX LIABILITY
Net income per Federal return

Net Adjustments

Total net income as reconciled
Amount from line 6, Sched G
SC Loss carryover

SC Taxable Net Income
TAX DUE @ 6%

Non Refundable Credit Schedule C

Balance

Payments

Tax Withheld

Paid by declaration

Paid with tentative return

Credit from line 23b

Total Payments

Balance of tax due

Contributions

Interest

Penalty

TOTAL TAX

Amount of overpayment

Applied to Estimate

License Fee

Refund

Check for Wildlife Fund

Children's Trust Fund

0

0

0

0

1987 South Carolina State Income Tax Return

Part II LICENSE FEE

FEE DUE from Schedule J		4,772,6
Paid with tentative return	4,772,687	
Credit from line 16b	0	
Total Payments		<u>4,772,6</u>
Balance of fee due		
Interest due	0	
Penalty Due	0	
TOTAL LICENSE FEE		<u> </u>
Overpayment		
Credit to Estimate	0	
Credit to Income Tax	0	
Credit to Refund	0	
INCOME TAX and LICENSE FEE DUE		<u><u>669,4</u></u>

SCHEDULE A & B

Additions

Taxes on or measured by income
 Federal NOL
 Dividend received deduction
 Exempt interest taxable in SC
 Other Additions
 Total Additions

Deductions

Interest on Obligations of the US
 Federal Paysop Contribution
 Difference in Federal & SC depreciation
 Federal Fuel Tax Credit
 Adjustment to property basis
 Other deductions

Total Deductions

Net Adjustment

1987 South Carolina State Income Tax Return

SCHEDULE C

1 Credit Carryover from Previous Year	0
A Drip/Tickle Irrigation System	0
B Minority Business	0
C Water resources	0
D SC New Jobs Credit	0
E Scenic Rivers	0

3 Total Credits	
4 Tax Due	13,432,
5 Lesser of Line 3 or 4	

6 Credit Carryover	=====

SCHEDULE J

1 Fair Market Value of SC Property	1,380,628,
2 Fee Due (Line 1 x .001)	1,380,
Regulated Receipts (see schedule)	
	Total System Intrastate
	3,713,524,081 1,130,685,

1 Total Operating Revenues	3,713,524,081 1,130,685,
2 Other Receipts	

3 Total Other Receipts	0

4 Total Gross Receipts	3,713,524,081 1,130,685,

5 Fee Due (Line 7, Column B x .003)	3,392,
6 Total License Fee Due	4,772,
	=====

1987 South Carolina State Income Tax Return

Schedule D

Balance Sheet

Begin

E

Cash	56,921,660	56,559,5
Trade Notes & A/R	324,822,605	335,429,7
Less: Allow for Bad Debts	(3,866,537)	(3,709,5
Net Notes & Receivables	328,689,142	339,139,2
Inventories	232,986,520	248,824,2
Govt Obligations-US	0	
Govt Obligations-State	0	
Other Current Assets	18,365,102	15,321,1
Loans to Stockholders	0	
Mortgage & Real Estate Loans	0	
Other Investments	435,855,413	425,617,1
Bldg & Other Depr Assets	10,094,445,652	10,822,045,1
Less: Accum Depr	3,415,592,887	3,868,748,1
Net Bldg & Depr Assets	6,678,852,765	6,953,296,1
Depletable Assets	0	
Less Accum Depletion	0	
Net Depletable Assets	0	
Land (Net of Amort)	0	
Intangible Assets (Amort)	0	
Less: Accum Amort	0	
Net Intangible Assets	0	
Other Assets	758,111,572	826,219,1

TOTAL ASSETS

8,509,782,174 8,864,977,1

Liabilities and Stockholders Equity

Accounts Payable	142,990,389	198,012,1
Mtges, Notes, Bonds Pay (less 1 yr)	38,911,036	59,579,1
Other Current Liabilities	222,671,284	167,436,1
Loans from Stockholders	0	
Mtges, Notes, Bonds Pay (more 1 yr)	2,752,409,210	2,739,890,1
Other Liabilities	1,582,669,527	1,764,494,1
A Capital Stock Preferred >>>	690,540,921	691,875,1
B Capital Stock Common >>>	1,861,627,683	1,862,177,1
Paid in or Capital Surplus >>>	0	
Retained Earnings - Appropriated	0	
Retained Earnings - Unappropriated	1,210,229,050	1,374,092,1
Less Cost of Treasury Stock	0	

TOTAL LIAB. + STOCKHOLDERS EQUITY

8,502,049,100 8,857,557,1

Duke Power Company
 Statement Attached to and Made Part of
 1987 South Carolina State Income Tax Return

	1	2	3	4	5	6
LINE F	Gross	Related	Net	Net to SC	Exclude Pay	Exclude Prop
Not connected with business	0	0	0	0		
ends received	664	0	664	0		
	0	0	0		0	0
or losses on real property	191,088	0	191,088	28,166		
/losses on intangible per. prop.	(139)	0	(139)	0		
ment Income directly allocated	0	0	0	0	0	0
INCOME DIRECTLY ALLOCATED			191,613	28,166	////////////////	////////////////
E DIRECTLY ALLOCATED TO SC			=====	=====	////////////////	////////////////
S TO APPORTIONMENT FACTORS	n/a	n/a	n/a	n/a	0	0

Statement Attached to and Made Part of
1987 South Carolina State Income Tax Return

SCHEDULE G

total net income as reconciled	673,090,153
less: Inc subj to direct allocation to SC	191,613
total net income subject to apportionment	672,898,540
apportionable to SC by appropriate ratio	223,853,830
less: Income subject to direct allocation to SC	28,166
total SC Net Income	223,881,996

SCHEDULE H-1

APPORTIONMENT FACTOR	w/i state	Everywhere
Property (Include Exclusion in State)	3,528,366,385	10,316,283,956
Gifts (Include Exclusion in State)	239,684,596	681,835,418
Less	1,139,985,786	3,744,208,153
total Factor	0.998014	
Weighted Apportionment Factor	0.332671	

Statement Attached to and Made Part of
1987 State Income Tax Return of
Duke Power Company

Percent Calculation for Each Category	Within the STATE (1)		Everywhere (2)		Percentage Factors
	Beginning	Ending	Beginning	Ending	
	2,344,295,877	3,363,763,115	9,431,944,966	10,039,952,916	
	14,840,008	16,505,235	23,063,216	30,236,258	
	347,049	485,270	2,549,179	3,161,344	
Land & Supplies	47,626,249	54,672,395	226,797,779	240,567,624	
Inventory	0	1,618,231	0	11,143,120	
Liabilities	0	0	0	0	
Assets	3,407,909,003	3,627,444,246	9,709,247,980	10,375,111,520	
Tangible Assets		3,522,676,625		10,042,189,300	
Construction in Progress	0	0	0	0	
Debt in Progress		0		0	
Total Property		3,522,676,625		10,042,189,300	
Liabilities &		5,689,760		274,994,156	
Property & Rents		3,528,366,385		10,317,183,456	31.2019%
Factor		239,684,596		691,835,418	35.1527%
Factor (See separate Schedule)		1,139,985,786		3,744,298,158	30.4466%
Sum of Percentages					99.8014%
Apportionment Percentage					33.2671%

Duke Power Company

Statement Attached To and Made Part of
1987 South Carolina Income Tax Return

Statement of Regulated Gross Receipts

	Total	South Carolina	Other
Electric Revenues	\$3,704,924,795	\$1,125,856,132	\$2,579,068,
Gas Revenues	6,823,725	4,453,087	2,370,
Other Revenues	1,775,561	376,694	1,398,
	-----	-----	-----
	<u>\$3,713,524,081</u>	<u>\$1,130,685,913</u>	<u>\$2,582,838,</u>
	=====	=====	=====

INSTRUCTIONS FOR FILING
AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1988

to be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of tax	Total Tax \$ Less: payments & credits \$ Balance due (overpayment) \$(4,504,902)
Payment	☒ Refunded to you \$4,504,902. ☐ Credited to your estimated tax \$ ☐ \$ refunded and \$ credited
Draw check to N/A	<i>NOTE: Your social security number or employer identification number should be entered on your remittance.</i>
Mail tax return and check if applicable) to	SC DEPT. OF REVENUE COLUMBIA, SC 29214
Return must be mailed on or before	IMMEDIATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	





To:
SOUTH CAROLINA
Box 125
SC 29214

Return For Income - December 31, 1988
Period Ending License - December 31, 1989

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

ADDRESS

Power Company
South Church Street - P. O. Box 33189
Charlotte, North Carolina 28242

RETURN DUE ON OR
BEFORE

1120S AND SUPPORTING SCHEDULES
MUST BE ATTACHED AND MADE PART
OF THIS RETURN

Extension Requested: Yes ☒ No ☐
Type of SC Return: Separate ☒
Consolidated ☐

If Final Return, Indicate Whether: Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn ☐
County in SC Where Property is located:
Schedule Attached

Did any of the corporations in this Return
property presumed abandoned under Cl
Title 27 of the South Carolina Code of Laws
yes ☒ no ☐

City Charlotte Audit Location NC
Telephone Number: 704-373-420

Extension No. Business Code File Number

COMPUTATION OF INCOME TAX LIABILITY

Ordinary Income (loss) Per Federal Form 1120, 1120A or 1120S	1.	550,709.78
Adjustment from line 12, Schedule A and B	2.	25,850.15
Income As Reconciled (line 1 plus or minus line 2)	3.	576,560.22
State Corporation, enter amount from line 5, Sch. G; otherwise, enter amount from line 31	4.	110,962.08
Distribution to shareholders of S corporation	5.	<
South Carolina Net Income subject to tax (line 4 less line 5)	6.	110,962.08
Multiply amount on line 6 by .055 (5.5%)	7.	6,102.915
Nonrefundable credits from line 5, Schedule C	8.	
(line 7 less line 8) enter the difference but not less than zero.	9.	6,102.915
Tax Withheld (attach Form W-2)		
(c) Paid with Tentative Return <u>10,607.817</u>		
(b) Paid by Declaration		
(d) Credit from line 23b		
Payments (add lines 10a through 10d)	11.	10,607.817
Amount of Tax Due (line 9 less line 11)	12.	
Contribution: Check for Wildlife Fund; Children's Trust Fund	13.	
Due Penalty Due (See instructions for penalty and interest.)	14.	
INCOME TAX, Interest, Penalty, and Contribution Due (add lines 12 through 14)	15.	4,504.902
Payment (line 11 less line 9) <u>4,504.902</u> To be applied as follows:		
Refunded Tax		
(b) License Fee		
(c) Refunded		4,504.902
Check for Wildlife Fund		
(e) Children's Trust Fund		

COMPUTATION OF LICENSE FEE

License Fee Due from Schedule J, line 9, on page 5	17.	4.
Payments: (a) Paid with Tentative Return <u>4,686.841</u>		
(b) Credit from line 15b		
Payments (add line 18 (a) and (b))	19.	4.
Amount of Fee Due (line 17 less line 19)	20.	
Due Penalty Due (See instructions for penalty and interest.)	21.	
LICENSE FEE, Interest and Penalty Due (add lines 20 and 21)	22.	
Payment (line 19 less line 17) To be applied as follows:		
Refunded Tax		
(b) Income Tax		
(c) Refunded		
TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 15 and 22)	24.	

Make checks payable to: South Carolina Tax Commission.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompanying schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

ditions (attach schedule) 5. _____
ditions (add lines 1 through 5) 6. _____

DEDUCTIONS FROM FEDERAL NET INCOME

in Obligations Of The U.S. 7. _____
..... 8. _____
..... 9. _____
ductions (attach schedule) 10. _____
ductions (add lines 7 through 10) 11. _____
stment (line 6 less line 11) Also enter on line 2, Part I, SC1120 12. _____

ULE C

NON-REFUNDABLE TAX CREDITS

arryover From Previous Year 1. _____
Drip/Trickle Irrigation System (TC-1) 2a. _____
Minority Business (TC-2) b. _____
Water Resources (TC-3) c. _____
South Carolina New Jobs Credit (TC-4) d. _____
Scenic Rivers (TC-5) e. _____
Infrastructure Construction or Improvement (TC-6) f. _____
Palmetto Seed Capital (TC-7) g. _____
Corporate Headquarters Income Tax Application (TC-8) h. _____
redits (add lines 1 and 2a through h) 3. _____
7, Part I, SC1120U) 4. _____
line 3 or 4 (enter on line 8, Part I, SC1120U) 5. _____
arryover (line 3 less line 5) 6. _____

ULE D

ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

Under the Laws of the State of North Carolina on 11-27-63
n Corporation, the date qualified to do business in the State of South Carolina is 2-24-63
of the Registered Office of the Corporation in the State of South Carolina is 84 Villa Road in the City of Greenville
ed Agent at such address is John F. Lomax
name of the Corporation changed during the year? _____ Give old name _____
nenced business in the state of South Carolina was 1963
of principal office in S.C. 84 Villa Road Greenville, South Carolina
of principal business in S.C. Electric Utility
poration's books are in the care of David L. Hauser, Controller
at 422 South Church St. Charlotte, NC 28242

n Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of
South Carolina? N/A

consolidated, complete and attach Schedule I listing name, address and affiliation of all Corporations.

essional corporation are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) o
tice the professional services engaged in by the corporation? _____

al number of authorized shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
150,000,000	No Par	Common

al number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as

Number of Shares	Class	Series
101,272,023	No Par	Common

al amount of stated capital per balance sheet is :

al paid in Capital Stock \$ 2,554,053.314
in Capital Surplus \$ _____
ount of stated Capital \$ 2,554,053.314

mes and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporati
tional space is necessary, attach separate schedule.)

FILE F

INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct to S.C. and Other States 3	Net Amounts Allocated Directly to S.C. 4	Payrolls to be Excluded from Payroll Factor 5	Payroll to Be from F
not connected with business						
ds received						
esses on real property						
esses on intangible pers. prop.						
ent income directly allocated						
INCOME DIRECTLY ALLOCATED						
E DIRECTLY ALLOCATED TO S.C.						
S TO APPORTIONMENT FACTORS						

FILE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATIONS

et income as reconciled. Enter amount from line 3, Part I	1.
income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
et income subject to apportionment (line 1 less line 2)	3.
amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
come subject to direct allocation to S.C. from Schedule F, line 8	5.
C. Net Income (sum of lines 4 and 5 above) Also enter on line 4, Part I	6.

FILE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending
ery and Equipment				
ries				
roperty				
ons	< Schedule >	< >	< Schedule >	< >
(add lines 1 - 5; subtract line 6)	Attached		Attached	
		1. Within S.C.	2. Total Everywhere	3. Ra
Beginning and Ending Period (add line 7a and b and divide by 2)				
or Lease Value				
Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
S Payroll				
Officers Compensation and Exclusions	< >	< >		
Payroll (Col. 1 + Col. 2 and enter ratio in Col. 3)				
Sales (Col. 1 + Col. 2 and enter ratio in Col. 3)				
of Three Ratios (add Column 3 - lines 10, 13 and 14)				Schedu
etical Average of Three Ratios				Attach

FILE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. R
Gross Receipts			
exclusion	< >	< >	
Receipts (for ratio)	1 111 039 557	5 769 118 503	
Receipts (line 3, Col. 1 ÷ line 2, Col. 2)			19 25

FILE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ra
Within South Carolina		

Line 1 x .001	2.	
	Total System (A)	Intrastate South Car (B)
Revenues, (Itemize):		
	\$	\$
Operating Revenues	4. \$	\$
Receipts, (Itemize):	5.	
Other Receipts	6. \$	\$
Operating Receipts (Add Lines 4 and 6)	7.	
Line 7, Column B x .003	8.	\$ Schedule
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 17 Part II, Page 1)	9.	\$ Attach

Line Code Section 12-19-100

the license fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of one mill dollar of the fair market value of property as determined by the South Carolina Tax Commission for the preceding accounting period, owned and used within South Carolina in the conduct of the business of any express company, street railway company, navigation company, waterworks company, power company, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

Line Code Section 12-19-110

to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of what is provided an annual license fee of three mills upon the gross receipts derived from services rendered from regulated business during the calendar year next preceding by every railroad company, express company, street railway company, waterworks company, power company, distribution electric cooperative, light company, gas company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, express car company, and all other privately operated car lines. However, where a consolidated return pursuant to Section 12-19-150 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' shall mean the gross receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by this section shall be paid pursuant to the provisions of Sections 12-19-20 and 12-19-130.

Line Code Section 12-19-120

the license fee provided by Sections 12-19-100 and 12-19-110 be less than twenty-five dollars if the license fee is less than twenty-five dollars. The license fees are due on or before the fifteenth day of the third month next after the preceding income year. The license fee cannot be less than twenty-five dollars (\$25.00).

INSTRUCTIONS

Line 120 instructions if Public Utilities 'C' Corporation.

Line 120S instructions if Public Utilities 'S' Corporation.

Company

Return - Part I

INCOME TAX LIABILITY

per Federal return
amounts

550,709,781
25,850,157

income as reconciled
line 6, Sched 6
payover

576,560,224
110,962,093.

Net Income

5.50%

110,962,093
6,102,915

Deferred on foreign income

0
6,102,915

Schedule C-Line 5
Tax Due

0
6,102,915

DISC
Interest

0
6,102,915

Charitable Contribution
Representative return
line 28
amounts
Tax due

0
10,607,817
0
10,607,817
0
0
0
0
0

Overpayment
Estimate

4,504,902

Wildlife Fund
Trust Fund

0
4,504,902

LICENSE FEE

State and Paid in Surplus
\$.001 + \$.50
Statement of Corp Hdq Credit

0
4,686,841
0
4,686,841

Dividend return
line 20a
amounts

4,686,841
0
4,686,841

any

Additions

assured by income

0

erest
SOP

See Attached Audit
Adjustment

s

0

s

25,850,157

Deductions

it
Basis for ITC
it
depreciation

ms

ver from Previous Year
rrigation System
ness
es
redit

0
0
0
0
0
0
0
0

0

e Construction
l capital
ome Tax Application

0

ve 3 or 4

0

ver

0

company

Value of Property owned in SC	1,399,431,681
	1,399,432
Less Receipts (schedule attached)	1,095,802,870
3)	3,287,409
Less Fee	4,686,841

	1 Gross	2 Related	3 Net	4 Net to SC
connected with business	0	0	0	0
ceived		0		0
	0	0	0	0
ses on real property	385,187	0	385,187	0
ses on intangible persona	0	0	0	0
income directly allocated	0	0	0	0

DIRECTLY ALLOCATED
FLY ALLOCATED TO SC

(385,187)/////////
0

PORTIONMENT FACTORS

n/a n/a n/a n/a

come as reconciled	576,560,224
oj to direct allocation to SC	(385,187)
come subject to apportionment	576,175,037
to SC by appropriate ratio	110,962,093
subject to direct allocation to SC	0
Income	110,962,093

w/i state Everywhere Factor Weight

1,111,039,557 5,769,118,503 19.2584% 1

19.2584%

any

0
0

rate
= Tax
ad

0
0
0

0
0

0

LICENSE FEE DOE

()

Calculation for	Within the STATE (1)		Everywhere (2)		
	Beginning	Ending	Beginning	Ending	
plies	3,563,763,115	3,747,249,599	10,089,952,916	10,403,221,555	
	16,905,235	17,891,795	30,286,256	31,416,916	
	485,270	662,448	3,161,344	3,040,078	
	54,672,395	53,089,069	240,567,884	243,799,138	
	1,618,231	1,831,770	11,143,120	13,436,454	
	0	0	0	0	
ls	3,637,444,246	3,820,724,681	10,375,111,520	10,694,914,141	
ble Assets		3,729,084,464		10,535,012,831	
		6,487,072		244,282,248	Percentage Factors
ty & Rents		3,735,571,536		10,779,295,079	34.6551%
tor		254,457,490		714,465,846	35.6151%
ur (See separate Schedule)		1,111,039,557		3,684,797,675	30.1520%
Percentages					100.4221%
rtionment Percentage					33.4740%

Statement Attached To and Made Part of
1988 South Carolina Income Tax Return

Statement of Regulated Gross Receipts

	Total	South Carolina	Other
Electric Revenues	\$3,626,130,390	\$1,090,868,593	\$2,535,261,797
Water Revenues	6,994,467	4,565,325	2,429,142
Bus Revenues	1,879,295	368,952	1,510,343
	<u>\$3,635,004,152</u>	<u>\$1,095,802,870</u>	<u>\$2,539,201,282</u>

14 SCH 1

JUSTED

474

118,197,822	(1,347,011)	(18,791,325)	11,105,481	(70,867,844)	5,430,175	75,175,51	18,312,803	484,088,819	844,178,210	560,708,711	567,045,187	519,104,185	535,834,727	519,079,184
180,094,734	137,782,568	103,037,111	302,644,723	182,009,848	(89,191,435)	831,708,71	18,812,818	(410,535)	27,981,476	25,850,443	31,064,299	34,807,284	(10,114,194)	5,016,807
47,398,371	64,841,378	(26,892,895)	(6,116,879)	(23,337,304)	4,879,829	111,444,1	78,702,947	482,878,084	897,445,780	870,580,234	874,174,426	844,003,457	517,524,078	822,645,793
332,983,177	182,404,940	87,804,822	181,834,184	171,071,644	(40,545,833)	930,154,71	568,818,995	(48,737)	(18,112)	(303,187)	(587,873)	(193,184)	(14,248,230)	(10,953,638)
(1,808,811)	2,481,281	(722,189)	(4,707,789)	(1,345,134)	(73,711,827)	73,472,862	37,726,770	487,830,777	841,849,172	578,173,037	577,546,531	543,910,792	313,783,092	819,218,375
218,457,818	164,808,031	48,772,322	104,874,435	188,308,220	(62,781,800)	34,371,074	119,345,236	71,8770%	33,3811%	33,6711%	33,6330%	33,1854%	33,3797%	34,0788%
33,7810%	35,3400%	35,2200%	34,4000%	35,9000%	(23,941,840)	317,800,434	308,578,782	187,493,997	238,181,425	192,848,408	193,184,519	180,473,229	172,098,175	208,724,814
73,817,998	65,346,783	73,530,736	64,287,216	94,339,778	181,345	5,832,235	(79,971,209)	16,348	24,188	0	26,483	11,222	64,827	10,981
13,764,180	8,377	11,889	9,077,888	56,872,876	(73,791,515)	575,537,448	178,802,478	187,512,345	230,318,348	192,848,408	193,184,519	180,505,131	172,180,407	208,724,814
47,783,180	65,245,026	73,548,854	68,548,818	94,339,778	(73,791,515)	575,537,448	178,802,478	187,512,345	230,318,348	192,848,408	193,184,519	180,505,131	172,180,407	208,724,814
(113,874)	(140,789)	73,548,854	68,548,818	94,339,778	(73,791,515)	575,537,448	178,802,478	187,512,345	230,318,348	192,848,408	193,184,519	180,505,131	172,180,407	208,724,814
84,848,318	68,754,787	73,548,854	68,548,818	94,339,778	(73,791,515)	575,537,448	178,802,478	187,512,345	230,318,348	192,848,408	193,184,519	180,505,131	172,180,407	208,724,814
8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	4,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%
5,218,088	3,818,258	5,473,979	4,119,488	3,383,823	0	17,864,898	10,598,029	8,730,741	12,813,172	10,897,817	8,958,548	8,078,758	8,029,020	10,438,784
8,244,787	4,438,194	1,848,318	3,402,448	3,402,448	0	17,808,001	11,844,318	8,313,034	12,437,920	10,854,447	8,854,894	8,450,343	8,633,804	11,731,772
(1,048,783)	(323,170)	(593,538)	893,470	(778,845)	0	478,492	(1,345,287)	235,707	340,255	(50,000)	791,853	(425,178)	(44,598)	(400,941)

South Carolina
Return To:
Commission
Box 125
SC 29214

Return For Income - December 31, 1988
Period Ending License - December 31, 1989

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

1120S AND SUPPORTING SCHE
MUST BE ATTACHED AND MADE P
THIS RETURN

Extension Requested: Yes X No

Type of SC Return: Separate X
Consolidated

If Final Return, Indicate Whether: Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn ☐

County in SC Where Property is located:
Schedule Attached

Did any of the corporations in this Return
property presumed abandoned under Cl
Title 27 of the South Carolina Code of La
 yes X no

City Charlotte, Audit Location NC

Telephone Number: 704-373-4201

ADDRESS

RETURN DUE ON OR
BEFORE

ower Company
uth Church Street - P. O. Box 33189
tte, North Carolina 28242

ation No.

Business Code

File Number

COMPUTATION OF INCOME TAX LIABILITY

inary Income (loss) Per Federal Form 1120, 1120A or 1120S	1.	<u>554.4</u>
ment from line 12, Schedule A and B	2.	<u>24.8</u>
ncome As Reconciled (line 1 plus or minus line 2)	3.	<u>579.3</u>
ite Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	4.	<u>193.7</u>
tribution to shareholders of S corporation	5.	<u><</u>
olina Net Income subject to tax (line 4 less line 5)	6.	<u>193.7</u>
iply amount on line 6 by .055 (5.5%)	7.	<u>10.6</u>
adable credits from line 5, Schedule C	8.	<u> </u>
(line 7 less line 8) enter the difference but not less than zero.	9.	<u>10.6</u>
ax Withheld (attach Form W-2)		
(b) Paid by Declaration <u>11,100.000</u>		
(c) Paid with Tentative Return		
(d) Credit from line 23b		
nents (add lines 10a through 10d)	11.	<u>11.1</u>
l Tax Due (line 9 less line 11)	12.	<u>(4</u>
on: Check for Wildlife Fund	13.	
ue	14.	
Penalty Due	14.	
(See instructions for penalty and interest.) ...	14.	
ICOME TAX, Interest, Penalty, and Contribution Due (add lines 12 through 14)	15.	<u>(4</u>
EMENT (line 11 less line 9)		
To be applied as follows:		
ted Tax <u>441.553</u>		
(b) License Fee		
(c) Refunded		
for Wildlife Fund		
(e) Children's Trust Fund		

COMPUTATION OF LICENSE FEE

nse Fee Due from Schedule J, line 9, on page 5	17.	<u>4.6</u>
: (a) Paid with Tentative Return <u>4,686,841</u>		
(b) Credit from line 16b		
nents (add line 18 (a) and (b))	19.	<u>4.6</u>
l Fee Due (line 17 less line 19)	20.	
ue	21.	
Penalty Due	21.	
(See instructions for penalty and interest.) ...	21.	
CENSE FEE, Interest and Penalty Due (add lines 20 and 21)	22.	
EMENT (line 19 less line 17)		
To be applied as follows:		
ted Tax		
(b) Income Tax		
(c) Refunded		
TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 15 and 22)	24.	

Make checks payable to: South Carolina Tax Commission.

signed, a principal officer of the corporation for which this return is made, declare that this return including accomp
nd schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

Adjustments (attach schedule) 5. _____
Adjustments (add lines 1 through 5) 6. _____

DEDUCTIONS FROM FEDERAL NET INCOME

Charitable Contributions Of The U.S. 7. _____
..... 8. _____
..... 9. _____
Deductions (attach schedule) 10. _____
Deductions (add lines 7 through 10) 11. _____
Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120 12. _____

PART C NON-REFUNDABLE TAX CREDITS

Carryover From Previous Year 1. _____
Irrigation/Trickle Irrigation System (TC-1) 2a. _____
Minority Business (TC-2) b. _____
Water Resources (TC-3) c. _____
South Carolina New Jobs Credit (TC-4) d. _____
Scenic Rivers (TC-5) e. _____
Infrastructure Construction or Improvement (TC-6) f. _____
Palmetto Seed Capital (TC-7) g. _____
Corporate Headquarters Income Tax Application (TC-8) h. _____
Credits (add lines 1 and 2a through h) 3. _____
Part I, SC1120U) 4. _____
Line 3 or 4 (enter on line 8, Part I, SC1120U) 5. _____
Carryover (line 3 less line 5) 6. _____

PART D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

Under the Laws of the State of North Carolina on 11-27-63
Corporation, the date qualified to do business in the State of South Carolina is 2-24-63
of the Registered Office of the Corporation in the State of South Carolina is 84 Villa Road in the City of Greenville
d Agent at such address is John F. Lomax
ame of the Corporation changed during the year? _____ Give old name _____
Commenced business in the state of South Carolina was 1963
of principal office in S.C. 84 Villa Road Greenville, South Carolina
principal business in S.C. Electric Utility
Corporation's books are in the care of David L. Hauser, Controller
at 422 South Church St. Charlotte, NC 28242

Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of South Carolina? N/A

Consolidated, complete and attach Schedule I listing name, address and affiliation of all Corporations.

Additional corporation are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) quote the professional services engaged in by the corporation? _____

Number of authorized shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
150,000,000	No Par	Common

Number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
101,272,023	No Par	Common

Amount of stated capital per balance sheet is:

Paid in Capital Stock \$ 2,554,053.314
Capital Surplus \$ _____
Amount of stated Capital \$ 2,554,053.314

Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation (if space is necessary, attach separate schedule.)

LE F

INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct to S.C. and Other States 3	Net Amounts Allocated Directly to S.C. 4	Payrolls to be Excluded from Payroll Factor 5	Pr to Be from F
not connected with business						
is received						
esses on real property						
esses on intangible pers. prop.						
ent income directly allocated						
INCOME DIRECTLY ALLOCATED						
DIRECTLY ALLOCATED TO S.C.						
TO APPORTIONMENT FACTORS						

LE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATIONS

income as reconciled. Enter amount from line 3, Part I	1.
ome subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
income subject to apportionment (line 1 less line 2)	3.
amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
ome subject to direct allocation to S.C. from Schedule F, line 8	5.
Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

LE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending
y and Equipment				
es				
roperty				
is	< Schedule >	< >	< Schedule >	< >
add lines 1 - 5; subtract line 6)	Attached		Attached	
		1. Within S.C.	2. Total Everywhere	3. Rati
eginning and Ending Period (add line 7a and b and divide by 2)				
Lease Value				
roperty Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
Payroll				
licers Compensation and Exclusions	< >	< >		
ayroll (Col. 1 + Col. 2 and enter ratio in Col. 3)				
ales (Col. 1 + Col. 2 and enter ratio in Col. 3)				
Three Ratios (add Column 3 - lines 10, 13 and 14)				Schedule
cal Average of Three Ratios				Attached

LE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Rati
ss Receipts			
clusion	< >	< >	
ceipts (for ratio)			
Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			

LE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
in South Carolina		

Line 1 x .001	2.	
	Total System (A)	Intrastate South Carolina (B)
Revenues, (Itemize):		
	\$	\$
Operating Revenues	4. \$	\$
Receipts, (Itemize):	5.	
Operating Receipts	6. \$	\$
Operating Receipts (Add Lines 4 and 6)	7.	
Line 7, Column B x .003)	8.	\$ Sched
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 17 Part II, Page 1)	9.	\$ Attach

Ina Code Section 12-19-100

License fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of one mill dollar of the fair market value of property as determined by the South Carolina Tax Commission for property in the preceding accounting period, owned and used within South Carolina in the conduct of the business of a railroad company, express company, street railway company, navigation company, waterworks company, power company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

Ina Code Section 12-19-110

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind, an annual license fee of three mills upon the gross receipts derived from services rendered from regulated business during the calendar year next preceding by every railroad company, express company, street railway company, waterworks company, power company, distribution electric cooperative, light company, gas company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, express car company, and all other privately operated car lines. However, where a consolidated return pursuant to Section 1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' shall not include receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee provided by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by this section shall be subject to the provisions of Sections 12-19-20 and 12-19-130.

Ina Code Section 12-19-120

When the license fee provided by Sections 12-19-100 and 12-19-110 be less than twenty-five dollars for any year, the license fee shall be twenty-five dollars. The license fees are due on or before the fifteenth day of the third month next after the preceding income year. The license fee cannot be less than twenty-five dollars (\$25.00).

INSTRUCTIONS

Instructions if Public Utilities 'C' Corporation.

Instructions if Public Utilities 'S' Corporation.

company

turn - Part I

INCOME TAX LIABILITY

er Federal return	554,436,594
nts	24,874,237

come as reconciled	579,310,831
line 6, Sched 6	193,789,950
yover	0

et Income	193,789,950
5.50%	10,658,447

erred on foreign income	0
	10,658,447

Schedule C-Line 5	0
ax Due	10,658,447

DISC	0
Interest	10,658,447

ion	0
entative return	11,100,000
line 28	0
nts	0
ax due	11,100,000
	0
	0
	0
	0
	0
erpayment	441,553
Estimate	441,553

	0
	0
ildlife Fund	0
Trust Fund	0

LICENSE FEE

l and Paid in Surplus	0
001 + \$5.00	4,686,841
tion of Corp Hdq Credit	0
	4,686,841
ve return	4,686,841
20a	0
ts	4,686,841

Additions

asured by income	39,654,549
	0
erest	2,860,556
ISOP	11,914
IS	0
IS	<u>42,527,019</u>

Deductions

it	2,400
Basis for ITC	3,526,178
t	108,583
depreciation	<u>14,015,621</u>
ms	17,652,782
	24,874,237

er from Previous Year	0
rigation System	0
ess	0
s	0
edit	0
	0
Construction	0
capital	0
oe Tax Application	<u>0</u>

	10,658,447
3 or 4	0
r	<u>0</u>

APPENDIX

Value of Property owned in SC	1,399,431,681
	1,399,432
Less Receipts (schedule attached)	1,095,802,870
Net	3,287,409
Net Fee	4,686,841

	1 Gross	2 Related	3 Net	4 Net to SC
connected with business	0	0	0	0
received	593	0	593	0
	0	0	0	0
Assets on real property	385,187	0	385,187	0
Assets on intangible personal	0	0	0	0
Income directly allocated	0	0	0	0
DIRECTLY ALLOCATED			385,780	//////////
NET ALLOCATED TO SC				0
APPORTIONMENT FACTORS	n/a	n/a	n/a	n/a

Income as reconciled	579,310,831
Net to direct allocation to SC	385,780
Income subject to apportionment	578,925,051
Net to SC by appropriate ratio	193,789,950
Income subject to direct allocation to SC	0
Income	193,789,950

	w/i state	Everywhere	Factor	Weight
Income Exclusion in State)	3,735,571,536	10,779,295,079	0.346551	1
Income Exclusion in State)	254,457,490	714,465,846	0.356151	1
	1,111,039,557	3,684,797,675	0.301520	1
				3
	1.004222			
Net Factor	0.334741			

mate
e Tax
nd
LICENSE FEE DUE

0
0
0

0
0
0

Location for	Within the STATE (1)		Everywhere (2)		
	Beginning	Ending	Beginning	Ending	
	3,563,763,115	3,747,249,599	10,089,952,916	10,403,221,555	
	16,905,235	17,891,795	30,286,256	31,416,916	
	485,270	662,448	3,161,344	3,040,078	
plies	54,672,395	53,089,069	240,567,884	243,799,138	
	1,618,231	1,831,770	11,143,120	13,436,454	
	0	0	0	0	
ts	3,637,444,246	3,820,724,681	10,375,111,520	10,694,914,141	
ble Assets		3,729,084,464		10,535,012,831	
		6,487,072		244,282,248	Percentage Factors
ly & Rents		3,735,571,536		10,779,295,079	34.6551%
or		254,457,490		714,465,846	35.6151%
r (See separate Schedule)		1,111,039,557		3,684,797,675	30.1520%
Percentages					100.4221%
tionment Percentage					33.4740%

Statement Attached To and Made Part of
1988 South Carolina Income Tax Return

Statement of Regulated Gross Receipts

	Total	South Carolina	Other
Electric Revenues	\$3,626,130,390	\$1,090,868,593	\$2,535,261,797
Water Revenues	6,994,467	4,565,325	2,429,142
Bus Revenues	1,879,295	368,952	1,510,343
	\$3,635,004,152	\$1,095,802,870	\$2,539,201,282

NO.	Return for the Period Ending	1. Tentative Tax Based on Net Income	11,100,000
9	DEC 1988	2. LESS: Estimated Tax Payments	11,700,000
520	Return extended to 9-15-89	3. Tentative Tax Due	(600,000)
Signature: <i>L. D. Rife</i> DATE: 3/9/89		4. Total Capital and Paid in Surplus x .001 plus \$5.00 but not less than \$15.00 Tentative License Fee	4,686,841
R COMPANY 13189 NC 28242		5. Balance Remitted Herewith	4,086,841

Columbia, S. C. 29210

CORPORATION DECLARATION OF ESTIMATED INCOME TAX

01	DUE DATE MAR 15 1989	A. Estimated tax for the current accounting year.
Return this form with check or money order payable to: SOUTH CAROLINA TAX COMMISSION		\$ 11,200,000
NO.	Signature: <i>L. D. Rife</i> DATE: 3/9/89	B. Overpayment from last year credited to estimated tax for this year
24-9	(SIGNATURE OF DULY AUTHORIZED OFFICER OR TAXPAYER)	\$ -0-
520	For accounting period ending DEC 1989	
1. Amount of this installment		2,800,000.00
2. Amount of overpayment credit applied to this installment (See instruction)		
3. Amount of this installment payment (line 1 less line 2)		2,800,000.00
ER COMPANY 33189 NC 28242		

090024 9 1289 0807 0020090024 9 1289

Statement Attached to and made part of
1988 South Carolina Income Tax Return

Counties in South Carolina Where Property is Located

Abbeville

Aiken

Anderson

Cherokee

Chester

Fairfield

Greenville

Greenwood

Kershaw

Lancaster

Laurens

McKormick

Newberry

Oconee

Pickens

Saluda

Spartanburg

Union

York

1971-1980 DEPRECIATION COMPUTATION INCOME TAX RETURN

<u>Function</u>	<u>Vintages</u>	<u>Federal CLADR & ACRS Tax Depreciation</u>	<u>S.C. Tax Depreciation</u>	<u>in (d)</u>
Furniture & fixtures	71-82	\$ 23,692	\$ 85,284	\$
EDP Equipment	71-82	-0-	22,096	
Dispatch and other Computers	71-82	-0-	1,101	
Data handling equip.	71-82	-0-	2,056	
Buses	81	-0-	-0-	
Other general plant	81-82	-0-	334,989	
Hydro	71-84	3,687,830	3,990,849	
Hydro-structures	81;83-84	52,089	52,089	
Nuclear	73-84	118,903,121	120,276,057	(1)
Nuclear fuel	74;76-82	-0-	157,120	
Nuclear-structures	81-84	2,234,625	2,234,625	
Steam	70-84	16,791,661	20,720,034	(3)
Other production	71-80	529,764	663,218	
Steam-structures	82-84	61,464	61,464	
Transmission	71-84	25,624,746	27,348,088	(1)
Distribution	71-84	48,657,212	54,584,042	(5)
Combustion turbines	81;83-84	4,696	4,696	
Water	71-84	839,022	887,735	
Structures	81-84	<u>1,709,899</u>	<u>1,709,899</u>	
		<u>\$219,119,821</u>	<u>\$233,135,442</u>	<u>\$(14)</u>

Depreciation on the Federal return was computed using Section 167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980, depreciation was computed using

Statement Attached to and Made Part of
Consolidated 1988 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Line #	Description	Per Books	Increase (Decrease) Taxable Income	Tax Basis
1a	Gross Receipts or Gross Sales	3,841,919,988	(134,078,445)	3,707,841,543
1b	Less Returns and Allowances	0	0	0
1c	Net Sales	3,841,919,988	(134,078,445)	3,707,841,543
2	Cost of Goods Sold	1,558,435,133	187,623,704	1,370,811,429
3	Gross Profit	2,283,484,855	53,545,259	2,337,030,114
4	Dividends	19,034,390	(19,033,797)	593
5	Interest	76,960,722	(74,843,489)	2,117,233
6	Gross Rents	0	0	0
7	Gross Royalties	0	0	0
8	Net Capital Gain (loss)	459,857	(74,670)	385,187
9	Net Gain or (Loss)	0	(6,330,567)	(6,330,567)
10	Other Income (Schedule Attached)	25,466,662	(25,360,645)	106,017
11	Total Income	2,405,406,486	(72,097,909)	2,333,308,577
DEDUCTIONS				
12	Compensation of Officers	5,319,592	0	5,319,592
13a	Salaries and Wages	133,805,301	0	133,805,301
13b	Less JOBS Credit	0	2,400	2,400
13c	Net Salaries and Wages	133,805,301	2,400	133,802,901
14	Repairs	385,599,134	(25,462,476)	411,061,610
15	Bad Debts	8,766,801	1,423,303	7,343,498
16	Rents	3,901,720	(746,170)	4,647,890
17	Taxes (Schedule Attached)	413,238,608	179,297,393	233,941,215
18	Interest	238,381,137	16,326,858	222,054,279
19	Contributions	499,047	0	499,047
20	Depreciation	308,797,324	(279,652,377)	588,449,701
21a	Less: Depreciation Claimed in Sch A	0	0	0
21b	Net Depreciation	308,797,324	(279,652,377)	588,449,701
22	Depletion	0	0	0
23	Advertising	2,905,282	0	2,905,282
24	Pension, Profit-Sharing Plans	36,909,584	7,702,516	29,207,068
25	Employee Benefit Programs	29,733,968	(14,677,583)	44,411,551
26	Other Deductions (Schedule Attached)	287,169,173	191,941,239	95,227,934
27	Total Deductions	1,855,026,671	76,155,103	1,778,871,568

Statement Attached to and Made Part of
Consolidated 1988 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Explanation of Tax Adjustments	Income Increase (Decrease)
-----	-----
Gross Receipts	
Contributions in Aid of Construction	2,620,950
Reversal of Book Accrual for Catawba Monthly Billing	(8,612,637)
Unbilled Revenues Booked in 1988	(166,767,292)
Difference in Book and Tax Method for Unbilled Revenues	2,239,745
Unbilled Revenues - Section 481 Adjustment	36,440,789
Total Gross Receipts	(134,078,445)
Cost of Goods	
Coal Inventory Adjustment	(10,413,048)
Western Fuel Amortization	1,868,770
Book Over Tax - Obsolete Inventory	439,298
Book Nuclear Fuel Burn-up Expense	195,728,684
Total Cost of Goods	187,623,704
Dividend Income	
Increase in Equity of Subsidiaries	(19,033,797)
Total Dividend Income	(19,033,797)
Interest Income	
Tax-Exempt Interest	(2,624,302)
AFUDC Interest	(68,025,299)
Tax-Exempt Interest from Catawba Buyers	(315,006)
NCEMC & Saluda River Imputed Interest	(3,996,558)
NC Loan Assistance Reserve	117,676
Total Interest Income	(74,843,489)
Capital Gain (Loss)	

Explanation of Tax Adjustments	Income Increase (Decrease)
Total Capital Gain (Loss)	(74,670)
(Loss) on Assets	
1989 Tornado Disaster Losses under Section 165(i)	(7,353,343)
Marshall Fire Loss	(1,982,081)
Gain on Disposition of Depreciable Assets	3,004,857
Total Gain (Loss) on Assets	(6,330,567)
Other Income	
Gain on Life Insurance	(109,986)
Return on Purchased Capacity	(25,250,659)
Total Other Income	(25,360,645)
To Reduce Salaries & Wages for Targeted Jobs Credit	2,400
Total WDN	2,400
Repairs & Maintenance	
Book contingency for Marshall Fire Loss	2,265,776
Repair Allowance for Pre-ACRS Assets	(27,728,252)
Total Repairs & Maintenance	(25,462,476)
Bad Debt Expense	
Bad Debts - Section 481 Adjustment	1,442,120
Tax Over-Book Expense of Bad Debts	(18,817)
Total Bad Debt Expense	1,423,303
Charges	
Amounts Paid on Tax Capitalized Leases	(746,170)

Explanation of Tax Adjustments		Increase (Decrease)
Capitalized Property Taxes on Non-Transition Property	697,314	
Deductible Use Tax on Transition Property	(974,496)	
Hickory Franchise Tax	71,547	
Federal Income Taxes	188,935,327	
Eliminate Book Deduction for State Income Taxes	41,812,017	
To Adjust for Gasoline Tax Credit	108,583	
Deductible Overheads on Transition Property	(10,119,953)	
Tax Over Book - North Carolina Intangibles Tax	(83,795)	
Tax Over Book - South Carolina Property Tax	(1,527,480)	
Book Over Tax - North Carolina Franchise Tax	32,878	
State Income Taxes	(39,654,549)	
Total Taxes		179,297,393
Interest Expense		
Capitalized Interest on Self-Constructed Property	17,177,882	
Interest on Life Insurance Policies	(2,087,476)	
Exempt Interest on Unexpended Pollution Control Bond Fund	985,631	
Book Imputed Interest on Directors' Deferred Compensation Plan	250,821	
Total Interest Expense		16,326,858
Depreciation		
Tax Over Book Depreciation	(279,652,377)	
Total Depreciation		(279,652,377)
Pension Plans		
Book Over Tax Pension Expense	7,702,516	
Total Pension Plans		7,702,516
Other Plans		
Employee Incentive Goals	(1,150,355)	
Book Over Tax - Severance, Vacation, Layoff Pay Accruals	2,327,036	
Capitalized Tax Basis Fringe Benefits	753,436	
1980 employer/employee contributions to 51k Purchase Program	(16,607,700)	

Explanation of Tax Adjustments	Income Increase (Decrease)
Total Benefit Plans	(14,677,583)
per Deductions	
Cost of Removal	(22,356,450)
Meals and Entertainment Disallowance	696,534
Amortization of TVR System	2,104,169
Supplemental Security Plan Benefits	(876,662)
Deferred Compensation Expense	5,980,949
Reserve for Durham Transit System	9,000,000
Reserve for Coley Creek	8,801,266
Catawba Arbitration Reserve	10,457,002
ESOP Dividend Distribution	(6,222,279)
Penalties	216,962
Life Insurance Expense	769,440
Provision for Deferred Income Taxes	(35,898,565)
Provision for Deferred Income Taxes	93,828,125
Book Deferral of Purchased Capacity	(70,487,326)
Catawba Deferrals	41,652,531
Injuries & Damages Reserve	(1,111,103)
Insurance Reserve	4,369,274
Bond Loss Amortization	3,183,093
Investment Tax Credit	(6,898,209)
Investment Tax Credit	(28,547)
Investment Tax Credit	(6,234)
Abandonment Loss	47,084,817
Book Deduction of Catawba Buyer's portion of Cherokee Cancellation Costs	34,914,103
Book Over Tax Retirement Plan Administrative Expense	29,404
Directors' SOP Plan	65,883
Book Over Tax Hedging Gains	(39,325)
Unrealized Hedging Losses Booked in 1988	1,125,375
Directors' Deferred Compensation Plan	82,806
To Adjust for Book Expenses on Sale of Employee Houses	707,067
Loss on FV Subsidiary	(177,622)
Unallowable Civic and Political Expenses	29,059
Recapture of ESOP Credits	(11,914)
Amortization of Capitalized Real Property Taxes	(31,492)
Amortization of Capitalized Interest on Real Property	(840,934)
NC Loan Assistance Reserve	497,800
Book Amortization of Acquisition Adjustment	377,112
Amortization of Cherokee Cancellation Costs	69,722,664
Costs Associated with Relocated Employees' Real Estate	458,743
Still Power Profit Elimination	358,438
Deferral of Startup Expenses	425,902
Amortization of Startup Expenses Under Code Section 105	(10,517)

COST OF GOODS SOLD

DESCRIPTION	PER BOOK	ADJUSTMENT	PER TAX
PURCHASE POWER	657,660,720		657,660,720
STEAM	43,102,005		43,102,005
NUCLEAR	136,195,496		136,195,496
HYDRO	8,030,415		8,030,415
COMBUSTION TURBINE	566,400		566,400
TRANSMISSION	16,298,944		16,298,944
DISTRIBUTION	43,094,785		43,094,785
WATER	1,653,792		1,653,792
FUEL	626,458,806	(187,184,406)	439,274,400
TRANSIT	374,407		374,407
MERCHANDISE	24,799,765		24,799,765
OTHER	199,598	(439,298)	(239,700)
	1,558,435,133	(187,623,704)	1,370,811,429

Short-Term Capital Gains and Losses—Assets Held One Year or Less
(Six months or less if acquired before 1/1/88)

(a) Property and description	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Cost or other basis, plus expense of sale	(f) Gain (or loss)
100 shares of "Z" Co.			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
Short-term capital gain from installment sales from Form 6252, line 22 or 30				2	
Used capital loss carryover (attach computation)				3	
Short-term capital gain or (loss)				4	

Long-Term Capital Gains and Losses—Assets Held More Than One Year
(More than six months if acquired before 1/1/88)

Sale of Land			0	0	
Details in Taxpayer's Files			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
Gain from Form 4797, line 7 or 9				6	
Long-term capital gain from installment sales from Form 6252, line 22 or 30				7	
Long-term capital gain or (loss)				8	

Summary of Parts I and II

Net excess of net short-term capital gain (line 4) over net long-term capital loss (line 8)	9
Net capital gain. Enter excess of net long-term capital gain (line 8) over net short-term capital loss (line 4)	10
Total of lines 9 and 10. Enter here and on Form 1120, line 8, page 1; or the proper line on other returns	11

Instructions

References are to the Internal Code, unless otherwise noted.)

Use of Form

Schedule D should be used by a taxpayer whose tax year begins in 1988 and either Forms 1120, 1120-A, 1120-IC-DISC, 1120F, 1120-H, 1120L, 1120-ND, 1120-PC, 1120-REIT, 1120-RIC, 990-C, or Forms 990-T, to report sales or exchanges of capital assets. Sales or exchanges of property other than capital assets, including property used in a trade or business, involuntary conversions (other

than geothermal property, and the section 291 adjustment to section 1250 gains should be reported on Form 4797, Sales of Business Property. See the instructions for Form 4797 for more information.

If property is involuntarily converted because of a casualty or theft, use Form 4684, Casualties and Thefts.

Parts I and II

Generally, a corporation should report sales and exchanges, including "like-kind" exchanges, even though there is no gain or loss. No loss is allowed for a wash sale of stock or securities or from a transaction between related persons (sections 1091 and 267).

In Part I, report the sale or exchange of capital assets held one year or less. In Part II, report the sale or exchange of capital assets held more than one year. For property acquired before January 1, 1988, the holding period is 6 months.

What Are Capital Assets?—Each asset is a capital asset if it is property the corporation held (whether or not connected with its trade or business) and it is not a capital asset except:

1. Assets that can be inventoried and are held mainly for sale to customers.
2. Depreciable or real property used in a trade or business.
3. Certain copyrights; literary, musical, or artistic compositions; letters or

Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty and Theft—Property Held More Than 1 Year (More Than 6 Months If Acquired Before 1/1/81)

Enter the gross proceeds from the sale or exchange of real estate reported to you for 1988 on Form(s) 1099-S (or Form(s) 1099-B if a statement is required) that you will be including on lines 2 or 10 (column d), or on line 20. (Form 1099-S is a statement required for Recipients of Proceeds From Real Estate Transactions.)

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed (or allowable) since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) LOSS ((f) minus the sum of (d) and (e))	(h) Gain ((d) plus (g))
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	

(f) any, from Form 4684, Section B, line 21

(g) net section 1231 gain from installment sales from Form 6252, line 22 or 30

(h) any, from Part III, line 32, from other than casualty and theft.

Enter 2 through 5 in columns (g) and (h).

Enter the amounts in columns (g) and (h) of line 6. Enter gain or (loss) here, and on the appropriate line as follows (partnerships see the instructions for line references):

If line 7 is zero or a loss, enter the amount on line 11 below and skip lines 8 and 9. (S corporations enter the loss on Schedule K-1 (1120S), line 5.) If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain as a long-term capital gain on Schedule D and skip lines 8, 9, and 12 below.

Enter the amount of net section 1231 losses from prior years (see Instructions).

14,78

Enter the amount from line 7. If zero or less, enter zero.

If line 7 is more than zero, enter the amount from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below, and enter the amount from line 9 as a long-term capital gain on Schedule D. See Specific Instructions for line 9.

Ordinary Gains and Losses

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed (or allowable) since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) LOSS ((f) minus the sum of (d) and (e))	(h) Gain ((d) plus (g))
Enter gains and losses not included on lines 11 through 16 (include property held 1 year or less) (6 months or less if acquired before 1/1/81)							
			0	0	0	0	
Net Loss			0	0	0	(7,353,343)	
Net Fire Loss			0	0	0	(1,982,081)	
Net Realizable Property			0	0	0	0	3,000
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	

(f) any, from line 7.

(g) any, from line 7, or amount from line 8 if applicable.

(h) any, from line 31, Part III.

(i) net or (loss) from Form 4684, Section B, lines 13 and 20a.

(j) net gain from installment sales from Form 6252, line(s) 21 and/or 29.

(k) net amount of section 179 deduction for partners and S corporation shareholders from property dispositions by partnerships and S corporations (see Instructions).

(l) Enter 2 through 16 in columns (g) and (h).

(m) Enter the amounts in columns (g) and (h) of line 17. Enter gain or (loss) here, and on the appropriate line as follows:

(n) all except individual returns: Enter the gain or (loss) from line 18, on the return being filed.

(o) individual returns:

6,3

Transfer lines 19A through 19D to these columns	Property A	Property B	Property C	Part D
Gross sales price	0	0	0	
Cost or other basis plus expense of sale	0	0	0	
Depreciation (or depletion) allowed (or allowable)	0	0	0	
Adjusted basis, subtract line 22 from line 21	0	0	0	
Total gain, subtract line 23 from line 20	0	0	0	
Section 1245 property:				
Depreciation allowed (or allowable) (see Instructions)	0	0	0	
Enter the smaller of line 24 or 25a	0	0	0	
Section 1250 property: If straight line depreciation was used, enter zero on line 26g unless you are a corporation subject to section 291.				
Additional depreciation after 12/31/75	0	0	0	
Applicable percentage times the smaller of line 24 or line 26a (see Instructions)	0.0000%	0.0000%	0.0000%	
	0	0	0	
Subtract line 26a from line 24. If line 24 is not more than line 26a, skip lines 26c and 26e	0	0	0	
Additional depreciation after 12/31/69 and before 1/1/76	0	0	0	
Applicable percentage times the smaller of line 26c or 26d (see Instructions)	0.0000%	0.0000%	0.0000%	
	0	0	0	
Section 291 amount (for corporations only)	0	0	0	
Lines 26b, 26e, and 26f	0	0	0	
Section 1252 property:	0.0000%	0.0000%	0.0000%	
Soil, water, and land clearing expenses	0	0	0	
Line 27a times applicable percentage (see Instructions)	0	0	0	
Enter the smaller of line 24 or 27b	0	0	0	
Section 1254 property:				
Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see Instructions)	0	0	0	
Enter the smaller of line 24 or 28a	0	0	0	
Section 1255 property:				
Applicable percentage of payments excluded from income under section 126 (see Instructions)	0	0	0	
Enter the smaller of line 24 or 29a	0	0	0	

Summary of Part III Gains (Complete property columns A through D through line 29b before going to line 30.)

Total gains for all properties (add columns A through D, line 24)

Add columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and in Part II, line 13. (see the Instructions for Part IV if this is an installment sale)

Subtract line 31 from line 30. Enter the portion from casualty and theft on Form 4684, Section B, line 15. Enter the portion from other than casualty and theft on Form 4797, Part I, line 5

IV Complete This Part Only If You Elect Out of the Installment Method and Report a Note or Other Obligation Less Than Full Face Value

Check here if you elect out of the installment method

Enter the face amount of the note or other obligation

Enter the percentage of valuation of the note or other obligation

Computation of Recapture Amounts Under Sections 179 and 280F When Business Use Drops to 50 (See Instructions for Part V.)

1 (a) Section 179 (b) 1

TAXES

DESCRIPTION	PER BOOKS	ADJUSTMENTS	PER TAX
NC PROPERTY	28,944,232		28,944,232
NC CITY LICENSE	92,921	(71,547)	21,374
NC CITY CHAIN STORE	5,830		5,830
NC FRANCHISE	73,567,947	(32,878)	73,535,069
NC INTANGIBLES	2,247	83,795	86,042
NC INDUSTRIAL COMMISSION	200,276		200,276
NC UNEMPLOYMENT	128,596		128,596
NC INCOME	22,592,817	6,403,285	28,996,102
SC PROPERTY	23,437,520	1,527,480	24,965,000
SC CITY, BUS, CHAIN STORE LICENSE	6,921,892		6,921,892
SC FRANCHISE	4,772,717		4,772,717
SC KILOWATT HOUR	4,175,462		4,175,462
SC PUBLIC SERVICE	1,004,929		1,004,929
SC GREENWOOD	1,224		1,224
SC INDUSTRIAL COMMISSION	256,175		256,175
SC UNEMPLOYMENT	491,401		491,401
SC INCOME	8,093,335	2,565,112	10,658,447
FED. INCOME TAX	188,935,327	(188,935,327)	0
FED. SOCIAL SECURITY	36,688,750		36,688,750
FED. HIGHWAY USE	51,850		51,850
FED. UNEMPLOYMENT	883,706		883,706
OTHER TAXES	11,989,454	(11,234,448)	755,006
TAXES CAPITALIZED ON NON-TRANSITION PROPERTY		(697,314)	(697,314)
TAXES CAPITALIZED ON TRANSITION PROPERTY		11,094,449	11,094,449
TOTAL	413,238,608	(179,297,393)	233,941,215

shown on return
Power Company

56-0205520

activity to which this form relates

Utility

Depreciation (Use Part III for automobiles, certain other vehicles, computers, and property used for entertainment, recreation, or amusement.)

Section A.—Election To Expense Depreciable Assets (Section 179)

(a) Description of property	(b) Date placed in service	(c) Cost	(d) Expense
		0	
		0	

ed property—Enter total from Part III, Section A, column (h).

if (add lines 1 and 2, but do not enter more than \$10,000)

er the amount, if any, by which the cost of all section 179 property placed in service during this tax year is e than \$200,000

tract line 4 from line 3. If less than zero, enter zero. (See instructions for other limitations.)

Section B.—Depreciation

(a) Class of property	(b) Date placed in service	(c) Basis for depreciation (Business use only—see instructions)	(d) Recovery period	(e) Method of figuring depreciation	(f) Deduction
Modified Accelerated Cost Recovery System (MACRS) (see instructions): For assets placed in service ONLY during tax year beginning in 1988					
3-year property		646,722 less: capital & deferred portion	3	DDB	
5-year property		191,818,84 less: capital & deferred portion	5	DDB	38 (1.
7-year property		26,065,810	7	DDB	3
10-year property			10	DDB	
15-year property		31,149,329	15	150%	1
20-year property		291,909,298	20	150%	10
Residential rental property	Schedule				
Nonresidential real property	Attached	24,586,666	31½	S/L R.C.	
Alternative Depreciation System (ADS)					

ed property—Enter total from Part III, Section A, column (g).

MACRS deduction for assets placed in service prior to 1988 (see instructions)

Section C.—ACRS and/or Other Depreciation

property subject to section 168(f)(1) election (see instructions)

MACRS and/or other depreciation (see instructions)

Section D.—Summary

total (add deductions on lines 5 through 11). Enter here and on the Depreciation line of your return (Partnerships and S corporations—Do NOT include any amounts entered on line 5.)

For assets above placed in service during the current year, enter the portion of the basis attributable to section 263A costs. (see instructions).

Amortization

(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Code section	(e) Amortization period or percentage	(f) Amount for this year
Amortization for property placed in service only during tax year beginning in 1988					

Consolidated 1988 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Class Life Asset Depreciation Range System

<u>et</u> <u>line</u> <u>ss</u>	<u>Cost or other basis of</u> <u>property in service at the</u> <u>end of the year</u>	<u>Total CLADR depre-</u> <u>ciation this year</u>	<u>Reserve for dep:</u> <u>ciation at end of</u> <u>(excludes proceed:</u> <u>retirements)</u>
10	\$ 6,050,135	\$ 23,692	\$ 6,525,530
20	4,434,656	0	11,500,280
30	2,752,669	0	3,203,140
30	485,264	0	525,310
10	112,293,417	3,439,566	70,530,520
20	406,701,668	7,032,647	398,708,390
21	193,477,768	0	193,477,760
30	435,701,990	14,754,922	383,829,220
40	925,192,201	37,067,824	780,253,910
00	<u>4,911,681</u>	<u>140,901</u>	<u>2,704,750</u>
tal	<u>\$2,092,001,449</u>	<u>\$62,459,552</u>	<u>\$1,851,258,860</u>

Section 167(a)11 Election

yer elects to compute depreciation on the Class Life Asset Depreciation Rang
m for the Tax Year 1988 in accordance with Section 1.167(a)11 of the regulat

Consolidated 1988 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Class Life System Depreciation

<u>Asset Description</u>	<u>Unadjusted Basis Year Ending 1988</u>	<u>Salvage Value</u>	<u>Accumulated Depreciation Beginning Year</u>	<u>Current Depreciation</u>	<u>Depreci Reserve B Year Endi</u>
110	\$ 2,224,629	\$	\$ 2,207,072	\$ 0	\$ 2,2
120	6,167,585		6,167,585	0	6,1
130	1,078,994		1,078,994	0	1,0
110	99,953,790	1,964,944	84,585,632	1,960,552	86,5
130	534,480,223	7,418,666	477,658,619	7,076,552	484,6
140	917,500,937	12,628,003	796,588,404	11,908,267	811,0
100	11,420,459	208,128	6,059,122	204,188	6,2
110	<u>12,489,401</u>	<u>250,908</u>	<u>7,912,094</u>	<u>249,274</u>	<u>8,1</u>
Total	<u>\$1,585,316,018</u>	<u>\$22,470,649</u>	<u>\$1,382,257,522</u>	<u>\$21,398,833</u>	<u>\$1,406,0</u>

Section 167(a)12 Election

taxpayer elects to compute depreciation on the Class Life System for the Tax
1988 in accordance with Section 1.167(a)12 of the regulations.

Statement Attached To And Made Part Of
Consolidated 1988 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Modified Accelerated Cost Recovery System
Current Year Additions For 31.5 Year Real Property

<u>Asset Baseline Class</u>	<u>31.5 Year Real</u>	<u>Month Of Addition</u>	<u>Cost Or Other Basis</u>	<u>Current Depreciation</u>
.013	31.5	Jan.	\$	\$
	31.5	Feb.		
	31.5	Mar.		
	31.5	Apr.		
	31.5	May		
	31.5	June		
	31.5	July	4,148	60
	31.5	Aug.		
	31.5	Sept.	498,469	4,615
	31.5	Oct.		
	31.5	Nov.	3,425	14
	31.5	Dec.		
	31.5	Jan.	3	
	31.5	Feb.		
	31.5	Mar.		
	31.5	Apr.		
	31.5	May	45,842	910
	31.5	June		
	31.5	July		
	31.5	Aug.		
	31.5	Sept.	14,149	131
	31.5	Oct.	34,749	230
	31.5	Nov.	27,841	110
	31.5	Dec.		
128	31.5	Jan.	5	
	31.5	Feb.		
	31.5	Mar.	348,428	8,757
	31.5	Apr.		
	31.5	May		
	31.5	June		
	31.5	July	9,769	142
	31.5	Aug.		
	31.5	Sept.	18,584	172
	31.5	Oct.		
	31.5	Nov.		
	31.5	Dec.		

<u>Guideline Class</u>	<u>Year Real</u>	<u>Of Addition</u>	<u>Other Basis</u>	<u>Current Depreciation</u>
138	31.5	Jan.		
	31.5	Feb.		
	31.5	Mar.		
	31.5	Apr.		
	31.5	May	922,548	18,304
	31.5	June		
	31.5	July	27,675	403
	31.5	Aug.		
	31.5	Sept.		
	31.5	Oct.		
	31.5	Nov.		
	31.5	Dec.		
49.139	31.5	Jan.		
	31.5	Feb.		
	31.5	Mar.		
	31.5	Apr.		
	31.5	May		
	31.5	June		
	31.5	July		
	31.5	Aug.		
	31.5	Sept.		
	31.5	Oct.		
	31.5	Nov.		
	31.5	Dec.		
65.000	31.5	Jan.	89,240	2,716
	31.5	Feb.	589,478	16,374
	31.5	Mar.	2,013,442	50,602
	31.5	Apr.	-	-
	31.5	May	681,026	13,514
	31.5	June	761	13
	31.5	July	224,097	3,261
	31.5	Aug.	19,065	227
	31.5	Sept.	5,145,525	47,644
	31.5	Oct.	788,509	5,216
	31.5	Nov.	714,596	2,837
	31.5	Dec.	12,365,292	16,358
Total 31.5 Year Real			\$24,586,666	\$ 192,610

STATEMENT ATTACHED TO FORM 990 FILED IN
Consolidated 1988 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Schedule of Other Income	Per Books	Increase (Decrease) Taxable Income	Tax Basis
Regulatory Deferrals	25,250,659	(25,250,659)	0
Miscellaneous	216,003	(109,986)	106,017
Other Income - 3 (PL10103)	0	0	0
Total Other Income	25,466,662	(25,360,645)	106,017

Schedule of Other Deductions	Per Books	Increase (Decrease) Taxable Income	Tax Basis
Electric	\$129,696,549	\$38,289,669	\$91,406,880
General & Administrative	65,120,747	5,337,665	59,783,082
Water	353,085	(28,547)	381,632
Transit	376,404	(6,234)	382,638
Merchandising	2,888,358	0	2,888,358
Other	88,734,030	148,348,686	(59,614,656)
Other Deductions - 7 (PL26D07)	0	0	0
Total Other Deductions	\$287,169,173	\$191,941,239	\$95,227,934

Consolidated 1988 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Balance Sheet	Beginning of Year	End of Year
1 Cash	\$56,559,586	\$78,901,542
2 Trade Notes & Accounts Receivable	335,429,710	460,644,130
2a Less: Allowance for Bad Debts	(3,709,568)	(3,689,996)
2b Net Notes & Receivables	331,720,142	456,954,134
3 Inventories	248,824,245	253,026,570
4 Government Obligations - US	0	0
4a Government Obligations - State	0	0
5 Other Current Assets	15,321,471	14,272,024
6 Loans to Stockholders	0	0
7 Mortgage & Real Estate Loans	0	0
8 Other Investments	425,617,089	229,299,564
9 Building & Other Depreciable Assets	10,822,045,129	11,745,573,299
9a Less: Accumulated Depreciation	(3,868,748,977)	(4,333,228,255)
9b Net Building & Depreciable Assets	6,953,296,152	7,412,345,044
10 Depletable Assets	0	0
10a Less Accumulated Depletion	0	0
10b Net Depletable Assets	0	0
11 Land (Net of Amortization)	0	0
12 Intangible Assets (Amortizable)	0	0
12a Less: Accumulated Amortization	0	0
12b Net Intangible Assets	0	0
13 Other Assets	826,219,237	746,618,321
14 Total Assets	\$8,857,557,922	\$9,191,417,199
Liabilities and Stockholders Equity		
15 Accounts Payable	\$198,012,195	\$264,989,920
16 Mortgages, Notes, Bonds Payable (less than 1 year)	59,579,102	4,747,957
17 Other Current Liabilities	167,436,525	151,930,911
18 Loans from Stockholders	0	0
19 Mortgages, Notes, Bonds Pay (more than 1 year)	2,739,890,009	2,783,575,623
20 Other Liabilities	1,764,494,622	1,850,217,814
21a Capital Stock Preferred	691,875,600	691,557,800
21b Capital Stock Common	1,862,177,338	1,862,495,514
21 Total Capital Stock	2,554,052,938	2,554,053,314
22 Paid in or Capital Surplus	0	0
23 Retained Earnings - Appropriated	0	0
24 Retained Earnings - Unappropriated	1,374,092,531	1,581,901,660
25 Less Cost of Treasury Stock	0	0
26 Total Liabilities & Stockholders' Equity	\$8,857,557,922	\$9,191,417,199

OTHER CURRENT ASSETS

DESCRIPTION	DEBIT (CREDIT)
LOAN ASSISTANCE	1,986,904
PREPAYMENTS	12,123,483
INTEREST RECEIVABLE	161,637
TOTAL	14,272,024

OTHER ASSETS

DESCRIPTION	DEBIT (CREDIT)
DEFERRED TAXES	23,731,322
EXTRAORDINARY PROPERTY LOSSES	296,268,551
UNAMORTIZED DISCOUNTS ON DEBT	4,578,932
PRELIMINARY SURVEY & INVESTIGATION	9,759,100
UNAMORTIZED LOSS ON REACQUIRED DEBT	71,256,249
CLEARING	219,171
OTHER	340,804,996
TOTAL	746,618,321

OTHER INVESTMENTS

DESCRIPTION	DEBIT (CREDIT)
NATAHALA	30,178,299
WATEREE POWER	1,000
MILL POWER	9,567,437
CRESCENT LAND & TIMBER	94,946,518
EASTOVER LAND AND MINING	6,353,570
WESTERN FUEL	500
CHURCH STREET CAPITAL CORP	53,829,911
N V SUB	0
LEE ENGINEERING	5,964,069
ACCOUNTS PAYABLE	(18,902,379)
CASH SURRENDER VALUE	13,550,860
CATAWBA NOTES	33,562,751
OTHER	247,028
TOTAL	199,120,265

OTHER CURRENT LIABILITIES

DESCRIPTION	DEBIT (CREDIT)
CUSTOMER DEPOSITS	(10,886,531)
TAXES ACCRUED	(26,652,414)
INTEREST ACCRUED	(67,944,599)
OTHER	(46,447,368)
DIVIDENDS	1
	(151,930,911)

OTHER LIABILITIES

DESCRIPTION	DEBIT (CREDIT)
FEDERAL INVESTMENT TAX CREDIT	(331,644,589)
OTHER DEFERRED CREDITS	(75,159,305)
RESERVE FOR INJURIES & DAMAGES	(8,576,856)
DEFERRED TAXES	(1,401,980,782)
PROPERTY INSURANCE RESERVE	(30,582,947)
MISCELLANEOUS OPERATING RESERVES	(2,273,335)
	(1,850,217,814)

Return of Duke Power Company and Affiliates

Analysis of Unapportioned Retained Earnings

1	Balance at Beginning of Year	\$1,374,092,531
2	Net Income (Loss) per Books	550,379,815
	Other Increase	
3a	Other Increases	
3b	Increase to Unapportioned Retained Earnings	
3	Total Other Increases	0
4	Total of Lines 1,2, and 3	1,924,472,346
	Distributions	
5a	Cash	344,963,911
5b	Stock	
5c	Property	
5	Total Distributions	344,963,911
	Other Decreases	
6a	Tax Benefit of ESOP Dividend	(2,390,724)
6b	Capital Stock Transactions	(2,501)
6	Total Other Decreases	(2,393,225)
7	Total of Lines 5 and 6	342,570,686
8	Balance at End of Year (Line 4 less 7)	<u>\$1,581,901,660</u>

SCHEDULE F

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct to S.C. and Other States 3	Net Amounts Allocated Directly to S.C. 4	Payrolls to be Excluded from Payroll Factor 5
1. Interest not connected with business					
2. Dividends received	593		593		
3. Rents					
4. Gains/losses on real property	385,187		385,187		
5. Gains/losses on intangible pers. prop.					
6. Investment income directly allocated					
7. TOTAL INCOME DIRECTLY ALLOCATED			385,780		
8. INCOME DIRECTLY ALLOCATED TO S.C.					
9. TOTALS TO APPORTIONMENT FACTORS					

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE

1. Total net income as reconciled. Enter amount from line 3, Part I	1.
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
3. Total net income subject to apportionment (line 1 less line 2)	3.
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
5. Add: Income subject to direct allocation to S.C. from Schedule F, line 8	5.
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

SCHEDULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	
1. Land				
2. Buildings				
3. Machinery and Equipment				
4. Inventories				
5. Other Property				
6. Exclusions	<	>	<	>
7. TOTAL (add lines 1 - 5; subtract line 6)				
		1. Within S.C.	2. Total Everywhere	
8. Avg. of Beginning and Ending Period (add line 7a and b and divide by 2)				
9. Rental or Lease Value				
10. TOTAL Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)		3,735,571.536	10,779,295.079	
11. GROSS Payroll				
12. Less: Officers Compensation and Exclusions		<	>	
13. TOTAL Payroll (Col. 1 + Col. 2 and enter ratio in Col. 3)		2,343,718.6	714,465.846	
14. TOTAL Sales (Col. 1 + Col. 2 and enter ratio in Col. 3)		1,111,039.557	3,769,118.503	
15. TOTAL of Three Ratios (add Column 3 - lines 10, 13 and 14)				
16. Arithmetical Average of Three Ratios				

SCHEDULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere
1. Total Gross Receipts		
2. Less: Exclusion	<	>
3. Gross Receipts (for ratio)		
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)		

SCHEDULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount
1. Total Within South Carolina	
2. Total for System	

Return For
To:
MISSION
Box 125
SC 29214

Return For Income - December 31, 1988
Period Ending License - December 31, 1989

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

ADDRESS

RETURN DUE ON OR
BEFORE

Lower Company
South Church Street - P. O. Box 33189
Charlotte, North Carolina 28242

Business Code File Number

1120S AND SUPPORTING SCHE
MUST BE ATTACHED AND MADE F
THIS RETURN

Extension Requested: Yes ☒ No ☐

Type of SC Return: Separate ☒
Consolidated ☐

If Final Return, Indicate Whether: Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn ☐

County in SC Where Property is located:
Schedule Attached

Did any of the corporations in this Return
property presumed abandoned under C
Title 27 of the South Carolina Code of Li
yes ☒ no ☐

City Audit Location
Charlotte, NC

Telephone Number: 704-373-420

COMPUTATION OF INCOME TAX LIABILITY

Ordinary Income (loss) Per Federal Form 1120, 1120A or 1120S	1.	650.7
Amount from line 12, Schedule A and B	2.	258.51
Income As Reconciled (line 1 plus or minus line 2)	3.	2
State Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	4.	2
Distribution to shareholders of S corporation	5.	<
Rollina Net Income subject to tax (line 4 less line 5)	6.	2
Multiply amount on line 6 by .055 (5.5%)	7.	8
Nonrefundable credits from line 5, Schedule C	8.	8
(line 7 less line 8) enter the difference but not less than zero.	9.	8
Tax Withheld (attach Form W-2) (b) Paid by Declaration		
(c) Paid with Tentative Return 9 (d) Credit from line 23b		9
Payments (add lines 10a through 10d)	11.	9
Net Tax Due (line 9 less line 11)	12.	
Contribution: Check for Wildlife Fund Children's Trust Fund	13.	
Due Penalty Due (See instructions for penalty and interest.)	14.	
INCOME TAX, Interest, Penalty, and Contribution Due (add lines 12 through 14)	15.	1
MENT (line 11 less line 9) To be applied as follows:		
ated Tax (b) License Fee (c) Refunded 10		
k for Wildlife Fund (e) Children's Trust Fund		

COMPUTATION OF LICENSE FEE

License Fee Due from Schedule J, line 9, on page 5	17.	4.1
Payments: (a) Paid with Tentative Return 4,686,841 (b) Credit from line 16b		
Payments (add line 18 (a) and (b))	19.	4.1
Of Fee Due (line 17 less line 19)	20.	
Due Penalty Due (See instructions for penalty and interest.)	21.	
LICENSE FEE, Interest and Penalty Due (add lines 20 and 21)	22.	
MENT (line 19 less line 17) To be applied as follows:		
ated Tax (b) Income Tax (c) Refunded		
TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 15 and 22)	24.	

Make checks payable to: South Carolina Tax Commission.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accounts and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

4. _____
ditions (attach schedule) 5. _____
ditions (add lines 1 through 5) 6. _____

DEDUCTIONS FROM FEDERAL NET INCOME

On Obligations Of The U.S. 7. _____
..... 8. _____
..... 9. _____
ductions (attach schedule) 10. _____
ductions (add lines 7 through 10) 11. _____
stment (line 6 less line 11) Also enter on line 2, Part I, SC1120 12. _____

ULE C

NON-REFUNDABLE TAX CREDITS

arryover From Previous Year 1. _____
Drip/Trickle Irrigation System (TC-1) 2a. _____
Minority Business (TC-2) b. _____
Water Resources (TC-3) c. _____
South Carolina New Jobs Credit (TC-4) d. _____
Scenic Rivers (TC-5) e. _____
Infrastructure Construction or Improvement (TC-6) f. _____
Palmetto Seed Capital (TC-7) g. _____
Corporate Headquarters Income Tax Application (TC-8) h. _____
redits (add lines 1 and 2a through h) 3. _____
7, Part I, SC1120U) 4. _____
4 line 3 or 4 (enter on line 8, Part I, SC1120U) 5. _____
arryover (line 3 less line 5) 6. _____

III E D

ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

under the Laws of the State of North Carolina on 11-27-63
in Corporation, the date qualified to do business in the State of South Carolina is 2-24-63
of the Registered Office of the Corporation in the State of South Carolina is 84 Villa Road in the City of Greenv
red Agent at such address is John F. Lomax
name of the Corporation changed during the year? _____ Give old name _____
mmenced business in the state of South Carolina was 1963
of principal office in S.C. 84 Villa Road Greenville, South Carolina
of principal business in S.C. Electric Utility
poration's books are in the care of David L. Hauser, Controller
at 422 South Church St. Charlotte, NC 28242

on Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of
South Carolina? N/A

consolidated, complete and attach Schedule I listing name, address and affiliation of all Corporations.

essional corporation are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) c
tice the professional services engaged in by the corporation? _____

al number of authorized shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
150,000,000	No Par	Common

al number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as

Number of Shares	Class	Series
101,272,023	No Par	Common

al amount of stated capital per balance sheet is :

aid in Capital Stock \$ 2,554,053.314
d in Capital Surplus \$ _____
ount of stated Capital \$ 2,554,053.314

mes and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporati

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct to S.C. and Other States 3	Net Amounts Allocated Directly to S.C. 4	Payrolls to be Excluded from Payroll Factor 5	P to Be from 1
not connected with business						
ds received						
sses on real property						
sses on intangible pers. prop.						
ent income directly allocated						
INCOME DIRECTLY ALLOCATED						
E DIRECTLY ALLOCATED TO S.C.						
S TO APPORTIONMENT FACTORS						

Net income as reconciled. Enter amount from line 3, Part I	1.
Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
Net income subject to apportionment (line 1 less line 2)	3.
Amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
Income subject to direct allocation to S.C. from Schedule F, line 8	5.
C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
Land				
Buildings and Equipment				
Other Assets				
Liabilities				
Net Worth				
Notes	< Schedule >	< >	< Schedule >	< >
(add lines 1 - 5; subtract line 6)	Attached		Attached	
		1. Within S.C.	2. Total Everywhere	3. Ratio
Beginning and Ending Period (add line 7a and b and divide by 2)				
or Lease Value				
Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
Payroll				
Officers Compensation and Exclusions				
Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
Sales (Col. 1 + Col. 2 and enter ratio in Col. 3)				
of Three Ratios (add Column 3 - lines 10, 13 and 14)				Schedule
Arithmetic Average of Three Ratios				Attached

	1. In South Carolina	2. Total Everywhere	3. Ratio
Gross Receipts			
Exclusion	< >	< >	
Receipts (for ratio)			
Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			

	Amount	Rate

Line 1 x .001	2.	
	Total System (A)	Intrast South Ca (B)
Revenues. (Itemize):		
	\$	\$
Operating Revenues	4.	\$
Receipts. (Itemize):	5.	\$
Other Receipts	6.	\$
Gross Receipts (Add Lines 4 and 6)	7.	
(Line 7, Column B x .003)	8.	\$ Sched.
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 17 Part II, Page 1)	9.	\$ Attach

Carolina Code Section 12-19-100

the license fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of one mill dollar of the fair market value of property as determined by the South Carolina Tax Commission for property in the preceding accounting period, owned and used within South Carolina in the conduct of the business of a utility company, express company, street railway company, navigation company, waterworks company, power company, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

Carolina Code Section 12-19-110

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of what kind, there shall be an annual license fee of three mills upon the gross receipts derived from services rendered from regulated business during the calendar year next preceding by every railroad company, express company, street railway company, waterworks company, power company, distribution electric cooperative, light company, gas company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, express car company, and all other privately operated car lines. However, where a consolidated return pursuant to Section 17-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' shall mean the gross receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by this chapter shall file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

Carolina Code Section 12-19-120

Where the license fee provided by Sections 12-19-100 and 12-19-110 be less than twenty-five dollars for any year, the license fee shall be twenty-five dollars.

The license fees are due on or before the fifteenth day of the third month next after the preceding income year.

The license fee cannot be less than twenty-five dollars (\$25.00).

INSTRUCTIONS

Use Form 120 instructions if Public Utilities 'C' Corporation.

Use Form 1120S instructions if Public Utilities 'S' Corporation.

Company

Li turn - Part I
INCOME TAX LIABILITY

per Federal return
ents

550,709,741
25,450,157

ncome as reconciled
line 6, Sched G
ryover

2
7
0

Net Income

5.50% 7
8

ferred on foreign income

0
8

Schedule C-Line 5
Tax Due

0
8

on DISC
Interest

n
8...

erlaration
tentative return
on line 28
ents

0
0
9
0
9

tax due

0

ue

0

on

0

0

0

overpayment

1.0

o Estimate

ee

0
10

Wildlife Fund

0

s Trust Fund

0

LICENSE FEE

tal and Paid in Surplus

0

0.001 + \$5.00

4,686,841

.cation of Corp Hdq Credit

0

4,686,841

ative return

4,686,841

on line 20a

0

ents

4,686,841

pany

Additions

measured by income

0

terest

ESOP

ns

0

ns

25,850,557

SEE ATTACHED
ADIT ADJ-5m

Deductions

lit

> Basis for ITC

lit

: depreciation

ions

st

over from Previous Year

0

Irrigation System

0

iness

0

oes

0

Credit

0

s

0

re Construction

0

d capital

0

come Tax Application

0

s

0

ne 3 or 4

0

ver

0

Company

Value of Property owned in SC	1,399,431,681
	1,399,432
Gross Receipts (schedule attached)	1,095,802,870
(B)	3,287,409
se Fee	4,686,841

	1 Gross	2 Related	3 Net	4 Net to SC
connected with business	0	0	0	0
received	0	0	0	0
uses on real property	385,187	0	385,187	0
uses on intangible persona	0	0	0	0
Income directly allocated	0	0	0	0

INDIRECTLY ALLOCATED
DIRECTLY ALLOCATED TO SC

3 ///////////////
0

APPORTIONMENT FACTORS

n/a n/a n/a n/a

Income as reconciled
subject to direct allocation to SC
Income subject to apportionment
le to SC by appropriate ratio
subject to direct allocation to SC
t Income

2
3
4
7
0
7

1

w/i state Everywhere Factor Weight

6 6 5 1
5

pany

0

0

imate

0

de Tax

0

and

0

1 LICENSE FEE DUE

0

Duke Power Company

Calculation for	Within the STATE (1)		Everywhere (2)		Percentage Factors
	Beginning	Ending	Beginning	Ending	
	3,563,763,115	3,747,249,599	10,089,952,916	10,403,221,555	
	16,905,235	17,891,795	30,286,256	31,416,916	
	485,270	662,448	3,161,344	3,040,078	
Supplies	54,672,395	53,089,069	240,567,884	243,799,138	
	1,618,231	1,831,770	11,143,120	13,436,454	
	0	0	0	0	
Assets	3,637,444,246	3,820,724,681	10,375,111,520	10,694,914,141	
Debt Assets		3,729,084,464		10,535,012,831	
8		6,487,072		244,282,248	
Property & Rents		3,735,571,536		10,779,295,079	34.6551%
Factor		254,457,490		714,465,846	35.6151%
Factor (See separate Schedule)		1,111,039,557		3,684,797,675	30.1520%
of Percentages					100.4221%
Proportionment Percentage					33.4740%

Statement Attached To and Made Part of
1988 South Carolina Income Tax Return

Statement of Regulated Gross Receipts

	Total	South Carolina	Other
Electric Revenues	\$3,626,130,390	\$1,090,868,593	\$2,535,261,797
Water Revenues	6,994,467	4,565,325	2,429,142
Bus Revenues	1,879,295	368,952	1,510,343
	<u>\$3,635,004,152</u>	<u>\$1,095,802,870</u>	<u>\$2,539,201,282</u>

NO. 9	Return for the Period Ending DEC 1988	1. Tentative Tax Based on Net Income	<u>11,100,000</u>
5520	Return extended to <u>9-15-89</u>	2. LESS: Estimated Tax Payments	<u>11,700,000</u>
NO. <i>L. D. V. Keefe</i>	DATE <u>3/9/89</u>	3. Tentative Tax Due	► <u>(600,000)</u>
ER COMPANY 33189 E NC 28242		4. Total Capital and Paid in Surplus x .001 plus \$5.00 but not less than \$15.00 Tentative License Fee	► <u>4,686,841</u>
		5. Balance Remitted Herewith	<u>4,086,841</u>

CORPORATION DECLARATION OF ESTIMATED INCOME TAX

01	DUE DATE MAR 15 1989	A. Estimated tax for the current accounting year.
☐ in this form with check or money order payable to:		\$ <u>11,200,000</u>
☐ SOUTH CAROLINA TAX COMMISSION		B. Overpayment from last year credited to estimated tax for this year
NO. 124-9	<i>L. D. V. Keefe</i> (SIGNATURE OF DULY AUTHORIZED OFFICER OR TAXPAYER)	\$ <u>-0-</u>
5520	DATE <u>3/9/89</u>	
NO.	For accounting period ending DEC 1989	
ER COMPANY 33189 E NC 28242		1. Amount of this installment <u>2,800,000.00</u>
		2. Amount of overpayment credit applied to this installment (See instruction)
		3. Amount of this installment payment (line 1 less line 2) ► <u>2,800,000.00</u>

0090024 9 1289 0807 0020090024 9 1289

Statement Attached to and Made Part of
1988 South Carolina Income Tax Return

Counties in South Carolina Where Property is Located

Abbeville

Aiken

Anderson

Cherokee

Chester

Fairfield

Greenville

Greenwood

Kershaw

Lancaster

Laurens

McKormick

Newberry

Oconee

Pickens

Saluda

Spartanburg

Union

York

1980 South Carolina Corporation Income Tax Return

<u>Function</u>	<u>Vintages</u>	<u>Federal CLADR & ACRS Tax Depreciation</u>	<u>S.C. Tax Depreciation</u>	<u>(</u>
Furniture & fixtures	71-82	\$ 23,692	\$ 85,284	\$
EDP Equipment	71-82	-0-	22,096	
Dispatch and other Computers	71-82	-0-	1,101	
Data handling equip.	71-82	-0-	2,056	
Buses	81	-0-	-0-	
Other general plant	81-82	-0-	334,989	
Hydro	71-84	3,687,830	3,990,849	
Hydro-structures	81;83-84	52,089	52,089	
Nuclear	73-84	118,903,121	120,276,057	(
Nuclear fuel	74;76-82	-0-	157,120	
Nuclear-structures	81-84	2,234,625	2,234,625	
Steam	70-84	16,791,661	20,720,034	(
Other production	71-80	529,764	663,218	
Steam-structures	82-84	61,464	61,464	
Transmission	71-84	25,624,746	27,348,088	(
Distribution	71-84	48,657,212	54,584,042	(
Combustion turbines	81;83-84	4,696	4,696	
Water	71-84	839,022	887,735	
Structures	81-84	<u>1,709,899</u>	<u>1,709,899</u>	<u>—</u>
		<u>\$219,119,821</u>	<u>\$233,135,442</u>	<u>\$(1</u>

Depreciation on the Federal return was computed using Section 1.167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980 depreciation was computed under

Statement Attached to and Made Part of
Consolidated 1988 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Line #	Description	Per Books	Increase (Decrease) Taxable Income	Tax Basis
1a	Gross Receipts or Gross Sales	3,841,919,988	(134,078,445)	3,707,841,543
1b	Less Returns and Allowances	0	0	0
1c	Net Sales	3,841,919,988	(134,078,445)	3,707,841,543
2	Cost of Goods Sold	1,558,435,133	187,623,704	1,370,811,429
3	Gross Profit	2,283,484,855	53,545,259	2,337,030,114
4	Dividends	19,034,390	(19,033,797)	593
5	Interest	76,960,722	(74,843,489)	2,117,233
6	Gross Rents	0	0	0
7	Gross Royalties	0	0	0
8	Net Capital Gain (loss)	459,857	(74,670)	385,187
9	Net Gain or (Loss)	0	(6,330,567)	(6,330,567)
10	Other Income (Schedule Attached)	25,466,662	(25,360,645)	106,017
11	Total Income	2,405,406,486	(72,097,909)	2,333,308,577
DEDUCTIONS				
12	Compensation of Officers	5,319,592	0	5,319,592
13a	Salaries and Wages	133,805,301	0	133,805,301
13b	Less JOBS Credit	0	2,400	2,400
13c	Net Salaries and Wages	133,805,301	2,400	133,802,901
14	Repairs	385,599,134	(25,462,476)	411,061,610
15	Bad Debts	8,766,801	1,423,303	7,343,498
16	Rents	3,901,720	(746,170)	4,647,890
17	Taxes (Schedule Attached)	413,238,608	179,297,393	233,941,215
18	Interest	238,381,137	16,326,858	222,054,279
19	Contributions	499,047	0	499,047
20	Depreciation	308,797,324	(279,652,377)	588,449,701
21a	Less: Depreciation Claimed in Sch A	0	0	0
21b	Net Depreciation	308,797,324	(279,652,377)	588,449,701
22	Depletion	0	0	0
23	Advertising	2,905,282	0	2,905,282
24	Pension, Profit-Sharing Plans	36,909,584	7,702,516	29,207,068
25	Employee Benefit Programs	29,733,968	(14,677,583)	44,411,551
26	Other Deductions (Schedule Attached)	287,169,173	191,941,239	95,227,934
27	Total Deductions	1,855,026,671	76,155,103	1,778,871,568

Statement Attached to and Made Part of
Consolidated 1988 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Explanation of Tax Adjustments	Income Increase (Decrease)
Gross Receipts	
Contributions in Aid of Construction	2,620,950
Reversal of Book Accrual for Catawba Monthly Billing	(8,612,637)
Unbilled Revenues Booked in 1988	(166,767,292)
Difference in Book and Tax Method for Unbilled Revenues	2,239,745
Unbilled Revenues - Section 481 Adjustment	36,440,789
Total Gross Receipts	(134,078,445)
Cost of Goods	
Coal Inventory Adjustment	(10,413,048)
Western Fuel Amortization	1,868,770
Book Over Tax - Obsolete Inventory	439,298
Book Nuclear Fuel Burn-up Expense	195,728,684
Total Cost of Goods	187,623,704
Dividend Income	
Increase in Equity of Subsidiaries	(19,033,797)
Total Dividend Income	(19,033,797)
Interest Income	
Tax-Exempt Interest	(2,624,302)
AFUDC Interest	(68,025,299)
Tax-Exempt Interest from Catawba Buyers	(315,006)
WCEMC & Saluda River Imputed Interest	(3,996,558)
NC Loan Assistance Reserve	117,676
Total Interest Income	(74,843,489)
Capital Gain (Loss)	

Explanation of Tax Adjustments	Income Increase (Decrease)
Total Capital Gain (Loss)	(74,670)
n (Loss) on Assets	
1989 Tornado Disaster Losses under Section 165(i)	(7,353,343)
Marshall Fire Loss	(1,982,081)
Gain on Disposition of Depreciable Assets	3,004,857
Total Gain (Loss) on Assets	(6,330,567)
per Income	
Gain on Life Insurance	(109,986)
Return on Purchased Capacity	(25,250,659)
Total Other Income	(25,360,645)
To Reduce Salaries & Wages for Targeted Jobs Credit	2,400
Total WIN	2,400
repairs & Maintenance	
Book contingency for Marshall Fire Loss	2,265,776
Repair Allowance for Pre-ACRS Assets	(21,728,252)
Total Repairs & Maintenance	(25,462,476)
Bad Debt Expense	
Bad Debts - Section 481 Adjustment	1,442,120
Tax Over Book Expense of Bad Debts	(18,817)
Total Bad Debt Expense	1,423,303
al Charges	
Paid on Tax Capitalized Leases	(746,170)

Explanation of Tax Adjustments

Increase
(Decrease)

Capitalized Property Taxes on Non-Transition Property	697,314	
Deductible Use Tax on Transition Property	(974,496)	
Hickory Franchise Tax	71,547	
Federal Income Taxes	188,935,327	
Eliminate Book Deduction for State Income Taxes	41,812,017	
To Adjust for Gasoline Tax Credit	108,583	
Deductible Overheads on Transition Property	(10,119,953)	
Tax Over Book - North Carolina Intangibles Tax	(83,795)	
Tax Over Book - South Carolina Property Tax	(1,527,480)	
Book Over Tax - North Carolina Franchise Tax	32,878	
State Income Taxes	(39,654,549)	
Total Taxes		179,297,393

Interest Expense

Capitalized Interest on Self-Constructed Property	17,177,882	
Interest on Life Insurance Policies	(2,087,476)	
Tax-Exempt Interest on Unexpended Pollution Control Bond Fund	985,631	
Book Imputed Interest on Directors' Deferred Compensation Plan	250,821	
Total Interest Expense		16,326,858

Depreciation

Tax Over Book Depreciation	(279,652,377)	
Total Depreciation		(279,652,377)

Pension Plans

Book Over Tax Pension Expense	7,702,516	
Total Pension Plans		7,702,516

Benefit Plans

Employee Incentive Goals	(1,150,355)	
Book Over Tax - Severance, Vacation, Layoff Pay Accruals	2,327,036	
Capitalized Tax Basis Fringe Benefits	753,436	

Explanation of Tax Adjustments	Income Increase (Decrease)
Total Benefit Plans	(14,677,583)
ber Deductions	
Cost of Removal	(22,356,450)
Meals and Entertainment Disallowance	696,534
Amortization of TVR System	2,104,169
Supplemental Security Plan Benefits	(876,662)
Deferred Compensation Expense	5,980,949
Reserve for Durham Transit System	9,000,000
Reserve for Coley Creek	8,801,266
Catawba Arbitration Reserve	10,457,002
ESOP Dividend Distribution	(6,222,279)
Penalties	216,962
Life Insurance Expense	769,440
Provision for Deferred Income Taxes	(35,898,565)
Provision for Deferred Income Taxes	93,828,125
Book Deferral of Purchased Capacity	(70,487,326)
Catawba Deferrals	41,652,531
Injuries & Damages Reserve	(1,111,103)
Insurance Reserve	4,369,274
Bond Loss Amortization	3,183,093
Investment Tax Credit	(6,898,209)
Investment Tax Credit	(28,547)
Investment Tax Credit	(6,234)
Abandonment Loss	47,084,817
Book Deduction of Catawba Buyer's portion of Cherokee Cancellation Costs	34,914,103
Book Over Tax Retirement Plan Administrative Expense	29,404
Directors' SOP Plan	65,883
Book Over Tax Hedging Gains	(39,325)
Unrealized Hedging Losses Booked in 1988	1,125,375
Directors' Deferred Compensation Plan	82,806
To Adjust for Book Expenses on Sale of Employee Houses	707,067
Loss on NV Subsidiary	(177,622)
Unallowable Civic and Political Expenses	29,059
Recapture of ESOP Credits	(11,914)
Amortization of Capitalized Real Property Taxes	(31,492)
Amortization of Capitalized Interest on Real Property	(840,934)
NC Loan Assistance Reserve	497,800
Book Amortization of Acquisition Adjustment	377,112
Amortization of Cherokee Cancellation Costs	69,722,664
Costs Associated with Relocated Employees' Real Estate	458,743
Mill Power Profit Elimination	358,438
Deferral of Startup Expenses	425,902

RETURN OF DUKE POWER COMPANY AND AFFILIATES

COST OF GOODS SOLD

DESCRIPTION	PER BOOK	ADJUSTMENT	PER TAX
PURCHASE POWER	657,660,720		657,660,720
STEAM	43,102,005		43,102,005
NUCLEAR	136,195,496		136,195,496
HYDRO	8,030,415		8,030,415
COMBUSTION TURBINE	566,400		566,400
TRANSMISSION	16,298,944		16,298,944
DISTRIBUTION	43,094,785		43,094,785
WATER	1,653,792		1,653,792
FUEL	626,458,806	(187,184,406)	439,274,400
TRANSIT	374,407		374,407
MERCHANDISE	24,799,765		24,799,765
OTHER	199,598	(439,298)	(239,700)
	<u>1,558,435,133</u>	<u>(187,623,704)</u>	<u>1,370,811,429</u>

Short-Term Capital Gains and Losses—Assets Held One Year or Less **(Six months or less if acquired before 1/1/88)**

(a) Property and description (100 shares of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Cost or other basis, plus expense of sale	(f) Gain (or loss)
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	

Short-term capital gain from installment sales from Form 6252, line 22 or 30

2

Unused capital loss carryover (attach computation)

3

Net short-term capital gain or (loss)

4

Long-Term Capital Gains and Losses—Assets Held More Than One Year **(More than six months if acquired before 1/1/88)**

Sale of Land			0	0	
Details in Taxpayer's Files			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	

Long-term capital gain from Form 4797, line 7 or 9

6

Long-term capital gain from installment sales from Form 6252, line 22 or 30

7

Net long-term capital gain or (loss)

8

Summary of Parts I and II

Enter excess of net short-term capital gain (line 4) over net long-term capital loss (line 8)

9

Net capital gain. Enter excess of net long-term capital gain (line 8) over net short-term capital loss (line 4)

10

Total of lines 9 and 10. Enter here and on Form 1120, line 8, page 1; or the proper line on other returns

11

Note: If losses exceed gains, see instructions on capital losses for explanation of capital loss carrybacks.

Instructions

For instructions, see the Internal Revenue Code unless otherwise noted.)

Purpose of Form

Schedule D should be used by a taxpayer whose tax year begins in 1988 and files either Forms 1120, 1120-A, 1120-EF, 1120-IC-DISC, 1120F, 1120-1120-H, 1120L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 990-C, 990-T, to report sales or exchanges of capital assets. Sales or exchanges of property other than capital assets, including property used in a trade or business, are reported on other

geothermal property, and the section 291 adjustment to section 1250 gains should be reported on Form 4797, Sales of Business Property. See the instructions for Form 4797 for more information.

If property is involuntarily converted because of a casualty or theft, use Form 4684, Casualties and Thefts.

Parts I and II

Generally, a corporation should report sales and exchanges, including "like-kind" exchanges, even though there is no gain or loss. No loss is allowed for a wash sale of stock or securities or from a transaction between related persons (sections 1091 and 267).

In Part I, report the sale or exchange of capital assets held one year or less. In Part II, report the sale or exchange of assets held more than one year. Property acquired before January 1, 1981, has a holding period of 6 months.

What Are Capital Assets?—Except for property the corporation held (1) not connected with its trade or business, and (2) a capital asset except:

1. Assets that can be inventoried and are held mainly for sale to customers.
2. Depreciable or real property used in a trade or business.
3. Certain copyrights; literary, musical, or artistic compositions; letters or memoranda; or similar works; and

is shown on return

e Power Company

56-0205

Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty and Theft—Property Held More Than 1 Year (More Than 6 Months If Acquired Before 1/1/81)

the gross proceeds from the sale or exchange of real estate reported to you for 1988 on Form(s) 1099-S (or other equivalent statement) that you will be including on lines 2 or 10 (column d), or on line 20. (Form 1099-S is a statement for Recipients of Proceeds From Real Estate Transactions.)

2

Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed (or allowable) since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) LOSS ((f) minus the sum of (d) and (e))	(h) ((d) minus (e))
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	

1, if any, from Form 4684, Section B, line 21

tion 1231 gain from installment sales from Form 6252, line 22 or 30

1, if any, from Part III, line 32, from other than casualty and theft.

lines 2 through 5 in columns (g) and (h).

combine columns (g) and (h) of line 6. Enter gain or (loss) here, and on the appropriate line as follows (partnerships see the instructions for line references):

line 7 is zero or a loss, enter the amount on line 11 below and skip lines 8 and 9. (S corporations enter the loss on Schedule K (Form 1120S), line 5.) If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain as a long-term capital gain on Schedule D and skip lines 8, 9, and 12 below.

recaptured net section 1231 losses from prior years (see instructions)

14,

line 8 from line 7. If zero or less, enter zero

line 9 is zero, enter the amount from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below, and amount from line 9 as a long-term capital gain on Schedule D. See Specific Instructions for line 9.

Ordinary Gains and Losses

Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed (or allowable) since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) LOSS ((f) minus the sum of (d) and (e))	(h) ((d) minus (e))
Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less) (6 months or less if acquired before 1/1/81)							
Fastener Loss			0	0	0	0	
Partial Fire Loss			0	0	0	(7,353,343)	
Depreciable Property			0	0	0	(1,982,081)	
			0	0	0	0	3
			0	0	0	0	
			0	0	0	0	
			0	0	0	0	

5, if any, from line 7.

6, if any, from line 7, or amount from line 8 if applicable

7, if any, from line 31, Part III

8, gain or (loss) from Form 4684, Section B, lines 13 and 20a

9, ordinary gain from installment sales from Form 6252, line(s) 21 and/or 29.

10, capture of section 179 deduction for partners and S corporation shareholders from property dispositions by trusts, partnerships and S corporations (see instructions)

11, 10 through 16 in columns (g) and (h)

12, combine columns (g) and (h) of line 17. Enter gain or (loss) here, and on the appropriate line as follows:

For all except individual returns: Enter the gain or (loss) from line 18, on the return being filed.

A

B

C

Relate lines 19A through 19D to these columns	Property A	Property B	Property C
Gross sales price	0	0	0
Cost or other basis plus expense of sale	0	0	0
Depreciation (or depletion) allowed (or allowable)	0	0	0
Adjusted basis, subtract line 22 from line 21	0	0	0
Total gain, subtract line 23 from line 20	0	0	0
If section 1245 property:			
a Depreciation allowed (or allowable) (see Instructions)	0	0	0
b Enter the smaller of line 24 or 25a	0	0	0
If section 1250 property: If straight line depreciation was used, enter zero on line 26g unless you are a corporation subject to section 291.			
a Additional depreciation after 12/31/75	0	0	0
b Applicable percentage times the smaller of line 24 or line 26a (see Instructions)	0.0000%	0.0000%	0.0000%
c Subtract line 26a from line 24. If line 24 is not more than line 26a, skip lines 26c and 26e	0	0	0
d Additional depreciation after 12/31/69 and before 1/1/76	0	0	0
e Applicable percentage times the smaller of line 26c or 26d (see Instructions)	0.0000%	0.0000%	0.0000%
Section 291 amount (for corporations only)	0	0	0
f Enter lines 26b, 26e, and 26f	0	0	0
If section 1252 property:			
a Soil, water, and land clearing expenses	0.0000%	0.0000%	0.0000%
b Line 27a times applicable percentage (see Instructions)	0	0	0
c Enter the smaller of line 24 or 27b	0	0	0
If section 1254 property:			
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see Instructions)	0	0	0
b Enter the smaller of line 24 or 28a	0	0	0
If section 1255 property:			
a Applicable percentage of payments excluded from income under section 126 (see Instructions)	0	0	0
b Enter the smaller of line 24 or 29a	0	0	0

Summary of Part III Gains (Complete property columns A through D through line 29b before going to line 30.)

Total gains for all properties (add columns A through D, line 24)

Add columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and in Part II, line 13. (see the Instructions for Part IV if this is an installment sale)

Subtract line 31 from line 30. Enter the portion from casualty and theft on Form 4684, Section B, line 15. Enter the portion from other than casualty and theft on Form 4797, Part I, line 5

Part IV Complete This Part Only If You Elect Out of the Installment Method and Report a Note or Other Debt Less Than Full Face Value

Check here if you elect out of the installment method

Enter the face amount of the note or other obligation

Enter the percentage of valuation of the note or other obligation

Part V Computation of Recapture Amounts Under Sections 179 and 280F When Business Use Drops to 5 (See Instructions for Part V.)

RETURN OF DUKE POWER COMPANY AND AFFILIATES

TAXES

DESCRIPTION	PER BOOKS	ADJUSTMENTS	PER TAX
NC PROPERTY	28,944,232		28,944,232
NC CITY LICENSE	92,921	(71,547)	21,374
NC CITY CHAIN STORE	5,830		5,830
NC FRANCHISE	73,567,947	(32,878)	73,535,069
NC INTANGIBLES	2,247	83,795	86,042
NC INDUSTRIAL COMMISSION	200,276		200,276
NC UNEMPLOYMENT	128,596		128,596
NC INCOME	22,592,817	6,403,285	28,996,102
SC PROPERTY	23,437,520	1,527,480	24,965,000
SC CITY, BUS, CHAIN STORE LICENSE	6,921,892		6,921,892
SC FRANCHISE	4,772,717		4,772,717
SC KILOWATT HOUR	4,175,462		4,175,462
SC PUBLIC SERVICE	1,004,929		1,004,929
SC GREENWOOD	1,224		1,224
SC INDUSTRIAL COMMISSION	256,175		256,175
SC UNEMPLOYMENT	491,401		491,401
SC INCOME	8,093,335	2,565,112	10,658,447
FED. INCOME TAX	188,935,327	(188,935,327)	0
FED. SOCIAL SECURITY	36,688,750		36,688,750
FED. HIGHWAY USE	51,850		51,850
FED. UNEMPLOYMENT	883,706		883,706
OTHER TAXES	11,989,454	(11,234,448)	755,006
TAXES CAPITALIZED ON NON-TRANSITION PROPERTY		(697,314)	(697,314)
TAXES CAPITALIZED ON TRANSITION PROPERTY		11,094,449	11,094,449
TOTAL	413,238,608	(179,297,393)	233,941,215

as shown on return
Duke Power Company

Identifying number
56-020557

activity to which this form relates
Electric Utility

Depreciation (Use Part III for automobiles, certain other vehicles, computers, and property used for entertainment, recreation, or amusement.)

Section A.—Election To Expense Depreciable Assets (Section 179)

(a) Description of property	(b) Date placed in service	(c) Cost	(d) Expense
		0	
		0	

1. Total cost of section 179 property placed in service during this tax year is more than \$200,000
2. Subtract line 4 from line 3. If less than zero, enter zero. (See instructions for other limitations.)

Section B.—Depreciation

(a) Class of property	(b) Date placed in service	(c) Basis for depreciation (Business use only—see instructions)	(d) Recovery period	(e) Method of figuring depreciation	(f) Depreciation
Modified Accelerated Cost Recovery System (MACRS) (see instructions): For assets placed in service ONLY during tax year beginning in 1988					
3-year property		646,722 less: capital & deferred portion	3	DDB	
5-year property		191,818,84 less: capital & deferred portion	5	DDB	
7-year property		26,065,810	7	DDB	
10-year property			10	DDB	
15-year property		31,149,329	15	150%	
20-year property		291,909,298	20	150%	
Residential rental property	Schedule				
Nonresidential real property	Attached	24,586,666	31½	S/L R.C.	
Alternative Depreciation System (ADS)					

3. Listed property—Enter total from Part III, Section A, column (g).
4. MACRS deduction for assets placed in service prior to 1988 (see instructions)

Section C.—ACRS and/or Other Depreciation

5. Property subject to section 168(f)(1) election (see instructions)
6. ACRS and/or other depreciation (see instructions)

Section D.—Summary

7. Total (add deductions on lines 5 through 11). Enter here and on the Depreciation line of your return (Partnerships and S corporations—Do NOT include any amounts entered on line 5.)
8. For assets above placed in service during the current year, enter the portion of the basis attributable to section 263A costs. (see instructions).

Amortization

(a) Description of property	(b) Date acquired	(c) Cost or other basis	(d) Code section	(e) Amortization period or percentage	(f) Amount
Amortization for property placed in service only during tax year beginning in 1988					

to support the business use claimed? ☐ Yes ☐ No If "Yes," is the evidence written? ☐ Yes ☐ No

Statement Attached to the 1988 Form 100
Consolidated 1988 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Class Life Asset Depreciation Range System

<u>asset line class</u>	<u>Cost or other basis of property in service at the end of the year</u>	<u>Total CLADR depre- ciation this year</u>	<u>Reserve for dep- reciation at end of (excludes proceed retirements)</u>
110	\$ 6,050,135	\$ 23,692	\$ 6,525,51
120	4,434,656	0	11,500,28
130	2,752,669	0	3,203,18
230	485,264	0	525,38
110	112,293,417	3,439,566	70,530,51
120	406,701,668	7,032,647	398,708,31
121	193,477,768	0	193,477,71
130	435,701,990	14,754,922	383,829,21
140	925,192,201	37,067,824	780,253,91
300	<u>4,911,681</u>	<u>140,901</u>	<u>2,704,71</u>
total	<u>\$2,092,001,449</u>	<u>\$62,459,552</u>	<u>\$1,851,258,81</u>

Section 167(a)11 Election

taxpayer elects to compute depreciation on the Class Life Asset Depreciation Range System for the Tax Year 1988 in accordance with Section 1.167(a)11 of the regula-

Statement Attached to the 1988 Form 100
Consolidated 1988 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Class Life System Depreciation

Asset Line Class	Unadjusted Basis Year Ending 1988	Salvage Value	Accumulated Depreciation Beginning Year	Current Depreciation	Depreciation Reserve Year Ending
110	\$ 2,224,629	\$	\$ 2,207,072	\$ 0	\$ 2,207,072
120	6,167,585		6,167,585	0	6,167,585
130	1,078,994		1,078,994	0	1,078,994
110	99,953,790	1,964,944	84,585,632	1,960,552	86,546,184
130	534,480,223	7,418,666	477,658,619	7,076,552	484,735,171
140	917,500,937	12,628,003	796,588,404	11,908,267	811,116,671
300	11,420,459	208,128	6,059,122	204,188	6,263,240
410	12,489,401	250,908	7,912,094	249,274	8,161,368
Total	<u>\$1,585,316,018</u>	<u>\$22,470,649</u>	<u>\$1,382,257,522</u>	<u>\$21,398,833</u>	<u>\$1,406,156,688</u>

Section 167(a)12 Election

taxpayer elects to compute depreciation on the Class Life System for the Tax Year 1988 in accordance with Section 1.167(a)12 of the regulations.

Statement Attached To And Made Part Of
Consolidated 1988 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Modified Accelerated Cost Recovery System
Current Year Additions For 31.5 Year Real Property

<u>Asset Description Class</u>	<u>31.5 Year Real</u>	<u>Month Of Addition</u>	<u>Cost Or Other Basis</u>	<u>Current Depreciation</u>
1.013	31.5	Jan.	\$	\$
	31.5	Feb.		
	31.5	Mar.		
	31.5	Apr.		
	31.5	May		
	31.5	June		
	31.5	July	4,148	60
	31.5	Aug.		
	31.5	Sept.	498,469	4,615
	31.5	Oct.		
	31.5	Nov.	3,425	14
	31.5	Dec.		
1.018	31.5	Jan.	3	
	31.5	Feb.		
	31.5	Mar.		
	31.5	Apr.		
	31.5	May	45,842	910
	31.5	June		
	31.5	July		
	31.5	Aug.		
	31.5	Sept.	14,149	131
	31.5	Oct.	34,749	230
	31.5	Nov.	27,841	110
	31.5	Dec.		
9.128	31.5	Jan.	5	
	31.5	Feb.		
	31.5	Mar.	348,428	8,757
	31.5	Apr.		
	31.5	May		
	31.5	June		
	31.5	July	9,769	142
	31.5	Aug.		
	31.5	Sept.	18,584	172
	31.5	Oct.		
	31.5	Nov.		
	31.5	Dec.		

<u>Asset Guideline Class</u>	<u>Year Real</u>	<u>Of Addition</u>	<u>Other Basis</u>	<u>Current Depreciation</u>
138	31.5	Jan.		
	31.5	Feb.		
	31.5	Mar.		
	31.5	Apr.		
	31.5	May	922,548	18,304
	31.5	June		
	31.5	July	27,675	403
	31.5	Aug.		
	31.5	Sept.		
	31.5	Oct.		
	31.5	Nov.		
	31.5	Dec.		
49.139	31.5	Jan.		
	31.5	Feb.		
	31.5	Mar.		
	31.5	Apr.		
	31.5	May		
	31.5	June		
	31.5	July		
	31.5	Aug.		
	31.5	Sept.		
	31.5	Oct.		
	31.5	Nov.		
	31.5	Dec.		
65.000	31.5	Jan.	89,240	2,710
	31.5	Feb.	589,478	16,370
	31.5	Mar.	2,013,442	50,600
	31.5	Apr.	-	-
	31.5	May	681,026	13,510
	31.5	June	761	1
	31.5	July	224,097	3,260
	31.5	Aug.	19,065	220
	31.5	Sept.	5,145,525	47,640
	31.5	Oct.	788,509	5,210
	31.5	Nov.	714,596	2,830
	31.5	Dec.	<u>12,365,292</u>	<u>16,350</u>
Total 31.5 Year Real			<u>\$24,586,666</u>	<u>\$ 192,610</u>

Statement Attached to and Made Part of
Consolidated 1988 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Schedule of Other Income	Per Books	Increase (Decrease) Taxable Income	Tax Basis
Regulatory Deferrals	25,250,659	(25,250,659)	0
Miscellaneous	216,003	(109,986)	106,017
Other Income - 3 (PL10I03)	0	0	0
Total Other Income	25,466,662	(25,360,645)	106,017

Schedule of Other Deductions	Per Books	Increase (Decrease) Taxable Income	Tax Basis
Electric	\$129,696,549	\$38,289,669	\$91,406,880
General & Administrative	65,120,747	5,337,665	59,783,082
Water	353,085	(28,547)	381,632
Transit	376,404	(6,234)	382,638
Merchandising	2,888,358	0	2,888,358
Other	88,734,030	148,348,686	(59,614,656)
Other Deductions - 7 (PL26D07)	0	0	0
Total Other Deductions	\$287,169,173	\$191,941,239	\$95,227,934

Statement attached to and made a part of
Consolidated 1988 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Balance Sheet	Beginning of Year	End of Year
	-----	-----
1 Cash	\$56,559,586	\$78,901,542
2 Trade Notes & Accounts Receivable	335,429,710	460,644,130
2a Less: Allowance for Bad Debts	(3,709,568)	(3,689,996)
2b Net Notes & Receivables	331,720,142	456,954,134
3 Inventories	248,824,245	253,026,570
4 Government Obligations - US	0	0
4a Government Obligations - State	0	0
5 Other Current Assets	15,321,471	14,272,024
6 Loans to Stockholders	0	0
7 Mortgage & Real Estate Loans	0	0
8 Other Investments	425,617,089	229,299,564
9 Building & Other Depreciable Assets	10,822,045,129	11,745,573,299
9a Less: Accumulated Depreciation	(3,868,748,977)	(4,333,228,255)
9b Net Building & Depreciable Assets	6,953,296,152	7,412,345,044
10 Depletable Assets	0	0
10a Less Accumulated Depletion	0	0
10b Net Depletable Assets	0	0
11 Land (Net of Amortization)	0	0
12 Intangible Assets (Amortizable)	0	0
12a Less: Accumulated Amortization	0	0
12b Net Intangible Assets	0	0
13 Other Assets	826,219,237	746,618,321
14 Total Assets	<u>\$8,857,557,922</u>	<u>\$9,191,417,199</u>
Liabilities and Stockholders Equity		
15 Accounts Payable	\$198,012,195	\$264,989,920
16 Mortgages, Notes, Bonds Payable (less than 1 year)	59,579,102	4,747,957
17 Other Current Liabilities	167,436,525	151,930,911
18 Loans from Stockholders	0	0
19 Mortgages, Notes, Bonds Pay (more than 1 year)	2,739,890,009	2,783,575,623
20 Other Liabilities	1,764,494,622	1,850,217,814
21a Capital Stock Preferred	691,875,600	691,557,800
21b Capital Stock Common	1,862,177,338	1,862,495,514
21 Total Capital Stock	2,554,052,938	2,554,053,314
22 Paid in or Capital Surplus	0	0
23 Retained Earnings - Appropriated	0	0
24 Retained Earnings - Unappropriated	1,374,092,531	1,581,901,660
25 Less Cost of Treasury Stock	0	0
26 Total Liabilities & Stockholders' Equity	<u>\$8,857,557,922</u>	<u>\$9,191,417,199</u>

RETURN OF DUKE POWER COMPANY AND AFFILIATES

OTHER CURRENT ASSETS

DESCRIPTION	DEBIT (CREDIT)
LOAN ASSISTANCE	1,986,904
PREPAYMENTS	12,123,483
INTEREST RECEIVABLE	161,637
TOTAL	<u>14,272,024</u>

OTHER ASSETS

DESCRIPTION	DEBIT (CREDIT)
DEFERRED TAXES	23,731,322
EXTRAORDINARY PROPERTY LOSSES	296,268,551
UNAMORTIZED DISCOUNTS ON DEBT	4,578,932
PRELIMINARY SURVEY & INVESTIGATION	9,759,100
UNAMORTIZED LOSS ON REACQUIRED DEBT	71,256,249
CLEARING	219,171
OTHER	340,804,996
TOTAL	<u>746,618,321</u>

OTHER INVESTMENTS

DESCRIPTION	DEBIT (CREDIT)
KATAHALA	30,178,299
WATEREE POWER	1,000
MILL POWER	9,567,437
CRESCENT LAND & TIMBER	94,946,518
EASTOVER LAND AND MINING	6,353,570
WESTERN FUEL	500
CHURCH STREET CAPITAL CORP	53,829,911
N V SUB	0
LEE ENGINEERING	5,964,069
ACCOUNTS PAYABLE	(18,902,379)
CASH SURRENDER VALUE	13,550,860
CATAWBA NOTES	33,562,751
OTHER	247,028
TOTAL	<u>199,120,265</u>

RETURN OF DUKE POWER COMPANY AND AFFILIATES

OTHER CURRENT LIABILITIES

DESCRIPTION	DEBIT (CREDIT)
CUSTOMER DEPOSITS	(10,886,531)
TAXES ACCRUED	(26,652,414)
INTERST ACCRUED	(67,944,599)
OTHER	(46,447,368)
DIVIDENDS	1
	(151,930,911)

OTHER LIABILITIES

DESCRIPTION	DEBIT (CREDIT)
FEDERAL INVESTMENT TAX CREDIT	(331,644,589)
OTHER DEFERRED CREDITS	(75,159,305)
RESERVE FOR INJURIES & DAMAGES	(8,576,856)
DEFERRED TAXES	(1,401,980,782)
PROPERTY INSURANCE RESERVE	(30,582,947)
MISCELLANEOUS OPERATING RESERVES	(2,273,335)
	(1,850,217,814)

Return of Duke Power Company and Affiliates

Analysis of Unapportioned Retained Earnings

1	Balance at Beginning of Year	\$1,374,092,531
2	Net Income (Loss) per Books	550,379,815
	Other Increase	
3a	Other Increases	
3b	Increase to Unapportioned Retained Earnings	
3	Total Other Increases	0
4	Total of Lines 1,2, and 3	1,924,472,346
	Distributions	
5a	Cash	344,963,911
5b	Stock	
5c	Property	
5	Total Distributions	344,963,911
	Other Decreases	
6a	Tax Benefit of ESOP Dividend	(2,390,724)
6b	Capital Stock Transactions	(2,501)
6	Total Other Decreases	(2,393,225)
7	Total of Lines 5 and 6	342,570,686
8	Balance at End of Year (Line 4 less 7)	\$1,581,901,660

SCHEDULE F
INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct to S.C. and Other States 3	Net Amounts Allocated Directly to S.C. 4	Payrolls to be Excluded from Payroll Factor 5
1. Interest not connected with business					
2. Dividends received	593		593		
3. Rents					
4. Gains/losses on real property	385,187		385,187		
5. Gains/losses on intangible pers. prop.					
6. Investment income directly allocated					
7. TOTAL INCOME DIRECTLY ALLOCATED			385,780		
8. INCOME DIRECTLY ALLOCATED TO S.C.					
9. TOTALS TO APPORTIONMENT FACTORS					

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE

1. Total net income as reconciled. Enter amount from line 3, Part I	1.
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
3. Total net income subject to apportionment (line 1 less line 2)	3.
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
5. Add: Income subject to direct allocation to S.C. from Schedule F, line 8	5.
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

SCHEDULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	
1. Land				
2. Buildings				
3. Machinery and Equipment				
4. Inventories				
5. Other Property				
6. Exclusions	< >	< >	< >	< >
7. TOTAL (add lines 1 - 5; subtract line 6)				
		1. Within S.C.	2. Total Everywhere	
8. Avg. of Beginning and Ending Period (add line 7a and b and divide by 2)				
9. Rental or Lease Value				
10. TOTAL Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)		3,735,571,536	10,779,295,079	
11. GROSS Payroll				
12. Less: Officers Compensation and Exclusions		< >	< >	
13. TOTAL Payroll (Col. 1 + Col. 2 and enter ratio in Col. 3)		254,457,490	714,405,840	
14. TOTAL Sales (Col. 1 + Col. 2 and enter ratio in Col. 3)		1,111,039,557	5,789,148,503	
15. TOTAL of Three Ratios (add Column 3 - lines 10, 13 and 14)				
16. Arithmetical Average of Three Ratios				

SCHEDULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere
1. Total Gross Receipts		
2. Less: Exclusion	< >	< >
3. Gross Receipts (for ratio)		
4. Ratio of Gross Receipts (line 3, Col. 1 + line 3, Col. 2)		

SCHEDULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount
1. Total Within South Carolina	
2. Total for System	

INSTRUCTIONS FOR FILING

AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1989

to be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of tax	Total Tax \$ Less: payments & credits \$ Balance due (overpayment) \$(1,940,315)
Refund payment	☒ Refunded to you \$ 1,940,315 ☐ Credited to your estimated tax \$ ☐ \$ refunded and \$ credited
Draw check to N/A	NOTE: Your social security number or employer identification number should be entered on your remittance.
Mail tax return and check (if applicable) to	SC DEPT. OF REVENUE COLUMBIA, SC 29214
Return must be mailed on before	IMMEDIATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	

ATTACHED

FILE # 20090024 - 9

FOR PERIOD ENDING DECEMBER 31, 1989

E.I.# 56-0205520

E DUKE POWER COMPANY

ING ADDRESS MAIL CODE PB05B

CHARLOTTE STATE NC ZIP CODE 28242

Change of Address ☐

A COMPLETE COPY OF FEDERAL RETURN
BE ATTACHED TO THIS RETURN.

Check if ☐ Consolidated Return

If Final Return, Indicate Whether: Merge
Reorganized ☐ Dissolved ☐ Withdr

County or Counties in SC Where Property is Locat

VARIOUS

City Audit Location S

CHARLOTTE, NC

Telephone Number:

(704) 382-8175

14-0601

Federal ordinary income (loss) per Federal Form 1120, 1120A or 1120S	1.	55
Net Adjustment from line 12, Schedule A and B	2.	2
Total Net Income as Reconciled (line 1 plus or minus line 2)	3.	57
If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3.	4.	154
ESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	<
South Carolina Net Income subject to tax (line 4 less line 5)	6.	15
TAX: Multiply amount on line 6 by .05 (5.0%)	7.	
Non-Refundable credits from line 3, Schedule C	8.	
Balance of tax (line 7 less line 8) Enter the difference but not less than zero	9.	
Payments: (a) Tax Withheld (see instructions)	(b) Paid by Declaration	
(c) Paid with Tentative Return	(d) Credit from line 24b	
Payments (add lines 10a through 10d)	AS REPORTED	11.
Balance of Tax Due (line 9 less line 11)		12.
Interest Due	Penalty Due	(See instructions for penalty and interest.)
TOTAL INCOME TAX, Interest and Penalty Due (add lines 12 and 13)		14.
OVERPAYMENT (line 11 less line 9)	To be applied as follows:	
a) Estimated Tax	(b) License Fee	(c) Refunded
Total License Fee Due from Schedule K, line 9, on page 5		16.
Section 12-20-105 credit (see instructions)		17.
Total License Fee Due (subtract line 17 from line 16 but not less than zero)		18.
Payments: (a) Paid with Tentative Return	(b) Credit from line 15b	
Total Payments (add line 19(a) and (b))		20.
Balance of Fee Due (line 18 less line 20)		21.
Interest Due	Penalty Due	(See instructions for penalty and interest.)
TOTAL LICENSE FEE, Interest and Penalty Due (add lines 21 and 22)		23.
OVERPAYMENT (line 20 less line 18)	To be applied as follows:	
a) Estimated Tax	(b) Income Tax	(c) Refunded
GROSS TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 23)		25.

Make check payable to: South Carolina Department of Revenue.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

Signature of officer

Date

Title

Authorize the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer.

Yes ☐ No ☐

Preparer's Printed Name

4. _____
Additions (attach schedule) 5. _____
Additions (add lines 1 through 5) PER ATTACHED AUDIT ADJUSTMENT 6. 21,
DEDUCTIONS FROM FEDERAL NET INCOME
Obligations Of The U.S. 7. _____
8. _____
9. _____
Deductions (attach schedule) 10. _____
Deductions (add lines 7 through 10) 11. _____
Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U 12. 21, 08

LE C NON-REFUNDABLE TAX CREDITS

Credits (from Schedule I) 1. _____
ne 7, Part I, SC1120U) 2. _____
of line 1 or 2 (enter on line 8, SC1120U) 3. _____
Carryover (line 1 less line 3) 4. _____

LE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

of Corporation DUKE POWER COMPANY
f this report _____ Fed. E.I. No. 56-0205520
orated under the Laws of the State of NORTH CAROLINA on 11/27/63
ign Corporation, the date qualified to do business in the State of South Carolina is 2/24/64
on of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD
City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
ie name of the Corporation changed during the year? NO Give old name _____
ommenced business in the State of South Carolina was _____
of principal executive office (street address) 84 VILLA ROAD; GREENVILLE, SOUTH CAROI
rincipal business in S.C. ELECTRIC UTILITY
orporation's books are in the care of CONTROLLER
d at (street address) 422 SOUTH CHURCH STREET, CHARLOTTE, NC 28242
consolidated, complete and attach Schedule J for each corporation listed in the consolidation.
al number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follow
JMBER OF SHARES CLASS SERIES
0, 000, 000 COMMON NO PAR

al number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class
JMBER OF SHARES CLASS SERIES

mes and business addresses of the directors (or individuals functioning as directors) and principal officers in the Cor
tional space is necessary, attach separate schedule).

NAME

BUSINESS ADDRESS AND OFFICE

	Gross Amounts 1	Less: Related Expenses 2	Allocated Direct to SC and Other States 3	Allocated Directly to SC 4	be Excluded from Payroll Factor 5	tr f
connected with business						
ids received	SEE ATTACHED AUDIT ADJUSTMENT					
osses on real property						
osses on intangible pers. prop.						
ent income directly allocated						
INCOME DIRECTLY ALLOCATED						
IE DIRECTLY ALLOCATED TO S.C.						
S TO APPORTIONMENT FACTORS						

LE G COMPUTATION OF TAXABLE INCOME FOR ORGANIZATIONS CLAIMING MULTI-STATE OPERATIONS

Income as reconciled. Enter amount from line 3, Page 1	1.	578,
Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	
Income subject to apportionment (line 1 less line 2)	3.	577,586
Amount on line 3 by appropriate ratio from Schedule H-1, 2, or 3 and enter result here	4.	154,
Income subject to direct allocation to S.C. from Schedule F, line 8	5.	
C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Page 1	6.	154,

LE H-1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everyv	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) En
ad Equipment				
ies				
roperty				
ns	<	>	<	>
(add lines 1 - 5; subtract line 6)				
	1. Within S.C.		2. Total Everywhere	
Beginning and Ending Period (add line 7a and b and divide by 2)				3.
r Lease Value				
Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
i Payroll				
Officers Compensation and Exclusions	<	>	<	>
Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
Sales (same as line 14)				
of Ratios (add Column 3 - lines 10, 13, 14 and 15)				
ical Average of Ratios				

LE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In S.C.	2. Total Everywhere	3.
Gross Receipts			
clusion (see instructions)	<	>	
ceipts (for ratio)			
Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)	2,098,777,916	4,113,067,041	26.7

-3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	R
thin South Carolina		
State		

C	Water Resources (TC-3)	C	_____
D	South Carolina New Jobs Credit (TC-4)	D	_____
E	Scenic Rivers (TC-5)	E	_____
F	Infrastructure Construction or Improvement (TC-6)	F	_____
G	Palmetto Seed Capital (TC-7)	G	_____
H	Corporate Headquarters Income Tax Application (TC-8)	H	_____
I	Child Care Program (TC-9)	I	_____
J	Base Closure/Federal Facility Employment Reduction-Hiring Credit (TC-10)	J	_____
K	Economic Impact Zone Property Investment Credit (TC-11)	K	_____
L	Credit for Hiring Recipients of Family Independence Payments (TC-12)	L	_____
M	Additional Family Independence Payments Credit (TC-12-A)	M	_____
N	Motion Picture Project/Production Facility Credit (TC-13)	N	_____

Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) 3. _____

LE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN
AFFILIATED CORPORATION NO. 1

DUKE POWER COMPANY S.C.I.D. No. _____
 of this report _____ Fed. E.I. No. _____
 ss _____

located under the laws of the State of NORTH CAROLINA on 11/27/63
 sign Corporation, the date qualified to do business in the State of South Carolina is _____
 on of the Registered Office of the Corporation in the State of South Carolina is _____
 City of GREENVILLE and Registered Agent at such address is _____
 he name of the Corporation changed during the year? NO Give old name _____
 commenced business in the State of South Carolina was 2/24/64

of principal office (street address) SUITE 700, GREEN GATE PARK, WOODS LAKE ROAF, GREENVILLE, S
 principal business in S.C. PRODUCTION AND SALE OF ELECTRICITY
 corporation's books are in the care of CONTROLLER
 ed at 422 SOUTH CHURCH STREET, CHARLOTTE, NORTH CAROLINA 28242

rofessional corporation, are all shareholders, one-half of the directors and all officers (other than the secretary a
 ed to practice the professional service engaged in by the corporation? _____
 ital number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follow

NUMBER OF SHARES	CLASS	SERIES
50,000,000	NO PAR	COMMON

otal number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class

NUMBER OF SHARES	CLASS	SERIES

otal amount of stated capital per balance sheet is:
 total paid in Capital Stock (cannot be a negative amount) \$ _____
 total paid in Capital Surplus (cannot be a negative amount) \$ _____
 total amount of Stated Capital (cannot be a negative amount) \$ _____
 ames and business addresses of the directors (or individuals functioning as directors) and principal officers in the Co
 dditional space is necessary, attach separate schedule).

NAME _____ **BUSINESS ADDRESS AND OFFICE** _____

		Total System (A)	Intr South
Revenues, (Itemize):			
		\$	\$
Operating Revenues	4.	\$	\$
Receipts, (Itemize):	5.		
Other Receipts	6.	\$	\$
Gross Receipts (Add Lines 4 and 6)	7.		
ue (Line 7, Column B x .003)	8.		\$
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16, Part II, Page 1)	9.		\$

om 2000 Code of Laws as Amended

on 12-20-100 as amended for taxable years beginning after 1995.

place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigatio company, power company, electric cooperative, light company, gas company, telegraph company, and telephone cc al report with the department and pay a license fee as follows:

ollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and use conduct of business as determined by the department for property tax purposes for the preceding taxable year; : for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered frc is within this state during the preceding taxable year, except that with regard to electric cooperatives, only distributives are subject to the gross receipts portion of the license fee under this subitem.

imum license fee under this section is \$25.

NEW INFORMATION

arolina has updated income tax laws to conform with the Internal Revenue Code of 1986, as amended through December 31, 1999, includi

17 Section 12-20-105 credit is for amounts paid in cash to provide infrastructure for an eligible project. Effective June 11, 1999, the term ' gible project has been expanded to include industrial shell buildings and the purchase of land for an office, business or industrial park.

June 30, 1999, notwithstanding the statute of limitations, the time allotted for requesting a corporate refund has been extended from thirty n the date the Internal Revenue Service changes the taxable income.

ature section of the return contains a new area for the preparer's telephone number.

INSTRUCTIONS

ictions - If the company paid cash to provide infrastructure for an eligible project, enter the amount on line 17. Attach a schedule to the retu e person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amoun infrastructure and to whom and when paid, a description of the infrastructure, and the date the infrastructure was completed or is e he infrastructure has not been completed as of the date the return is filed, the taxpayer must include a waiver of the statute of limitations. gle tax year may not exceed \$300,000. If the credit exceeds tax liability, the excess may be carried forward and deducted in the succeedin on see SC Revenue Ruling #96-11.

20 Instructions if Public Utilities 'C' Corporation.

20S Instructions if Public Utilities 'S' Corporation.

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

Return For
Period Ending 12/31/89-INCOME; 12/31/90-LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

NAME AND ADDRESS
DUKE POWER COMPANY
MAIL CODE PB05B
CHARLOTTE, NC 28242

RETURN DUE ON OR
BEFORE

THIS RETURN

Extension Requested: Yes ☒ No ☐

Type of SC Return: Separate ☐
Consolidated ☐

If Final Return, Indicate Whether: Merg
Reorganized ☐ Dissolved ☐ With
County in SC Where Property is lo

Did any of the corporations in this
property presumed abandoned under C
of the South Carolina Code o
yes ☐ no ☐

City Audit Location
CHARLOTTE NORTH

Telephone Number: (704) 373

0205520
Employer Identification No.

4900-R
Business Code

12 20090024-9
File Number

For Office Use Only

Federal ordinary income (loss) Per Federal Form 1120, 1120A or 1120S	1.	557,0
Net Adjustment from line 12, Schedule A and B	2.	21,0
Total Net Income As Reconciled (line 1 plus or minus line 2)	3.	578,0
If Multi-state Corporation, enter amount from line 6, Sch. 9, otherwise, enter amount from line 3	4.	193,0
LESS: Distribution to shareholders of S corporation or less S.C. N.O.L. carryover, if applicable	5.	<
South Carolina Net Income subject to tax (line 4 less line 5)	6.	193,0
TAX: Multiply amount on line 6 by .05 (5.0%)	7.	9,6
Non-Refundable credits from line 5, Schedule C	8.	
Balance of tax (line 7 less line 8) enter the difference but not less than zero	9.	9,6
Payments: (a) Tax Withheld (see instructions)		
(b) Paid by Declaration		
(c) Paid with Tentative Return		
(d) Credit from line 22b		
Total Payments (add lines 10a through 10d)	11.	9,1
Balance of Tax Due (line 9 less line 11)	12.	(0)
Interest Due		
Penalty Due (See instructions for penalty and interest.)	13.	
TOTAL INCOME TAX, Interest and Penalty, Due (add lines 12 and 13)	14.	(0)
OVERPAYMENT (line 11 less line 9)		
To be applied as follows:		
(a) Estimated Tax		
(b) License Fee		
(c) Refunded		
Total License Fee Due from Schedule J, line 9, on page 5	16.	4,0
Payments: (a) Paid with Tentative Return		
(b) Credit from line 15b		
Total Payments (add line 17 (a) and (b))	18.	4,0
Balance Of Fee Due (line 16 less line 18)	19.	
Interest Due		
Penalty Due (See instructions for penalty and interest.)	20.	
TOTAL LICENSE FEE, Interest and Penalty Due (add lines 19 and 20)	21.	
OVERPAYMENT (line 18 less line 16)		
To be applied as follows:		
(a) Estimated Tax		
(b) Income Tax		
(c) Refunded		
GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)	23.	(0)

Make checks payable to: South Carolina Department of Revenue.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompanying Report, statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete	Signature of officer		Date	Title
	Preparer's signature		Date	Check if self-employed ☐
Preparer's name (or yours if self-employed) and address	DELOITTE AND TOUCHE LLP 2500 ONE PPG PLACE			E.I. No. 13-38915 Zip code 15222

4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____

DEDUCTIONS FROM FEDERAL NET INCOME

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____

SCHEDULE C NON-REFUNDABLE TAX CREDITS

1. _____
2a. _____
b. _____
c. _____
d. _____
e. _____
f. _____
g. _____
h. _____
i. _____
3. _____
4. _____
5. _____
6. _____

SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____
25. _____
26. _____
27. _____
28. _____
29. _____
30. _____
31. _____
32. _____
33. _____
34. _____
35. _____
36. _____
37. _____
38. _____
39. _____
40. _____
41. _____
42. _____
43. _____
44. _____
45. _____
46. _____
47. _____
48. _____
49. _____
50. _____
51. _____
52. _____
53. _____
54. _____
55. _____
56. _____
57. _____
58. _____
59. _____
60. _____
61. _____
62. _____
63. _____
64. _____
65. _____
66. _____
67. _____
68. _____
69. _____
70. _____
71. _____
72. _____
73. _____
74. _____
75. _____
76. _____
77. _____
78. _____
79. _____
80. _____
81. _____
82. _____
83. _____
84. _____
85. _____
86. _____
87. _____
88. _____
89. _____
90. _____
91. _____
92. _____
93. _____
94. _____
95. _____
96. _____
97. _____
98. _____
99. _____
100. _____

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____
25. _____
26. _____
27. _____
28. _____
29. _____
30. _____
31. _____
32. _____
33. _____
34. _____
35. _____
36. _____
37. _____
38. _____
39. _____
40. _____
41. _____
42. _____
43. _____
44. _____
45. _____
46. _____
47. _____
48. _____
49. _____
50. _____
51. _____
52. _____
53. _____
54. _____
55. _____
56. _____
57. _____
58. _____
59. _____
60. _____
61. _____
62. _____
63. _____
64. _____
65. _____
66. _____
67. _____
68. _____
69. _____
70. _____
71. _____
72. _____
73. _____
74. _____
75. _____
76. _____
77. _____
78. _____
79. _____
80. _____
81. _____
82. _____
83. _____
84. _____
85. _____
86. _____
87. _____
88. _____
89. _____
90. _____
91. _____
92. _____
93. _____
94. _____
95. _____
96. _____
97. _____
98. _____
99. _____
100. _____

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____
25. _____
26. _____
27. _____
28. _____
29. _____
30. _____
31. _____
32. _____
33. _____
34. _____
35. _____
36. _____
37. _____
38. _____
39. _____
40. _____
41. _____
42. _____
43. _____
44. _____
45. _____
46. _____
47. _____
48. _____
49. _____
50. _____
51. _____
52. _____
53. _____
54. _____
55. _____
56. _____
57. _____
58. _____
59. _____
60. _____
61. _____
62. _____
63. _____
64. _____
65. _____
66. _____
67. _____
68. _____
69. _____
70. _____
71. _____
72. _____
73. _____
74. _____
75. _____
76. _____
77. _____
78. _____
79. _____
80. _____
81. _____
82. _____
83. _____
84. _____
85. _____
86. _____
87. _____
88. _____
89. _____
90. _____
91. _____
92. _____
93. _____
94. _____
95. _____
96. _____
97. _____
98. _____
99. _____
100. _____

	Gross Amounts 1	Related Expenses 2	to S.C. and Other States 3	Directly to S.C. 4	Apportionment Factor 5	
Income not connected with business						
Income received						
Dividends						
Gains/losses on real property						
Gains/losses on intangible pers. prop.						
Investment income directly allocated						
TOTAL INCOME DIRECTLY ALLOCATED						
INCOME DIRECTLY ALLOCATED TO S.C.						
TOTALS TO APPORTIONMENT FACTORS						

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATION

Total net income as reconciled. Enter amount from line 3, Part I	1.
Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
Total net income subject to apportionment (line 1 less line 2)	3.
Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
Plus: Income subject to direct allocation to S.C. from Schedule F, line 8	5.
Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

SCHEDULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
Land				
Buildings				
Machinery and Equipment				
Intangible Property				
Exclusions	<	>	<	>
TOTAL (add lines 1 - 5; subtract line 6)				
	1. Within S.C.		2. Total Everywhere	
Avg. of Beginning and Ending Period (add line 7a and b and divide by 2)				
Rental or Lease Value				
TOTAL Property (add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
GROSS Payroll				
Less: Officers Compensation and Exclusions	<	>	<	>
TOTAL Payroll (Col. 1 + Col. 2 and enter ratio in Col. 3)				
TOTAL Sales (Col. 1 + Col. 2 and enter ratio in Col. 3)				
TOTAL of Three Ratios (add Column 3 - lines 10, 13 and 14)				
Arithmetical Average of Three Ratios				

SCHEDULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Ratio
Total Gross Receipts			
Less: Exclusion	<	>	<
Gross Receipts (for ratio)			
Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			

SCHEDULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
Total Within South Carolina		
Total System		
Ratio (South Carolina ÷ Total System)		

NAME AS ORIGINALLY FILED RETURN



Power Company	SS# or Fed. EI 56-0205520
h Church Street	
lotte, NC 28242-0001	

COMPUTATION OF TAX CREDIT

Consideration paid for qualified investments in the current year.	1.	1,000,000
Multiply the amount on line 1 by .30.	2.	300,000
Unused Palmetto Seed Capital Credit carryover from prior years. (See computation below.) .	3.	-0
Sum of lines 2 and 3.	4.	300,000
Less consideration paid in all years for qualified investments.	5.	1,000,000
Multiply line 5 by .50.	6.	500,000
Multiply the amount on line 6 by .30.	7.	150,000
After your state tax liability for the year.	8.	9,656,500
After the LESSER of lines 4, 7, or 8. This amount represents your current year Palmetto Seed Capital Credit and it should be transferred to Schedule TC, line 17.	9.	150,000

COMPUTATION OF UNUSED PALMETTO SEED CREDIT CARRYOVER

After the amount from Part 1, line 4.	A.	300,000
After the amount actually used to reduce your tax liability from Part 1, line 9.	B.	150,000
Subtract line B from line A. This is your carryover credit available in future years.	C.	150,000

GENERAL INSTRUCTIONS

1. The General Assembly enacted legislation which provides an income tax credit to a taxpayer who invests in the Palmetto Seed Capital Corporation. The Palmetto Seed Capital Corporation was established to increase the rate of capital for its new growth-oriented business formations, to create new jobs, and to supplement conventional business financing.

2. Taxpayer means any individual, corporation, partnership, trust or other entity that has any state tax liability and a qualified investment.

3. Qualified investment means investment in the Palmetto Seed Capital Corporation or the Palmetto Seed Capital Fund Partnership.

4. State tax liability means total income tax liability after the application of all tax credits except the Palmetto Seed Capital Credit.

5. If the amount of the credit exceeds the tax liability, the excess may be carried over for credit against your income taxes in succeeding taxable years until the total amount of the tax credit has been taken.

6. A qualified investment is redeemed by the Palmetto Seed Capital Corporation or the Palmetto Seed Capital Fund Partnership within five years of the date it is purchased, the credit is disallowed and any credit previously claimed and allowed by the Tax Commission with the appropriate return of the taxpayer for the period in which the redemption occurred.

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY	YORK	19 87	19 88	19 89	19	19	19
MONTH		PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
1 JANUARY		860	871	1,019			
2 FEBRUARY		860	884	1,023			
3 MARCH		860	898	1,026			
4 APRIL		859	911	1,029			
5 MAY		859	924	1,032			
6 JUNE		859	937	1,036			
7 JULY		859	950	1,039			
8 AUGUST		859	963	1,042			
9 SEPTEMBER		859	977	1,045			
10 OCTOBER		858	990	1,049			
11 NOVEMBER		858	1,003	1,052			
12 DECEMBER		858	1,016	1,055			
TOTAL EMPLOYEES		8,151	11,323	12,445			
DIVIDED BY: NUMBER OF MONTHS IN OPERATION		6	12	12			
MONTHLY AVERAGE OF FULL TIME EMPLOYEES		858.42	943.58	1,037.13			
LESS: PREVIOUS YEAR AVERAGE			858.42	943.58			
AVERAGE INCREASE IN FULL TIME EMPLOYEES			85	93			

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
YEAR 1 INCREASE	85			
YEAR 2 INCREASE				
YEAR 3 INCREASE				
YEAR 4 INCREASE				
YEAR 5 INCREASE				
YEAR 6 INCREASE				
NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	85			
AMOUNT OF CREDIT PER EMPLOYEE	300			
ELIGIBLE CREDIT (multiply line 12 by line 13)	25,500			
UNUSED NEW JOBS CREDIT CARRYOVER	0			
TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	25,500			

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY YORK 19 87 19 88 19 19 19 19

MONTH	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5

1 JANUARY	860	871				
2 FEBRUARY	860	884				
3 MARCH	860	898				
4 APRIL	859	911				
5 MAY	859	924				
6 JUNE	859	937				
7 JULY	859	950				
8 AUGUST	859	963				
9 SEPTEMBER	859	977				
10 OCTOBER	858	990				
11 NOVEMBER	858	1,003				
12 DECEMBER	858	1,016				

TOTAL EMPLOYEES
DIVIDED BY: NUMBER OF MONTHS
IN OPERATION

5,151	11,323				
6	12				

MONTHLY AVERAGE
OF FULL TIME EMPLOYEES
LESS: PREVIOUS YEAR
AVERAGE
AVERAGE INCREASE IN FULL
TIME EMPLOYEES

858.42	943.58				
	858.42				
	85				

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
YEAR 1 INCREASE				
YEAR 2 INCREASE				
YEAR 3 INCREASE				
YEAR 4 INCREASE				
YEAR 5 INCREASE				
YEAR 6 INCREASE				
NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)				
AMOUNT OF CREDIT PER EMPLOYEE				
ELIGIBLE CREDIT (multiply line 12 by line 13)				
UNUSED NEW JOBS CREDIT CARRYOVER				
TOTAL ELIGIBLE CREDIT (add lines 14 and 15)				

COMPUTATION OF NET INCOME & TAX

1989

COME PER US1120	519,967,536
1986-1994 audit adjustments	37,117,621
ADJUSTMENTS PER EXHIBIT 1 SCH 1	0
JUSTED FED NET INCOME	557,085,157
DJUSTMENTS PER SCH 6	21,089,269
TE ADJUSTED INCOME	578,174,426
DJUSTMENTS PER SCH 7	(587,875)
ORTIONABLE INCOME AS ADJUSTED	577,586,551
ATIO PER RETURN OR SCH A	33.4330%
IME APPORTIONED TO SC	193,104,512
ICABLE TO SC PER SCH 7	26,463
AL SC NET INCOME	193,130,975
ONTRIBUTIONS	
ET INCOME	193,130,975
OL	
AXABLE NET INCOME	193,130,975
RATE	5.0000%
IE	9,656,549
PREVIOUSLY PAID	8,864,696
ERPAYMENT <OVERPAYMENT>	791,853

120 SCH A & B ADJUSTMENTS	1989
UNDED ADJ. PER EXHIBIT 1 SCH 2	0
120 SCH A & B (NET) PER RETURN	19,801,505
AUDIT ADJUSTMENTS:	
EMPT US INTEREST	0
NTRIBUTIONS	0
TEREST INCOME	0
SET RETIREMENT	0
OP CONTRIBUTION (BLK. BOOK)	0
EL TAX CREDIT	134,428
PRECIATION ADJUSTMENT	0
PRECIATION ADJUSTMENT-LARRY	47,952
ADJUSTMENT	0
RECTED ALLOCATED GAIN/LOSS	599,452
VIRONMENTAL TAX	505,932
IVIDEND ALLOCATION	0
OP (WRONG YEAR)	0
OP-BLACK BOOK	0
TERN FUEL, INC REIMBURSEMENT	0
ATED EXPENSES PER SCH	0
AL	21,089,269

LOCATED ITEMS

1989

WHERE ALLOCATIONS PER EX. 1
RYWHERE ALLOCATIONS PER RETURN
UDIT ADJUSTMENTS:
EREST APPORTIONED ON SC AUDIT
N/LOSS INTANG. PERS. PROP.
AL PROPERTY-CATAWBA-EX 4
ALLOWED ON SC AUDIT-EXH 9

578,875

RYWHERE ALLOCATIONS AS ADJUSTED

578,875

LLOCATIONS PER EX. 1 SCH 3
LLOCATIONS PER RETURN
UDIT ADJUSTMENTS:
PROPERTY-CATAWBA-EXH 4
SELECTED GAIN/LOSS ALLOCATIONS

26,463

LLOCATIONS AS ADJUSTED

26,463



Mail This Return To:
TAX COMMISSION
P.O. Box 125
Columbia, SC 29214

Return For DEC 31, 1989 INCOME
Period Ending DEC 31, 1990 LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

MUST BE ATTACHED AND
THIS RETURN

Extension Requested: Yes ☒ No ☐

Type of SC Return: Separate ☐
Consolidated ☐

If Final Return, Indicate Whether:
Reorganized ☐ Dissolved ☐ M
County in SC Where Property is lo

Did any of the corporations in th
property presumed abandoned u
Title 27 of the South Carolina Co
yes no

City Audit Location
Charlotte Nor

Telephone Number: (704) 3

NAME AND ADDRESS

RETURN DUE ON OR
BEFORE

POWER COMPANY
BOX 33189
LOTTE NC 28242

MAR 15, 1990

05520
Identification No.

23

4900-R
Business Code

12 20090024-9
File Number

T 1 COMPUTATION OF INCOME TAX LIABILITY

1. Federal ordinary income (loss) Per Federal Form 1120, 1120A or 1120S 519,
2. Adjustment from line 12, Schedule A and B 19,
3. Total Net Income As Reconciled (line 1 plus or minus line 2) 539,
4. Multi-state Corporation, enter amount from line 5, Sch. G; otherwise, enter amount from line 3 180,
5. SS: Distribution to shareholders of S corporation <
6. South Carolina Net Income subject to tax (line 4 less line 5) 180,
7. X: Multiply amount on line 6 by .05 (5.0%) 9,
8. Non-refundable credits from line 5, Schedule C 8,
9. Amount of tax (line 7 less line 8) enter the difference but not less than zero. 9,
Payments: (a) Tax Withheld (see instructions) 27,489 (b) Paid by Declaration 9,191,553
(c) Paid with Tentative Return 450,000 (d) Credit from line 23b 9,
11. Total Payments (add lines 10a through 10d) 9,
12. Amount of Tax Due (line 9 less line 11)
13. Contribution: Check for Wildlife Fund Children's Trust Fund
14. Interest Due Penalty Due (See instructions for penalty and interest) ...
15. TOTAL INCOME TAX, Interest, Penalty, and Contribution Due (add lines 12 through 14)
16. PREPAYMENT (line 11 less line 9) 669,346 To be applied as follows:
Estimated Tax 669,346 (b) License Fee (c) Refunded
Check for Wildlife Fund (e) Children's Trust Fund

COMPUTATION OF LICENSE FEE

17. Total License Fee Due from Schedule J, line 9, on page 5 4,
18. Payments: (a) Paid with Tentative Return (b) Credit from line 18b
19. Total Payments (add line 18 (a) and (b)) 4,
20. Amount Of Fee Due (line 17 less line 19)
21. Interest Due Penalty Due (See instructions for penalty and interest) ...
22. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 20 and 21)
23. PREPAYMENT (line 19 less line 17) To be applied as follows:
Estimated Tax (b) Income Tax (c) Refunded
24. AND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 15 and 22)

Make checks payable to: South Carolina Tax Commission.

I, _____, a principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete

Additions (attach schedule) _____
Additions (add lines 1 through 5) _____ 6. _____

DEDUCTIONS FROM FEDERAL NET INCOME

Obligations Of The U.S. _____ 7. _____
_____ 8. _____
_____ 9. _____
Deductions (attach schedule) _____ 10. _____
Deductions (add lines 7 through 10) _____ 11. _____
Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U _____ 12. _____

EDULE C

NON-REFUNDABLE TAX CREDITS

It Carryover From Previous Year _____ 1. _____
(a) Drip/Trickle Irrigation System (TC-1) _____ 2a. _____
(b) Minority Business (TC-2) _____ b. _____
(c) Water Resources (TC-3) _____ c. _____
(d) South Carolina New Jobs Credit (TC-4) _____ d. _____
(e) Scenic Rivers (TC-5) _____ e. _____
(f) Infrastructure Construction or Improvement (TC-6) _____ f. _____
(g) Palmetto Seed Capital (TC-7) _____ g. _____
(h) Corporate Headquarters Income Tax Application (TC-8) _____ h. _____
(i) Child Care Program (TC-9) _____ i. _____
Credits (add lines 1 and 2(a) through (i) _____
(line 7, Part I, SC1120U) _____ 4. _____
Less of line 3 or 4 (enter on line 8, Part I, SC1120U) _____ 5. _____
Net Carryover (line 3 less line 5) _____ 6. _____

EDULE D

ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

Incorporated under the Laws of the State of North Carolina on 11-27-63
Foreign Corporation, the date qualified to do business in the State of South Carolina is 2-24-63
Location of the Registered Office of the Corporation in the State of South Carolina is 84 Villa Rd. in the City of C
Registered Agent at such address is John F. Lomax
Is the name of the Corporation changed during the year? _____ Give old name _____
When commenced business in the State of South Carolina was 1963
Location of principal office in S.C. 84 Villa Road Greenville, South Carolina
Nature of principal business in S.C. Electric Utility
Where Corporation's books are in the care of David L. Hauser, Controller
Located at 422 South Church Street Charlotte, NC 28242-0001

Foreign Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of State, in South Carolina? N/A

File consolidated, complete and attach Schedule I listing name, address and affiliation of all Corporations.

If professional corporation are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) practice the professional services engaged in by the corporation? _____

State the total number of authorized shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
150,000,000	No par	Common

State the total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
101,281,445	No par	Common

List names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation. If additional space is necessary, attach separate schedule.)

NAME

BUSINESS ADDRESS AND OFFICE

	Gross Amounts 1	Less: Related Expenses 2	Allocated Direct, to S.C. and Other States 3	Allocated Directly to S.C. 4	Excluded from Payroll Factor 5
Income not connected with business					
Dividends received					
Interest					
Gains/losses on real property					
Gains/losses on intangible pers. prop.					
Investment income directly allocated					
TOTAL INCOME DIRECTLY ALLOCATED					
INCOME DIRECTLY ALLOCATED TO S.C.					
TOTALS TO APPORTIONMENT FACTORS					

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATION

Total net income as reconciled. Enter amount from line 3, Part I	1.
Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
Total net income subject to apportionment (line 1 less line 2)	3.
Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
Add: Income subject to direct allocation to S.C. from Schedule F, line 8	5.
Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

SCHEDULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b)
Land				
Buildings				
Furniture and Equipment				
Inventories				
Other Property				
Exclusions	<	>	<	>
TOTAL (add lines 1 - 5; subtract line 6)				
	1. Within S.C.		2. Total Everywhere	
Avg. of Beginning and Ending Period (add line 7a and b and divide by 2)				
Rental or Lease Value				
TOTAL Property (Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
GROSS Payroll				
Less: Officers Compensation and Exclusions	<	>	<	>
TOTAL Payroll (Col. 1 + Col. 2 and enter ratio in Col. 3)				
TOTAL Sales (Col. 1 + Col. 2 and enter ratio in Col. 3)				
TOTAL of Three Ratios (add Column 3 - lines 10, 13 and 14)				
Arithmetical Average of Three Ratios				

SCHEDULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere
Total Gross Receipts		
Less: Exclusion	<	>
Gross Receipts (for ratio)		
Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)		

SCHEDULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount
Total Within South Carolina	
Total for System	

		Total System (A)	\$
ing Revenues, (Itemize):			
		\$	\$
otal Operating Revenues		4. \$	\$
ther Receipts, (Itemize):		5.	
otal Other Receipts		6. \$	\$
otal Gross Receipts (Add Lines 4 and 5)		7.	
ee Due (Line 7, Column B x .003)		8.	\$
otal License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 17 Part II, Page 1)		9.	\$

th Carolina Code Section 12-19-100

su of the license fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of n each dollar of the fair market value of property as determined by the South Carolina Tax Commission oses, for the preceding accounting period, owned and used within South Carolina in the conduct of the b oad company, express company, street railway company, navigation company, waterworks company, power c ny, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car c y, refrigerating car company and fruit growers' express car company, and all privately operated car line

th Carolina Code Section 12-19-110

ddition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes. e is levied an annual license fee of three mills upon the gross receipts derived from services rendered from re in this state during the calendar year next preceding by every railroad company, express company, street r igation company, waterworks company, power company, distribution electric cooperative, light compan graph company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerati : growers express car company, and all other privately operated car lines. However, where a consolidated n tion 12-7-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' ss receipts arising from any transactions between any of the separate members of the consolidated return grou vided for by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperati nse fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee providi ll file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

th Carolina Code Section 12-19-120

no case shall the license fee provided by Sections 12-19-100 and 12-19-110 be less than twenty-five do poration.

license fees are due on or before the fifteenth day of the third month next after the preceding income year.

total license fee cannot be less than twenty-five dollars (\$25.00).

INSTRUCTIONS

to SC1120 instructions if Public Utilities 'C' Corporation.

to SC1120S Instructions if Public Utilities 'S' Corporation.

STATE OF SOUTH CAROLINA
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

SC FILE NO.
1090024-9

Return for the Period Ending
DEC 1989

FED EIN NO.
160205520

Return extended to 9-15-90

Signature John P. W. Ruff Date 3-14-90

DUKE POWER COMPANY
PO BOX 33189
CHARLOTTE, NC 28242

1. Tentative Tax Based on Net Income	9,66
2. LESS: Estimated Tax Payments	9,21
3. Tentative Tax Due	45
4. Total Capital and Paid in Surplus x .001 plus \$15.00 but not less than \$25.00 Tentative License Fee (N/A for Savings and Loan Associations)	4,73
5. Balance Remitted	5,18

Power Company	SS# or Fed. EI # 56-0205520
th Church Street	
lotte, NC 28242-0001	

COMPUTATION OF TAX CREDIT

Consideration paid for qualified investments in the current year.	1.	1,000,000
Multiply the amount on line 1 by .30.	2.	30,000
Used Palmetto Seed Capital Credit carryover from prior years. (See computation below.) .	3.	-0-
Lines 2 and 3.	4.	30,000
Consideration paid in all years for qualified investments.	5.	1,000,000
Multiply line 5 by .50.	6.	500,000
Multiply the amount on line 6 by .30.	7.	15,000
After your state tax liability for the year.	8.	9,014,690
After the LESSER of lines 4, 7, or 8. This amount represents your current year Palmetto Seed Capital Credit and it should be transferred to Schedule TC, line 17.	9.	15,000

COMPUTATION OF UNUSED PALMETTO SEED CREDIT CARRYOVER

After the amount from Part 1, line 4.	A.	30,000
After the amount actually used to reduce your tax liability from Part 1, line 9.	B.	15,000
Subtract line B from line A. This is your carryover credit available in future years.	C.	15,000

GENERAL INSTRUCTIONS

The General Assembly enacted legislation which provides an income tax credit to a taxpayer who invests in the Palmetto Seed Capital Corporation. The Palmetto Seed Capital Corporation was established to increase the rate of capital formation, to create new growth-oriented business formations, to create new jobs, and to supplement conventional business financing.

Investor:
Taxpayer means any individual, corporation, partnership, trust or other entity that has any state tax liability and has a qualified investment.

Qualified investment: means investment in the Palmetto Seed Capital Corporation or the Palmetto Seed Capital Fund Partnership.

State tax liability: means total income tax liability after the application of all tax credits except the Palmetto Seed Capital Credit.

Amount of the credit: if the credit exceeds the tax liability, the excess may be carried over for credit against your income taxes in succeeding taxable years until the total amount of the tax credit has been taken.

Redeemed investment: if an investment is redeemed by the Palmetto Seed Capital Corporation or the Palmetto Seed Capital Fund Partnership within five years of the date it is purchased, the credit is disallowed and any credit previously claimed and allowed to the Tax Commission with the appropriate return of the taxpayer for the period in which the redemption occurred.

Duke Power Company
56-0205520

South Carolina Return - Part I

INCOME TAX LIABILITY

1 Federal taxable income per Federal return		519,967,536
2 Net Adjustments		19,801,505
3 Total net income as reconciled		539,769,041
4 Amount from line 6, Sched G		180,293,911
5 SC Loss carryover		0
6 SC Taxable Net Income		180,293,911
7 TAX DOE @	5.00%	9,014,696
8 Less tax deferred on foreign income		0
9 Balance		9,014,696
10 NonRefundable Credit from Schedule C-Line 3		15,000
11 Balance of Tax Due		8,999,696
12 Interest on DISC		0
13 Total Tax & Interest		8,999,696
Payments		
14a Tax Withheld	27,489	
14b Paid by declaration	9,191,553	
14c Paid with tentative return	450,000	
14d Credit from line 30	0	
15 Total Payments		9,669,042
16 Balance of tax due		0
17 Interest due		0
Penalty		0
18 Contribution		0
19 TOTAL INCOME TAX		0
20 Amount of overpayment		669,346
20a Applied to Estimate	669,346	
20b License Fee	0	
20c Refund	0	
20d Check for Wildlife Fund	0	
20e Children's Trust Fund	0	

DONE 10/22/52
56-0205520

Part II LICENSE FEE

21 Total Capital and Paid in Surplus		
22 FEE DUE (Schedule J)		4,730,620
23 Less Application of Corp Hdq Credit		0
24 Balance		4,730,620
25a Paid with tentative return	4,730,620	
25b Credit from line 20b	0	
26 Total Payments		4,730,620
27 Balance of fee due		0
28 Interest due	0	
Penalty Due	0	
29 TOTAL LICENSE FEE		0
30 Overpayment		0
30a Credit to Estimate	0	
30b Credit to Income Tax	0	
30c Credit to Refund	0	
31 INCOME TAX and LICENSE FEE DUE		0

56-0205520

** SCHEDULE A & B

Additions

1 Taxes on or measured by income	35,935,969
2 Federal NOL	0
3 Tax Exempt Interest	543,739
4	0
5 Other Additions	0
6 Total Additions	<u>36,479,708</u>

** Deductions

7 Adjustment to Basis for ITC	3,729,583
8 Additional SC depreciation	12,306,329
9 Fuel Tax Credit	134,428
10 Adjustment for SC loss in excess of federal	507,863
11 Total Deductions	<u>16,678,203</u>
12 Net Adjustment	19,801,505

** SCHEDULE C

1 Total Credits	15,000
2 Tax Due	9,014,696
3 Lesser of Line 1 or 2	15,000
4 Credit Carryover	<u>0</u>

56-0205520

** SCHEDULE J

1 Fair Market Value of Property Owned in SC	1,434,285,714
2 Fee Due (.001 of Line 1)	1,434,286
7 Regulated Gross Receipts (Schedule Attached)	1,098,777,916
8 Fee Due (.003 of Line 7)	3,296,334
7 Total License Fee	4,730,620

** SCHEDULE F	1 Gross	2 Related	3 Net	4 Net to SC
1 Interest not connected with business	0	0	0	0
2 Dividends received	143	0	143	0
3 Rents	0	0	0	0
4 Gains or losses on real property	578,732	0	578,732	26,463
5 Gains or losses on intangible persona	0	0	0	0
6 Investment Income directly allocated	0	0	0	0
7 TOTAL INCOME DIRECTLY ALLOCATED			578,875	//////////
8 INCOME DIRECTLY ALLOCATED TO SC				26,463
9 TOTALS TO APPORTIONMENT FACTORS	n/a	n/a	n/a	n/a

** SCHEDULE G

1 Total net income as reconciled	539,769,041
2 Less: Inc subj to direct allocation to SC	578,875
3 Total net income subject to apportionment	539,190,166
4 Apportionable to SC by appropriate ratio	180,267,448
5 Add: Income subject to direct allocation to SC	26,463
6 Total SC Net Income	180,293,911

** SCHEDULE H-1

APFACTOR	w/i state	Everywhere	Factor	Weight
10 Property (Include Exclusion in State)	3,951,291,282	11,430,920,988	0.345667	1
13 Payroll (Include Exclusion in State)	253,771,347	712,696,772	0.356072	1
14 Sales	1,098,777,916	3,647,380,908	0.301251	1
				3
15 Total Factor	1.002990			
16 Weighted Apportionment Factor	0.334330			

5	6
Exclude Pay	Exclude Prop

0	0

0	0

////////////////	////////////////
////////////////	////////////////

0	0

Duke Power Company
56-0205520

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1 Credit carryover from previous years	0	
2a Drip/Tickle Irrigation System	0	
2b Minority Business	0	
2c Water resources	0	
2d SC New Jobs Credit	0	
2e Scenic Rivers	0	
2f Infrastructure Construction	0	
2g Palmetto Seed capital	15,000	
2h Corp Hqts Income Tax Application	0	
2i Child care program	0	
3 Total Credits		15,000

56-0205520

3 Total Credits

15,000

Balance Sheet	Begin	End
001 Cash	78,901,542	15,134,967
002 Trade Notes & A/R	460,644,130	524,371,232
002a Less: Allow for Bad Debts	(3,689,996)	(3,836,581)
002b Net Notes & Receivables	464,334,126	528,207,813
003 Inventories	253,026,570	319,278,976
004 Govt Obligations-US	0	0
005 Govt Obligations-State	0	0
006 Other Current Assets	14,272,024	14,256,965
007 Loans to Stockholders	0	0
008 Mortgage & Real Estate Loans	0	0
009 Other Investments	229,299,564	271,480,755
010a Bldg & Other Depr Assets	11,745,573,299	12,747,398,746
010b Less: Accum Depr	(4,333,228,255)	(4,781,661,999)
010c Net Bldg & Depr Assets	16,078,801,554	17,529,060,745
011a Depletable Assets	0	0
011b Less Accum Depletion	0	0
011c Net Depletable Assets	0	0
012 Land (Net of Amort)	0	0
013a Intangible Assets (Amort)	0	0
013b Less: Accum Amort	0	0
013c Net Intangible Assets	0	0
014 Other Assets	746,618,321	817,034,865
015 TOTAL ASSETS	17,865,253,701	19,494,455,086
Liabilities and Stockholders Equity	Begin	End
016 Accounts Payable	264,989,520	306,262,962
017 Mtges, Notes, Bonds Pay (less 1 yr)	4,747,957	175,184,747
018 Other Current Liabilities	151,930,911	205,490,473
019 Loans from Stockholders	0	0
020 Mtges, Notes, Bonds Pay (more 1 yr)	2,783,575,623	2,823,618,449
021 Other Liabilities	1,850,217,814	2,073,044,323
022a Capital Stock Preferred >>>	691,557,800	683,307,400
022b Capital Stock Common >>>	1,862,495,514	1,862,721,243
023 Paid in or Capital Surplus >>>	0	0
024 Retained Earnings - Appropriated	0	0
025 Retained Earnings - Unappropriated	1,581,901,660	1,793,828,329
026 Less Cost of Treasury Stock	0	0
027 TOTAL LIAB. + STOCKHOLDERS EQUITY	9,191,417,199	9,923,457,926

ment Calculation for
of:
Carolina

Within the
STATE
(1)

Everywhere
(2)

	Beginning	Ending	Beginning	Ending
ric	3,747,249,599	3,979,630,169	10,403,221,555	11,289,018,743
:	17,891,795	19,218,533	31,416,916	32,863,158
it	662,448	477,216	3,040,078	2,824,564
ials & Supplies	53,089,069	65,595,476	243,799,138	304,511,104
ility	1,831,770	1,828,104	13,436,454	22,386,570
stories	0	0	0	0

ble Assets	3,820,724,681	4,066,749,498	10,694,914,141	11,651,604,139
ge Tangible Assets		3,943,737,090		11,173,259,140

times 8	7,554,192	257,661,848	Percentag Factor
Property & Rents	3,951,291,282	11,430,920,988	34.56
all Factor	253,771,347	712,696,772	35.60
s Factor (See separate Schedule)	1,098,777,916	3,647,380,908	30.12
tal of Percentages			100.29
t Apportionment Percentage			33.43

1989 South Carolina Income Tax Return

Statement of Regulated Gross Receipts

	Total	South Carolina	Other
Electric Revenues	\$3,638,481,711	\$1,093,848,574	\$2,544,633,137
Water Revenues	7,036,963	4,604,773	2,432,190
Bus Revenues	1,862,234	324,569	1,537,665
	<u>\$3,647,380,908</u>	<u>\$1,098,777,916</u>	<u>\$2,548,602,992</u>

	Federal Tax <u>Depreciation</u>	S.C. Tax <u>Depreciation</u>	
ure & fixtures	\$ 14,160,645	\$ 14,160,645	
ipment	10,780,879	10,780,879	
ch and other Computers	1,163,571	1,163,571	
andling equipment	732,131	732,131	
	126,571	126,571	
general plant	16,432,863	16,432,863	
	6,433,412	6,764,136	
structures	90,296	90,296	
:	165,433,298	166,396,957	
: fuel	179,320,901	179,320,901	
structures	4,620,157	4,620,157	
	30,409,945	33,836,800	
roduction	1,047,235	1,224,384	
roduction-structures	361	361	
structures	280,570	280,570	
ission	36,314,725	37,859,600	
ution	113,632,698	119,449,880	
Structures	153,764	153,764	
	1,381,623	1,427,508	
ires	<u>11,498,069</u>	<u>11,498,069</u>	
	<u>\$594,013,714</u>	<u>\$606,320,043</u>	<u>\$1</u>

Depreciation on the Federal return was computed using Section 167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980 depreciation was computed using Section 168 Accelerated Cost

FOR THE YEAR ENDING

DECEMBER 31, 1964

☐ Taxpayer
☐ Taxpayer and spouse
☒ Officer

Total Tax \$
Less: Payments & credits \$
Refund due (overpayment) \$11,352.00

☒ Refunded to you \$11,352.00
☐ Credited to your estimated tax \$
\$ refunded and \$ credited

NOTE: Your social insurance number or employer identification number should be entered on your return.

Mail check to: SECRET, OF REVENUE
COLUMBIA, SC 29204

Mail by: IMMEDIATELY

For official and confidential use only. For questions, call 1-800-451-2263.

100 TRS

FOR THE YEAR ENDING

DECEMBER 31, 1964

To be signed and
dated by

☐ Taxpayer
☐ Taxpayer and spouse
☒ Officer

Amount of
Tax

Total Tax \$
Less: Payments & credits \$
Refund due (overpayment) \$11,352.00

Overpayment

☒ Refunded to you \$11,352.00
☐ Credited to your estimated tax \$
\$ refunded and \$ credited

Check to: N/A

NOTE: Your social insurance number or employer identification number should be entered on your return.

Mail tax return and check
(if applicable) to:

SECRET, OF REVENUE
COLUMBIA, SC 29204

Return must be mailed on
or before

IMMEDIATELY

For official and confidential use only. For questions, call 1-800-451-2263.

Special Instructions

MINCSTATALTRN



AMENDED

TAXPAYER ID INFORMATION

FILE # 20090024 - 9

RETURN FOR PERIOD ENDING DECEMBER 31, 1990

E.I.# 56-0205520

DUKE POWER COMPANY

MAILING ADDRESS MAIL CODE PB05B

CHARLOTTE STATE NC ZIP CODE 28242

Change of Address ☐

A COMPLETE COPY OF FEDERAL RETURN
BE ATTACHED TO THIS RETURN.

Check if ☐ Consolidated Return

If Final Return, Indicate Whether: Merged

Reorganized ☐ Dissolved ☐ Withdrawn

County or Counties in SC Where Property is Located

VARIOUS

City Audit Location St

CHARLOTTE, NC

Telephone Number:

(704) 382-8175

14-0601

Federal ordinary income (loss) per Federal Form 1120, 1120A or 1120S	1.	51.5
Net Adjustment from line 12, Schedule A and B	2.	24
Total Net Income as Reconciled (line 1 plus or minus line 2)	3.	54.5
Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3.	4.	152
ESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	<
South Carolina Net Income subject to tax (line 4 less line 5)	6.	15.5
TAX: Multiply amount on line 6 by .05 (5.0%)	7.	
Non-Refundable credits from line 3, Schedule C	8.	
Balance of tax (line 7 less line 8) Enter the difference but not less than zero	9.	
Payments: (a) Tax Withheld (see instructions)	(b) Paid by Declaration	
(c) Paid with Tentative Return	(d) Credit from line 24b	
Payments (add lines 10a through 10d)	AS REPORTED	11.
Balance of Tax Due (line 9 less line 11)	12.	
Interest Due	Penalty Due	(See instructions for penalty and interest.)
13.	13.	
TOTAL INCOME TAX, Interest and Penalty Due (add lines 12 and 13)	14.	
OVERPAYMENT (line 11 less line 9)	To be applied as follows:	
(a) Estimated Tax	(b) License Fee	(c) Refunded
16.	16.	16.
Total License Fee Due from Schedule K, line 9, on page 5	17.	
Section 12-20-105 credit (see instructions)	18.	
Total License Fee Due (subtract line 17 from line 16 but not less than zero)	19.	
Payments: (a) Paid with Tentative Return	(b) Credit from line 15b	
20.	20.	
Total Payments (add line 19(a) and (b))	21.	
Balance of Fee Due (line 18 less line 20)	22.	
Interest Due	Penalty Due	(See instructions for penalty and interest.)
23.	23.	
TOTAL LICENSE FEE, Interest and Penalty Due (add lines 21 and 22)	24.	
OVERPAYMENT (line 20 less line 18)	To be applied as follows:	
(a) Estimated Tax	(b) Income Tax	(c) Refunded
25.	25.	25.
GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 23)		

Make check payable to: South Carolina Department of Revenue.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

Signature of officer

Date

Title

I authorize the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer.

Yes ☐ No ☐

Preparer's Printed Name

4. _____
Additions (attach schedule) 5. _____
Additions (add lines 1 through 5) SEE ATTACHED AUDIT ADJUSTMENT 6. 24,800

DEDUCTIONS FROM FEDERAL NET INCOME

7. 0
8. _____
9. _____
Deductions (attach schedule) 10. _____
Deductions (add lines 7 through 10) 11. _____
Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U 12. 24,800

SECTION C NON-REFUNDABLE TAX CREDITS

1. _____
2. _____
3. _____
4. _____
Credits (from Schedule I)
Line 7, Part I, SC1120U)
of line 1 or 2 (enter on line 8, SC1120U)
Carryover (line 1 less line 3)

SECTION D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

of Corporation DUKE POWER COMPANY
of this report _____ Fed. E.I. No. 56-0205520
located under the Laws of the State of NORTH CAROLINA on 11/27/63
Incorporated in the State of NORTH CAROLINA on 2/24/64
Incorporated in the State of South Carolina is 2/24/64
Address of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD
City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
Has the name of the Corporation changed during the year? NO Give old name _____
When did the Corporation commence business in the State of South Carolina was _____
Principal executive office (street address) 84 VILLA ROAD; GREENVILLE, SOUTH CAROLINA
Principal business in S.C. ELECTRIC UTILITY
Where are the Corporation's books and records kept (street address) 422 SOUTH CHURCH STREET, CHARLOTTE, NC 28242
Do you consolidate, complete and attach Schedule J for each corporation listed in the consolidation.
Total number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follows:
NUMBER OF SHARES CLASS SERIES
10,000,000 COMMON NO PAR

Total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class
NUMBER OF SHARES CLASS SERIES

Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation (if additional space is necessary, attach separate schedule).

NAME

BUSINESS ADDRESS AND OFFICE

	Gross Amounts 1	Less: Related Expenses 2	Allocated Direct to SC and Other States 3	Allocated Directly to SC 4	be.Excluded from Payroll Factor 5	to fn
connected with business						
is received	SEE ATTACHED AUDIT ADJUSTMENT					
esses on real property						
esses on intangible pers. prop.						
ent income directly allocated						
INCOME DIRECTLY ALLOCATED						
E DIRECTLY ALLOCATED TO S.C.						
S TO APPORTIONMENT FACTORS						

LE G COMPUTATION OF TAXABLE INCOME FOR ORGANIZATIONS CLAIMING MULTI-STATE OPERATIONS

Income as reconciled. Enter amount from line 3, Page 1	1.	544,0
Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	
Income subject to apportionment (line 1 less line 2)	3.	543,810
Amount on line 3 by appropriate ratio from Schedule H-1, 2, or 3 and enter result here	4.	152,1
Income subject to direct allocation to S.C. from Schedule F, line 8	5.	
C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Page 1	6.	152,1

LE H-1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Every	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) En
Equipment				
ries				
roperty				
ons	<	>	<	>
(add lines 1 - 5; subtract line 6)				
	1. Within S.C.		2. Total Everywhere	3.
Beginning and Ending Period (add line 7a and b and divide by 2)				
or Lease Value				
Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
S Payroll				
Officers Compensation and Exclusions	<	>	<	>
Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
Sales (same as line 14)				
of Ratios (add Column 3 - lines 10, 13, 14 and 15)				
tical Average of Ratios				

LE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In S.C.	2. Total Everywhere	3.
Gross Receipts			
Exclusion (see instructions)	<	>	
Receipts (for ratio)	1,107,773,838	3,941,492,064	
Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			28.

LE H-3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount
Within South Carolina	

C Water Resources (TC-3) C _____
 D South Carolina New Jobs Credit (TC-4) D _____
 E Scenic Rivers (TC-5) E _____
 F Infrastructure Construction or Improvement (TC-6) F _____
 G Palmetto Seed Capital (TC-7) G _____
 H Corporate Headquarters Income Tax Application (TC-8) H _____
 I Child Care Program (TC-9) I _____
 J Base Closure/Federal Facility Employment Reduction-Hiring Credit (TC-10) .. J _____
 K Economic Impact Zone Property Investment Credit (TC-11) K _____
 L Credit for Hiring Recipients of Family Independence Payments (TC-12) L _____
 M Additional Family Independence Payments Credit (TC-12-A) M _____
 N Motion Picture Project/Production Facility Credit (TC-13) N _____

Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) 3. _____

E J **CORPORATIONS INCLUDED IN CONSOLIDATED RETURN**
AFFILIATED CORPORATION NO. 1

DUKE POWER COMPANY S.C.I.D. No. _____
 of this report Fed. E.I. No. _____

is incorporated under the laws of the State of NORTH CAROLINA on 11/27/63

ign Corporation, the date qualified to do business in the State of South Carolina is _____

on of the Registered Office of the Corporation in the State of South Carolina is _____

City of GREENVILLE and Registered Agent at such address is _____

re name of the Corporation changed during the year? NO Give old name _____

ommenced business in the State of South Carolina was 2/24/64

of principal office (street address) _____

ncipal business in S.C. ELECTRIC UTILITY

orporation's books are in the care of CONTROLLER

ed at 422 SOUTH CHURCH STREET, CHARLOTTE, NORTH CAROLINA 28242

rofessional corporation, are all shareholders, one-half of the directors and all officers (other than the secretary a
 ad to practice the professional service engaged in by the corporation? _____

tal number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follow

NUMBER OF SHARES	CLASS	SERIES
10,000,000	NO PAR	COMMON

tal number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class

NUMBER OF SHARES	CLASS	SERIES

ital amount of stated capital per balance sheet is:

otal paid in Capital Stock (cannot be a negative amount) \$ _____

otal paid in Capital Surplus (cannot be a negative amount) \$ _____

otal amount of Stated Capital (cannot be a negative amount) \$ _____

ames and business addresses of the directors (or individuals functioning as directors) and principal officers in the Co
 litional space is necessary, attach separate schedule).

A** **BUSINESS ADDRESS AND OFFICE**

		Total System (A)	Intra South (
Operating Revenues, (Itemize):		\$	\$
Operating Revenues	4.	\$	\$
Receipts, (Itemize):	5.		
Other Receipts	6.	\$	\$
Gross Receipts (Add Lines 4 and 6)	7.		
Due (Line 7, Column B x .003)	8.		\$
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16, Part II, Page 1)	9.		\$

from 2000 Code of Laws as Amended
on 12-20-100 as amended for taxable years beginning after 1995.

place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigati
company, power company, electric cooperative, light company, gas company, telegraph company, and telephone c
ual report with the department and pay a license fee as follows:

for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and us
conduct of business as determined by the department for property tax purposes for the preceding taxable year;
for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered fr
ss within this state during the preceding taxable year, except that with regard to electric cooperatives, only distrit
atives are subject to the gross receipts portion of the license fee under this subitem.

Minimum license fee under this section is \$25.

NEW INFORMATION

Carolina has updated income tax laws to conform with the Internal Revenue Code of 1986, as amended through December 31, 1999, Includ

17 Section 12-20-105 credit is for amounts paid in cash to provide infrastructure for an eligible project. Effective June 11, 1999, the term
eligible project has been expanded to include industrial shell buildings and the purchase of land for an office, business or industrial park.
re June 30, 1999, notwithstanding the statute of limitations, the time allotted for requesting a corporate refund has been extended from thr
om the date the Internal Revenue Service changes the taxable income.

nature section of the return contains a new area for the preparer's telephone number.

INSTRUCTIONS

uctions - If the company paid cash to provide infrastructure for an eligible project, enter the amount on line 17. Attach a schedule to the re
the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amo
x infrastructure and to whom and when paid, a description of the infrastructure, and the date the infrastructure was completed or is
f the infrastructure has not been completed as of the date the return is filed, the taxpayer must include a waiver of the statute of limitation:
single tax year may not exceed \$300,000. If the credit exceeds tax liability, the excess may be carried forward and deducted in the succee
ation see SC Revenue Ruling #96-11.

structions if Public Utilities 'C' Corporation.

1120S instructions if Public Utilities 'S' Corporation.

REV: 304
140 JUL 78
24 1
5
7

173,157,855	11,243,801	170,791,323	31,105,481	70,981,964	2,670,121	15,177	17,518,823	0	0	0	557,085,137	518,196,183	526,826,222	58	817,879,1
190,984,738	137,733,348	103,007,412	203,644,733	163,079,644	196,175,439	634,37	511,812,818	484,086,818	494,179,219	500,708,781	21,949,399	21,949,399	21,949,399	21,949,399	5,018,8
62,399,271	44,841,374	(25,802,983)	7,113,293	(71,237,254)	6,779,432	111,7	75,703,547	(110,555)	21,981,478	75,850,443	778,174,428	944,003,453	518,324,978	518,324,978	822,948,7
252,903,137	187,434,843	87,354,822	161,834,184	111,877,448	(80,545,953)	725,1	588,812,498	489,578,054	892,142,194	878,540,224	(167,875)	(167,875)	(167,875)	(167,875)	110,953,4
(14,932,111)	2,481,081	(722,185)	(4,707,789)	(2,365,124)	(1,211,227)	18,3	21,739,770	(445,792)	(181,813)	(145,187)	577,544,351	543,818,293	512,783,092	512,783,092	611,892,2
718,454,114	164,888,001	88,782,332	188,879,425	148,308,370	198,717,840	814,308,848	614,542,234	492,820,771	691,849,172	578,178,037	33,4330%	33,4330%	33,4330%	33,4330%	34,8785%
33,7910%	35,3880%	35,7300%	34,8800%	33,4050%	35,8700%	34,5710%	35,8170%	33,8170%	33,2471%	33,4741%	182,184,512	182,184,512	182,184,512	182,184,512	371,131,1
12,817,849	61,594,743	23,835,735	64,807,218	94,554,778	122,803,803	317,803,434	294,879,727	187,492,907	221,181,423	182,184,512	24,483	24,483	24,483	24,483	10,814,1
12,284,180	6,273	18,898	4,025,088	87,184	181,345	5,822,225	273,878,299	176,482,474	142,312,345	239,319,598	182,184,512	182,184,512	182,184,512	182,184,512	247,004,9
87,282,188	81,385,258	22,548,854	88,292,813	94,822,874	(23,791,313)	122,532,898	171,870,474	182,312,345	235,319,589	182,184,512	182,184,512	182,184,512	182,184,512	182,184,512	262,078,1
(113,874)	(140,799)	(737,254)	88,292,813	94,822,874	(23,791,313)	122,532,898	171,870,474	182,312,345	235,319,589	182,184,512	182,184,512	182,184,512	182,184,512	182,184,512	262,078,1
88,848,515	88,254,287	22,548,854	88,292,813	94,822,874	(23,791,313)	122,532,898	171,870,474	182,312,345	235,319,589	182,184,512	182,184,512	182,184,512	182,184,512	182,184,512	262,078,1
8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%	8,0000%
5,218,089	3,818,254	1,412,878	4,115,488	3,823,333	4,115,488	3,823,333	4,115,488	3,823,333	4,115,488	3,823,333	4,115,488	3,823,333	4,115,488	3,823,333	4,115,488
4,294,882	4,038,124	1,898,518	3,422,885	3,882,448	3,882,448	3,882,448	3,882,448	3,882,448	3,882,448	3,882,448	3,882,448	3,882,448	3,882,448	3,882,448	3,882,448
(1,048,743)	(523,878)	(383,329)	892,470	(779,945)	174,492	17,308,007	11,844,218	6,515,054	13,422,870	10,858,647	8,864,094	8,450,343	8,450,343	8,450,343	8,450,343
					0	0	0	0	0	0	781,853	1425,126	144,544	140,849	11,217,773

DES00010962

[illegible]

12,544,570
700.67
1.54
1,943.49

814,533

13,287,904

4,575,562

5,070.74

104.002

1,347

29

2020年12月

1
7049

[illegible]

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
P.O. Box 29214-0100

Return For
Period Ending 12/31/90-INCOME; 12/31/91-LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

NAME AND ADDRESS
DUKE POWER COMPANY
MAIL CODE PB05B
CHARLOTTE NC 28242

RETURN DUE ON OR
BEFORE

MARCH 15, 1991

1-0205520

Employer Identification No.

4900-R

Business Code

12 20090024-9

File Number

THIS RETURN

Extension Requested: Yes ☒ No ☐

Type of SC Return: Separate ☒
Consolidated ☐

If Final Return, Indicate Whether: Merg
Reorganized ☐ Dissolved ☐ Will
County in SC Where Property is loc
VARIOUS

Did any of the corporations in this
property presumed abandoned under C
of the South Carolina Code of
yes ☒ no ☐

City Audit Location
CHARLOTTE NORTH

Telephone Number: (704) 382

Federal ordinary income (loss) Per Federal Form 1120, 1120A or 1120S	1.	519,1
Net Adjustment from line 12, Schedule A and B	2.	24,8
Total Net Income As Reconciled (line 1 plus or minus line 2)	3.	544,0
If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	4.	180,5
LESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	<
South Carolina Net Income subject to tax (line 4 less line 5)	6.	180,5
TAX: Multiply amount on line 6 by .05 (5.0%)	7.	9,0
Non-Refundable credits from line 5, Schedule C	8.	2
Balance of tax (line 7 less line 8) enter the difference but not less than zero	9.	8,8
Payments: (a) Tax Withheld (see instructions)	(b) Paid by Declaration	
(c) Paid with Tentative Return	(d) Credit from line 22b	
Total Payments (add lines 10a through 10d)	11.	9,0
Balance of Tax Due (line 9 less line 11)	12.	(0)
Interest Due	Penalty Due	(See instructions for penalty and interest.)
13.	14.	(0)
TOTAL INCOME TAX, Interest and Penalty, Due (add lines 12 and 13)	14.	(0)
OVERPAYMENT (line 11 less line 9)	To be applied as follows:	
(a) Estimated Tax	(b) License Fee	(c) Refunded
15.	16.	4,1
Total License Fee Due from Schedule J, line 9, on page 5	16.	4,1
Payments: (a) Paid with Tentative Return	(b) Credit from line 15b	
17.	18.	4,1
Total Payments (add line 17 (a) and (b))	18.	4,1
Balance Of Fee Due (line 16 less line 18)	19.	
Interest Due	Penalty Due	(See instructions for penalty and interest.)
20.	21.	
TOTAL LICENSE FEE, Interest and Penalty Due (add lines 19 and 20)	21.	
OVERPAYMENT (line 18 less line 16)	To be applied as follows:	
(a) Estimated Tax	(b) Income Tax	(c) Refunded
22.	23.	(0)
GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)	23.	(0)

Make checks payable to: South Carolina Department of Revenue.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompanying Report, statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete	Signature of officer	Date	Title
	Preparer's signature	Date	Check if self-employed ☐ Preparer's so
Firm's name (or yours if self-employed) and address	DELOITTE AND TOUCHE LLP 2500 ONE PPG PLACE		E.I. No. 13-38911 Zip code 15222

4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____

SCHEDULE C NON-REFUNDABLE TAX CREDITS

1. _____
2a. _____
b. _____
c. _____
d. 53,400
e. _____
f. _____
g. 150,000
h. _____
i. _____

3. 2
4. 9,0
5. 2
6. _____

SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

7. _____
8. _____
9. _____
10. _____
11. _____
12. _____

13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____
25. _____
26. _____
27. _____
28. _____
29. _____
30. _____
31. _____
32. _____
33. _____
34. _____
35. _____
36. _____
37. _____
38. _____
39. _____
40. _____
41. _____
42. _____
43. _____
44. _____
45. _____
46. _____
47. _____
48. _____
49. _____
50. _____
51. _____
52. _____
53. _____
54. _____
55. _____
56. _____
57. _____
58. _____
59. _____
60. _____
61. _____
62. _____
63. _____
64. _____
65. _____
66. _____
67. _____
68. _____
69. _____
70. _____
71. _____
72. _____
73. _____
74. _____
75. _____
76. _____
77. _____
78. _____
79. _____
80. _____
81. _____
82. _____
83. _____
84. _____
85. _____
86. _____
87. _____
88. _____
89. _____
90. _____
91. _____
92. _____
93. _____
94. _____
95. _____
96. _____
97. _____
98. _____
99. _____
100. _____

101. _____
102. _____
103. _____
104. _____
105. _____
106. _____
107. _____
108. _____
109. _____
110. _____
111. _____
112. _____
113. _____
114. _____
115. _____
116. _____
117. _____
118. _____
119. _____
120. _____
121. _____
122. _____
123. _____
124. _____
125. _____
126. _____
127. _____
128. _____
129. _____
130. _____
131. _____
132. _____
133. _____
134. _____
135. _____
136. _____
137. _____
138. _____
139. _____
140. _____
141. _____
142. _____
143. _____
144. _____
145. _____
146. _____
147. _____
148. _____
149. _____
150. _____
151. _____
152. _____
153. _____
154. _____
155. _____
156. _____
157. _____
158. _____
159. _____
160. _____
161. _____
162. _____
163. _____
164. _____
165. _____
166. _____
167. _____
168. _____
169. _____
170. _____
171. _____
172. _____
173. _____
174. _____
175. _____
176. _____
177. _____
178. _____
179. _____
180. _____
181. _____
182. _____
183. _____
184. _____
185. _____
186. _____
187. _____
188. _____
189. _____
190. _____
191. _____
192. _____
193. _____
194. _____
195. _____
196. _____
197. _____
198. _____
199. _____
200. _____

	Gross Amounts 1	Related Expenses 2	to S.C. and Other States 3	Directly to S.C. 4	from Payroll Factor 5	from
not connected with business						
d. received						
its						
ns/losses on real property						
ns/losses on intangible pers. prop.						
vestment income directly allocated						
TOTAL INCOME DIRECTLY ALLOCATED						
OME DIRECTLY ALLOCATED TO S.C.						
TALS TO APPORTIONMENT FACTORS						

DULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERAT

al net income as reconciled. Enter amount from line 3, Part I	1.
s: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
al net income subject to apportionment (line 1 less line 2)	3.
tiplly amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
l: Income subject to direct allocation to S.C. from Schedule F, line 8	5.
al S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

DULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending
id				
ldings				
achinery and Equipment				
S.				
ier Property				
clusions	<	>	<	>
TAL (add lines 1 - 5; subtract line 6)				
		1. Within S.C.	2. Total Everywhere	3. Ra
l. of Beginning and Ending Period (add line 7a and b and divide by 2)				
ntal or Lease Value				
TAL Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
LOSS Payroll				
ss: Officers Compensation and Exclusions	<	>	<	>
TAL Payroll (Col. 1 + Col. 2 and enter ratio in Col. 3)				
TAL Sales (Col. 1 + Col. 2 and enter ratio in Col. 3)				
TAL of Three Ratios (add Column 3 - lines 10, 13 and 14)				
hmetical Average of Three Ratios				

DULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Ra
al Gross Receipts			
ss: Exclusion	<	>	
oss Receipts (for ratio)			
lio of Gross Receipts (line 3, Col. 1 + line 3, Col. 2)			

DULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Rat
in South Carolina		
System		
lio (South Carolina + Total System)		

THE ENERGY CORPORATION

OUTH CAROLINA LICENSE TAX FOR UTILITIES

	<u>1991</u>
Receipts Reported on Original Return	1,107,773,838
less: Sales for Resale	
less: Rents	
less: Water Revenues	
less: Forfeited Discounts	
less: Bad Debt	
less: Interdepartmental rents	
less: Misc. Service Revenue/Other Electric Revenues	
less: Interdepartmental sales	
Adjusted Receipts	<u>1,107,773,838</u>

Duke Power Company

Address:

427 South Church Street

Charlotte, NC 28242-0001

PART 1 COMPUTATION OF TAX CREDIT

Consideration paid for qualified investments in the current year.	1.	
Multiply the amount on line 1 by .30.	2.	
Unused Palmetto Seed Capital Credit carryover from prior years. (See computation below.) .	3.	
Add lines 2 and 3.	4.	
Enter consideration paid in all years for qualified investments.	5.	1
Multiply line 5 by .50.	6.	
Multiply the amount on line 6 by .30.	7.	
Enter your state tax liability for the year.	8.	9.02
Enter the LESSER of lines 4, 7, or 8. This amount represents your current year Palmetto Seed Capital Credit and it should be transferred to Schedule TC, line 17.	9.	

PART 2 COMPUTATION OF UNUSED PALMETTO SEED CREDIT CARRYOVER

Enter the amount from Part 1, line 4.	A.	
Enter the amount actually used to reduce your tax liability from Part 1, line 9.	B.	
Subtract line B from line A. This is your carryover credit available in future years.	C.	

GENERAL INSTRUCTIONS

Purpose: The General Assembly enacted legislation which provides an income tax credit to a taxpayer who invests in Palmetto Seed Capital Corporation. The Palmetto Seed Capital Corporation was established to increase the rate of capital investment in new growth-oriented business formations, to create new jobs, and to supplement conventional business.

Definitions:

1. Taxpayer means any individual, corporation, partnership, trust or other entity that has any state tax liability and has made a qualified investment.
2. Qualified investment means investment in the Palmetto Seed Capital Corporation or the Palmetto Seed Capital Corporation Partnership.
3. State tax liability means total income tax liability after the application of all tax credits except the Palmetto Seed Capital Credit.

If the amount of the credit exceeds the tax liability, the excess may be carried over for credit against your income tax liability in succeeding taxable years until the total amount of the tax credit has been taken.

If a qualified investment is redeemed by the Palmetto Seed Capital Corporation or the Palmetto Seed Capital Corporation Partnership within five years of the date it is purchased, the credit is disallowed and any credit previously claimed against the Tax Commission with the appropriate return of the taxpayer for the period in which the redemption occurred.

The total amount of credits allowed for all taxpayers and all taxable years may not exceed in the aggregate, five million dollars. The credit will be allowed to taxpayers who purchased these qualified investments based on the date of purchase until the total amount of credits allowed is exhausted.

(ATTACH TO RETURN)

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY YORK 19 87 19 88 19 89 19 90 19 91 19 92

MONTH PRIOR YEAR YEAR 1 YEAR 2 YEAR 3 YEAR 4 YEAR 5

1 JANUARY	860	871	1,019	1,073		
2 FEBRUARY	860	884	1,023	1,092		
3 MARCH	860	898	1,026	1,110		
4 APRIL	859	911	1,029	1,128		
5 MAY	859	924	1,032	1,147		
6 JUNE	859	937	1,036	1,165		
7 JULY	859	950	1,039	1,183		
8 AUGUST	859	963	1,042	1,202		
9 SEPTEMBER	859	977	1,045	1,220		
10 OCTOBER	858	990	1,049	1,238		
11 NOVEMBER	858	1,003	1,052	1,257		
12 DECEMBER	858	1,016	1,055	1,275		

TOTAL EMPLOYEES	5,151	11,323	12,446	14,090		
DIVIDED BY: NUMBER OF MONTHS IN OPERATION	6	12	12	12		

MONTHLY AVERAGE OF FULL TIME EMPLOYEES	858.42	943.58	1,037.13	1,174.17		
LESS: PREVIOUS YEAR AVERAGE		858.42	943.58	1,037.13		
AVERAGE INCREASE IN FULL TIME EMPLOYEES		85	93	137		

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
YEAR 1 INCREASE	85	85		
YEAR 2 INCREASE		93		
YEAR 3 INCREASE				
YEAR 4 INCREASE				
YEAR 5 INCREASE				
YEAR 6 INCREASE				
NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	85	178		
AMOUNT OF CREDIT PER EMPLOYEE	300	300		
ELIGIBLE CREDIT (multiply line 12 by line 13)	25,500	53,400		
UNUSED NEW JOBS CREDIT CARRYOVER	0	0		
TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	25,500	53,400		

EMPLOYEE FOR MEASURE YEARS BEGINNING WITH 1990.
(ATTACH TO RETURN)

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY OCONEE		19 89	19 90	19	19	19	19
MONTH		PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
1	JANUARY	1,431	1,449				
2	FEBRUARY	1,430	1,471				
3	MARCH	1,430	1,493				
4	APRIL	1,430	1,515				
5	MAY	1,429	1,537				
6	JUNE	1,429	1,559				
7	JULY	1,429	1,581				
8	AUGUST	1,429	1,603				
9	SEPTEMBER	1,429	1,625				
10	OCTOBER	1,429	1,647				
11	NOVEMBER	1,427	1,669				
12	DECEMBER	1,427	1,691				
TOTAL EMPLOYEES		17,145	18,840				
DIVIDED BY: NUMBER OF MONTHS IN OPERATION		12	12				
MONTHLY AVERAGE OF FULL TIME EMPLOYEES		1,428.83	1,570.00				
LESS: PREVIOUS YEAR AVERAGE			1,428.83				
AVERAGE INCREASE IN FULL TIME EMPLOYEES			141				

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
YEAR 1 INCREASE				
YEAR 2 INCREASE				
YEAR 3 INCREASE				
YEAR 4 INCREASE				
YEAR 5 INCREASE				
YEAR 6 INCREASE				
NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)				
AMOUNT OF CREDIT PER EMPLOYEE				
ELIGIBLE CREDIT (multiply line 12 by line 13)				
UNUSED NEW JOBS CREDIT CARRYOVER				
TOTAL ELIGIBLE CREDIT (add lines 14 and 15)				

COMPUTATION OF NET INCOME & TAX

1990

OME PER US1120	555,468,847
1986-1994 audit adjustments	(36,272,684)
ADJUSTMENTS PER EXHIBIT 1 SCH 1	0
JUSTED FED NET INCOME	519,196,163
ADJUSTMENTS PER SCH 6	24,807,294
RE ADJUSTED INCOME	544,003,457
ADJUSTMENTS PER SCH 7	(193,164)
ORTIONABLE INCOME AS ADJUSTED	543,810,293
ATIO PER RETURN OR SCH A	33.1906%
OME APPORTIONED TO SC	180,493,899
OCABLE TO SC PER SCH 7	11,222
AL SC NET INCOME	180,505,121
ONTRIBUTIONS	
NET INCOME	180,505,121
IOL	
AXABLE NET INCOME	180,505,121
RATE	5.0000%
PREVIOUSLY PAID	9,025,256
ERPAYMENT <OVERPAYMENT>	9,450,382
	(425,126)

120 SCH A & B ADJUSTMENTS

1990

ADDED ADJ. PER EXHIBIT 1 SCH 2	0
120 SCH A & B (NET) PER RETURN	23,190,043
ADJUSTMENTS:	
IMPT US INTEREST	0
CONTRIBUTIONS	0
INTEREST INCOME	0
SET RETIREMENT	0
OP CONTRIBUTION (BLK. BOOK)	0
EL TAX CREDIT	117,960
PRECIATION ADJUSTMENT	0
PRECIATION ADJUSTMENT-LARRY	0
ADJUSTMENT	0
RECTED ALLOCATED GAIN/LOSS	599,658
IRONMENTAL TAX	899,633
IDEND ALLOCATION	0
OP (WRONG YEAR)	0
OP-BLACK BOOK	0
ORN FUEL, INC REIMBURSEMENT	0
ATED EXPENSES PER SCH	0
IL	24,807,294

LOCATED ITEMS

1990

RYWHERE ALLOCATIONS PER EX. 1
RYWHERE ALLOCATIONS PER RETURN
UDIT ADJUSTMENTS:
EREST APPORTIONED ON SC AUDIT
N/LOSS INTANG. PERS. PROP.
AL PROPERTY-CATAWBA-EX 4
ALLOWED ON SC AUDIT-EXH 9

193,164

RYWHERE ALLOCATIONS AS ADJUSTED

193,164

LLOCATIONS PER EX. 1 SCH 3
LLOCATIONS PER RETURN
UDIT ADJUSTMENTS:
PROPERTY-CATAWBA-EXH 4
RECTED GAIN/LOSS ALLOCATIONS

11,222

LLOCATIONS AS ADJUSTED

11,222



File This Return To:
TAX COMMISSION
P.O. Box 125
Columbia, SC 29214

NAME AND ADDRESS

WKE POWER COMPANY
12 SOUTH CHURCH STREET
CHARLOTTE, NORTH CAROLINA 28242-0001

0205520
Identification No

1900-R
Business Code

12 20090024-9
Fee Number

RETURN DUE ON OR
BEFORE
MARCH 15, 1991

Return For DECEMBER 31, 1990 INCOME
Period Ending DECEMBER 31, 1991 LICENSE
RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR.

(REV. 1/31/90)
A COPY OF FEDERAL FORM 11
1120S AND SUPPORTING S
MUST BE ATTACHED AND MA
THIS RETURN

Extension Requested: Yes ☒ No ☐
Type of SC Return: Separate ☒
Consolidated ☐

If Final Return, Indicate Whether Merger
Reorganized ☐ Dissolved ☐ Withd
County in SC Where Property is located
VARIOUS

Did any of the corporations in this R
property presumed abandoned unde
Title 27 of the South Carolina Code
☐ yes ☒ no

City CHARLOTTE Audit Location NORTH CA
Telephone Number: (704) 392

II COMPUTATION OF INCOME TAX LIABILITY

1. Federal ordinary income (loss) per Federal Form 1120, 1120A or 1120S 555.46
2. Adjustment from line 12, Schedule A and B 23.16
3. Total Net Income As Reconciled (line 1 plus or minus line 2) 578.6
4. Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3 192.0
5. S-S: Distribution to shareholders of S corporation <
6. South Carolina Net Income subject to tax (line 4 less line 5) 192.0
7. X: Multiply amount on line 6 by .05 (5.0%) 9.6
8. Refundable credits from line 5, Schedule C 1
9. Tax (line 7 less line 8) enter the difference but not less than zero. 9.4
10. Payments: (a) Tax Withheld (see instructions) 35.740 (b) Paid by Declaration 9.604, 346
(c) Paid with Tentative Return 1,372, 842 (d) Credit from line 23b
11. Total Payments (add lines 10a through 10d) 11. C
12. Balance of Tax Due (line 9 less line 11)
13. Contribution: Check for Wildlife Fund; Children's Trust Fund
14. Interest Due Penalty Due (See instructions for penalty and interest.) ...
15. TOTAL INCOME TAX, Interest, Penalty, and Contribution Due (add lines 12 through 14)
16. OVERPAYMENT (line 11 less line 9) 1,562, 546 To be applied as follows:
Estimated Tax 1,562, 546 (b) License Fee (c) Refunded
17. Check for Wildlife Fund (e) Children's Trust Fund

I COMPUTATION OF LICENSE FEE

17. Total License Fee Due from Schedule J, line 9, on page 5 4.87
18. Payments: (a) Paid with Tentative Return 4,870, 941 (b) Credit from line 16b
19. Total Payments (add line 18 (a) and (b)) 4.87
20. Balance Of Fee Due (line 17 less line 19)
21. Interest Due Penalty Due (See instructions for penalty and interest.) ...
22. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 20 and 21)
23. OVERPAYMENT (line 19 less line 17) To be applied as follows:
Estimated Tax (b) Income Tax (c) Refunded
24. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 15 and 22)

Make checks payable to: South Carolina Tax Commission.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief true and complete.

STATE OF SOUTH CAROLINA
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

FILE NO.
1024-9

Return for the Period Ending
DEC 1990

1. Tentative Tax Based on Net Income	10,977,1
2. LESS: Estimated Tax Payments	9,604,1
3. Tentative Tax Due	1,372,8
4. Total Capital and Paid in Surplus NA x .001 plus \$15.00 but not less than \$25.00 Tentative License Fee (N/A for Savings and Loan Associations)	4,870,9
5. Balance Remitted	6,243,7

EIN NO.
105520
Return extended to September 15, 1991
Date 3/12/91

POWER COMPANY
S CHURCH ST
TTE, NC 28242

4. _____ Attached
Additions (attach schedule) 5. _____
Additions (add lines 1 through 5) 6. _____
DEDUCTIONS FROM FEDERAL NET INCOME
7. _____
8. _____
9. _____
10. _____
Deductions (attach schedule)
Deductions (add lines 7 through 10) 11. _____
Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U 12. _____

SCHEDULE C NON-REFUNDABLE TAX CREDITS
1. _____
2a. _____
b. _____
c. _____
d. _____
e. _____
f. _____
g. _____
h. _____
i. _____
Credits (add lines 1 and 2(a) through (i)
Line 7, Part I, SC1120U) 4. _____
Less of line 3 or 4 (enter on line 8, Part I, SC1120U) 5. _____
Carryover (line 3 less line 5) 6. _____

SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS
Incorporated under the Laws of the State of NORTH CAROLINA on 11-27-63
Foreign Corporation, the date qualified to do business in the State of South Carolina is 2-24-63
Location of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA RD. in the City of GREENVILLE
Registered Agent at such address is JOHN F. LUTTIX
Has the name of the Corporation changed during the year? NO Give old name _____
When did the Corporation first commenced business in the State of South Carolina was 1963
Location of principal executive office 84 VILLA RD., GREENVILLE, S.C.
Nature of principal business in S.C. ELECTRIC UTILITY
Where are the Corporation's books kept in the care of DAVID L. HAUSER, CONTROLLER
Address at 422 SOUTH CHURCH STREET, CHARLOTTE, N.C. 28202-0001

Has the Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of State in South Carolina? N/A
If consolidated, complete and attach Schedule I listing name, address and affiliation of all Corporations.
If a professional corporation are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) to practice the professional services engaged in by the corporation? _____

Total number of authorized shares of capital stock itemized by class and series. If any, within each class is as follows:

Number of Shares	Class	Series
300,000,000	NO PAR	COMMON

Total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
202,570,000	NO PAR	COMMON

Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation. If additional space is necessary, attach separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE
ALL OFFICERS CAN BE REACHED	

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct to S.C. and Other States 3	Net Amounts Allocated Directly to S.C. 4	Payrolls to be Excluded from Payroll Factor 5	P to Be from 1
Income connected with business						
Dividends received						
Losses			Schedule			
Gains/losses on real property			Attached			
Gains/losses on intangible pers. prop.						
Investment income directly allocated						
TOTAL INCOME DIRECTLY ALLOCATED						
TOTAL INCOME DIRECTLY ALLOCATED TO S.C.						
TOTALS TO APPORTIONMENT FACTORS						

PART 3 COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATIONS

Net income as reconciled. Enter amount from line 3, Part I	1.
Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
Net income subject to apportionment (line 1 less line 2)	3. Schedule
Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4. Attached
Income subject to direct allocation to S.C. from Schedule F, line 8	5.
S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

PART 4 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere		
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending	
Buildings					
Land and Equipment					
Depreciation		Schedule			
Real Property		Attached			
Comparisons	<	>	<	>	Schedule
AL (add lines 1 - 5, subtract line 6)					Attached
		1. Within S.C.	2. Total Everywhere		3. Rat
Ratio of Beginning and Ending Period (add line 7a and b and divide by 2)					
Ratio of Lease Value					
AL Property (add lines 8 and 9 (Col. 1 - Col. 2 and enter ratio in Col. 3)					
SS Payroll					
Officers Compensation and Exclusions	<	>	<	>	
AL Payroll (Col. 1 - Col. 2 and enter ratio in Col. 3)					
AL Sales (Col. 1 - Col. 2 and enter ratio in Col. 3)					
AL of Three Ratios (add Column 3 - lines 10, 13 and 14)					
Arithmetic Average of Three Ratios					

PART 5 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Rat
Gross Receipts			
Exclusion	<	>	<
Net Receipts (for ratio)			
Ratio of Gross Receipts (line 3, Col. 1 - line 3, Col. 2)			

PART 6 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
Income in South Carolina		
System		
(South Carolina - Total System)		

Foreign Corporation, the date qualified to do business in the State of South Carolina is _____
 Location of the Registered Office of the Corporation in the State of South Carolina is _____
 City of _____ and Registered Agent at such address is _____
 Has the name of the Corporation changed during the year? _____ Give old name _____
 Has the Corporation ever conducted business in the State of South Carolina was _____
 Location of principal executive Office _____
 Nature of principal business in S.C. _____
 Where the Corporation's books are in the care of _____
 Held at _____

Foreign Corporation, have all changes in structure since the filing of the last Annual Report been reported to the Secretary of State in South Carolina? _____

If a professional corporation, are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) engaged in the professional service engaged in by the corporation? _____

Total number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follows:

NUMBER OF SHARES	CLASS	SERIES

Total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as follows:

NUMBER OF SHARES	CLASS	SERIES

Total amount of stated capital per balance sheet is:

Total paid in Capital Stock \$ _____

Total paid in Capital Surplus \$ _____

Total amount of stated Capital \$ _____

List the names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation. If additional space is necessary, attach a separate schedule).

NAME

BUSINESS ADDRESS AND OFFICE

_____	_____
_____	_____
_____	_____
_____	_____

For additional affiliated corporations duplicate this page as needed.

	Total System (A)	Intra South C (B)
Operating Revenues (Itemize)		
	\$	\$
		Schedr
		Attach
Operating Revenues	4. \$	\$
Receipts (Itemize)	5.	
Other Receipts	6. \$	\$
Gross Receipts (Add Lines 4 and 5)	7.	
Due (Line 7, Column B x .003)		8. \$
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 17 Part II, Page 1)		9. \$

Carolina Code Section 12-19-100

of the license fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of one mill for each dollar of the fair market value of property as determined by the South Carolina Tax Commission for purposes, for the preceding accounting period, owned and used within South Carolina in the conduct of the business of a company, express company, street railway company, navigation company, waterworks company, power company, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

Carolina Code Section 12-19-110

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind levied an annual license fee of three mills upon the gross receipts derived from services rendered from regulated business in this state during the calendar year next preceding by every railroad company, express company, street railway company, navigation company, waterworks company, power company, distribution electric cooperative, light company, gas company, telegraph company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, fruit growers' express car company, and all other privately operated car lines. However, where a consolidated return pursuant to Section 12-7-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' shall refer to the gross receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided for by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by this section shall file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

Carolina Code Section 12-19-120

In no case shall the license fee provided by Sections 12-19-100 and 12-19-110 be less than twenty-five dollars for any calendar year.

License fees are due on or before the fifteenth day of the third month next after the preceding income year.

Total license fees cannot be less than twenty-five dollars (\$25.00).

INSTRUCTIONS

See SC 1120 Instructions if Public Utilities 'C' Corporation.

See SC 1120S Instructions if Public Utilities 'S' Corporation.

56-0205520

South Carolina Return - Part I

INCOME TAX LIABILITY

1 Federal taxable income per Federal return	555,468,847
2 Net Adjustments	23,191,043
3 Total net income as reconciled	578,659,890
4 Amount from line 6, Sched G	192,007,650
5 SC Loss carryover	0
6 SC Taxable Net Income	192,007,650
7 TAX DUE @ 5.00%	9,600,382
8 Less tax deferred on foreign income	0
9 Balance	9,600,382
10 NonRefundable Credit from Schedule C-Line 3	150,000
11 Balance of Tax Due	9,450,382
12 Interest on DISC	0
13 Total Tax & Interest	9,450,382
Payments	
14a Tax Withheld	35,740
14b Paid by declaration	9,604,346
14c Paid with tentative return	1,372,842
14d Credit from line 30	0
15 Total Payments	11,012,928
16 Balance of tax due	0
17 Interest due.	0
Penalty	0
18 Contribution	0
19 TOTAL INCOME TAX	0
20 Amount of overpayment	1,562,546
20a Applied to: Estimate	1,562,546
20b License Fee	0
20c Refund	0
20d Check for Wildlife Fu	0
20e Children's Trust Fund	0

56-0205520

Part II LICENSE FEE

1 Total Capital and Paid in Surplus		
22 FEE DUE from Schedule J		4,870,941
23 Less Application of Corp Hdq Credit		0
24 Balance		4,870,941
25a Paid with tentative return	4,870,941	
25b Credit from line 20b	0	
26 Total Payments		4,870,941
27 Balance of fee due		0
28 Interest due	0	
Penalty Due	0	
29 TOTAL LICENSE FEE		0
30 Overpayment		0
30a Credit to Estimate	0	
30b Credit to Income Tax	0	
30c Credit to Refund	0	
31 INCOME TAX and LICENSE FEE DUE		0

56-0205520

SCHEDULE A & B

Additions

1 Taxes on or measured by income	38,231,511
2 Federal NOL	0
3 Tax exempt interest	344,108
4	0
5 Other Additions	0
6 Total Additions	<u>38,575,619</u>

** Deductions

7 Interest on obligations of the US	66,614
8 Additional SC depreciation	10,959,630
9 Federal gas tax credit	117,960
10 Other Deductions (Schedule Attached)	4,240,372
11 Total Deductions	<u>15,384,576</u>
12 Net Adjustment	23,191,043

** SCHEDULE C

1 Total Credits	150,000
2 Tax Due	9,600,382
3 Lesser of Line 1 or 2	<u>150,000</u>
4 Credit Carryover	0

** SCHEDULE E

1 Fair Market Value of Property Owned in SC	1,547,619,048
2 Fee Due (.001 of Line 1)	1,547,619
7 Regulated Gross Receipts (Schedule Attached)	1,107,773,838
8 Fee Due (.003 of Line 7)	3,323,322
9 Total License Fee	4,870,941

	1 Gross	2 Related	3 Net	4 Net to SC
** SCHEDULE F				
1 Interest not connected with business	0	0	0	0
2 Dividends received	684	0	629	0
3 Rents	0	0	0	0
4 Gains or losses on real property	192,792	0	192,792	11,222
5 Gains or losses on intangible persona	193	0	193	0
6 Investment Income directly allocated	0	0	0	0
7 TOTAL INCOME DIRECTLY ALLOCATED			193,614	//////////
8 INCOME DIRECTLY ALLOCATED TO SC			//////////	11,222
9 TOTALS TO APPORTIONMENT FACTORS	n/a	n/a	n/a	n/a

** SCHEDULE G

1 Total net income as reconciled	578,659,890
2 Less: Inc subj to direct allocation to SC	193,614
3 Total net income subject to apportionment	578,466,276
4 Apportionable to SC by appropriate ratio	191,996,428
5 Add: Income subject to direct allocation to SC	11,222
6 Total SC Net Income	192,007,650

** SCHEDULE H-1

APFACTOR	w/i state	Everywhere	Factor	Weight
10 Property (Include Exclusion in State)	4,191,154,114	12,302,888,726	0.340664	1
13 Payroll (Include Exclusion in State)	262,800,305	740,601,307	0.354847	1
14 Sales	1,107,773,838	3,690,032,276	0.300207	1
				3
15 Total Factor	0.995718			
16 Weighted Apportionment Factor	0.331906			

5 6
Exclude Pay Exclude Prop

//////////
//////////

0 0

//////////
//////////

0 0

//////////
//////////

0 0

SCHEDULE I

NON-REFUNDABLE TAX CREDITS

1 Credit carryover from previous years	0	
2a Drip/Tickle Irrigation System	0	
2b Minority Business	0	
2c Water resources	0	
2d SC New Jobs Credit	0	
2e Scenic Rivers	0	
2f Infrastructure Construction	0	
2g Palmetto Seed capital	150,000	
2h Corp Hqts Income Tax Application	0	
2i Child care program	0	
3 Total Credits		150,000

3 Total Credits 150,000

Balance Sheet	Begin	End
001 Cash	15,134,967	8,210,163
002 Trade Notes & A/R	524,371,232	475,126,184
002A Less: Allow for Bad Debts	(3,836,581)	(3,683,054)
002B Net Notes & Receivables	528,207,813	478,809,238
003 Inventories	319,278,976	335,061,770
004 Govt Obligations-US	0	0
005 Govt Obligations-State	0	0
006 Other Current Assets	14,256,965	14,766,750
007 Loans to Stockholders	0	0
008 Mortgage & Real Estate Loans	0	0
009 Other Investments	271,480,755	283,143,169
010a Bldg & Other Depr Assets	12,747,398,746	13,677,567,697
010b Less: Accum Depr	(4,781,661,999)	(5,177,565,591)
010c Net Bldg & Depr Assets	17,529,060,745	18,855,133,288
011a Depletable Assets	0	0
011b Less Accum Depletion	0	0
011c Net Depletable Assets	0	0
012 Land (Net of Amort)	0	0
013a Intangible Assets (Amort)	0	0
013b Less: Accum Amort	0	0
013c Net Intangible Assets	0	0
014 Other Assets	817,034,865	879,160,132
015 TOTAL ASSETS	19,494,455,086	20,854,284,510

Liabilities and Stockholders Equity	Begin	End
016 Accounts Payable	306,262,962	299,833,309
017 Mtges, Notes, Bonds Pay (less 1 yr)	175,184,747	190,661,895
018 Other Current Liabilities	205,490,473	195,182,454
019 Loans from Stockholders	0	0
020 Mtges, Notes, Bonds Pay (more 1 yr)	2,823,618,449	3,102,745,644
021 Other Liabilities	2,073,044,323	2,136,580,780
022a Capital Stock Preferred >>>	683,307,400	750,026,000
022b Capital Stock Common >>>	1,862,721,243	1,862,978,364
023 Paid in or Capital Surplus >>>	0	0
024 Retained Earnings - Appropriated	0	0
025 Retained Earnings - Unappropriated	1,793,828,329	1,953,778,774
026 Less Cost of Treasury Stock	0	0
027 TOTAL LIAB. + STOCKHOLDERS EQUITY	9,923,457,926	10,491,787,220

Duke Power Company

Statement Attached To And Made Part of
1990 S. C. Form 11200
Public Utility Tax Return

Schedule of Other Deductions for Schedule A and B, Line 10, Page 2

Adjustment to basis for ITC	\$2,646,414
Adjustment for Federal gain in excess of SC	1,591,558
Federal jobs credit	2,400
Total Other Deductions	<u>4,240,372</u>

Calculation for North Carolina	Within the STATE (1)		Everywhere (2)	
	Beginning	Ending	Beginning	Ending
	3,979,630,169	4,207,394,824	11,289,018,743	11,954,149,508
	19,218,533	19,803,871	32,863,158	33,618,726
	477,216	477,216	2,824,564	2,783,025
Assets & Supplies	65,595,476	69,163,928	304,511,104	317,830,996
Liabilities	1,828,104	1,932,407	22,386,570	23,612,432
Net Assets	3,779,544	4,267,340	12,708,260	13,919,742
Assets	4,070,529,042	4,303,039,586	11,664,312,399	12,375,914,429
Tangible Assets		4,186,784,314		12,020,113,414
Intangible Assets		4,369,800		252,775,312
Depreciation & Rents		4,191,154,114		12,302,888,726
Factor		262,800,305		740,601,307
Factor (See separate Schedule)		1,107,773,838		3,630,032,276
of Percentages				99.5719%
portionment Percentage				33.1906%

Statement Attached To and Made Part of
1990 South Carolina Income Tax Return

Statement of Regulated Gross Receipts

	Total	South Carolina	Other
Electric Revenues	\$3,680,544,124	\$1,102,370,462	\$2,578,173,662
Water Revenues	7,583,032	5,142,899	2,440,133
Bus Revenues	1,905,120	260,477	1,644,643
	-----	-----	-----
	\$3,690,032,276	\$1,107,773,838	\$2,582,258,438
	=====	=====	=====

1990 South Carolina Income Tax Return

Statement of Gross Receipts

	Total	South Carolina	Other
Electric Revenues	\$3,680,544,124	\$1,102,370,462	\$2,578,173,662
Water Revenues	7,583,032	5,142,899	2,440,133
Bus Revenues	1,905,120	250,477	1,644,643
Merchandising	58,886,689	17,776,918	41,109,771
Non Utility	2,032,307	0	2,032,307
	<u>\$3,750,951,272</u>	<u>\$1,125,550,756</u>	<u>\$2,625,400,516</u>

Sales Percentage 30.0071%

Duke Power Company	56-0205520
ess	
422 South Church Street	
Charlotte, NC 28242-0001	

T 1 COMPUTATION OF TAX CREDIT	
Consideration paid for qualified investments in the current year.	1. 1
Multiply the amount on line 1 by .30.	2. 1
Unused Palmetto Seed Capital Credit carryover from prior years. (See computation below.) .	3. 1
Add lines 2 and 3.	4. 1
Enter consideration paid in all years for qualified investments.	5. 1,0
Multiply line 5 by .50.	6. 5
Multiply the amount on line 6 by .30.	7. 1
Enter your state tax liability for the year.	8. 1
Enter the LESSER of lines 4, 7, or 8. This amount represents your current year Palmetto Seed Capital Credit and it should be transferred to Schedule TC, line 17.	9. 1

T 2 COMPUTATION OF UNUSED PALMETTO SEED CREDIT CARRYOVER	
Enter the amount from Part 1, line 4.	A. 1
Enter the amount actually used to reduce your tax liability from Part 1, line 9.	B. 1
Subtract line B from line A. This is your carryover credit available in future years.	C. 1

GENERAL INSTRUCTIONS

Use: The General Assembly enacted legislation which provides an income tax credit to a taxpayer who invests in the Palmetto Seed Capital Corporation. The Palmetto Seed Capital Corporation was established to increase the rate of capital formation, to encourage new growth-oriented business formations, to create new jobs, and to supplement conventional business financing.

Taxpayer means any individual, corporation, partnership, trust or other entity that has any state tax liability and a qualified investment.

Qualified investment means investment in the Palmetto Seed Capital Corporation or the Palmetto Seed Capital Corporation Partnership.

State tax liability means total income tax liability after the application of all tax credits except the Palmetto Seed Capital Credit.

If the amount of the credit exceeds the tax liability, the excess may be carried over for credit against your income taxes in succeeding taxable years until the total amount of the tax credit has been taken.

If a qualified investment is redeemed by the Palmetto Seed Capital Corporation or the Palmetto Seed Capital Corporation Partnership within five years of the date it is purchased, the credit is disallowed and any credit previously claimed and allowed to the Tax Commission with the appropriate return of the taxpayer for the period in which the redemption occurred.

The total amount of credits allowed for all taxpayers and all taxable years may not exceed in the aggregate, five million dollars. It will be allowed to taxpayers who purchased these qualified investments based on the date of purchase until the

	Federal Tax <u>Depreciation</u>	S.C. Tax <u>Depreciation</u>	
machines & fixtures	\$ 19,011,769	\$ 19,011,769	
equipment	10,070,159	10,070,159	
and other Computers	1,923,435	1,923,435	
drilling equipment	534,560	534,560	
	75,943	75,943	
general plant	12,907,642	12,907,642	
	6,397,127	6,713,456	
structures	104,458	104,458	
	165,889,105	166,215,542	
fuel	164,658,249	164,658,249	
structures	4,589,038	4,589,038	
	34,367,836	37,289,322	(:
production	725,040	1,135,712	
production-structures	310	310	
structures	286,545	286,545	
production	37,270,078	39,027,045	(:
production	127,377,841	132,560,177	(:
structures	216,367	216,367	
	1,409,952	1,455,355	
total	<u>12,414,001</u>	<u>12,414,001</u>	-
	<u>\$600,229,455</u>	<u>\$611,189,085</u>	<u>\$(11)</u>

Depreciation on the Federal return was computed using Section 167(a)(11) Class Life Asset Depreciation Range for additions made in 1971 through 1980. After 1980, depreciation was computed using Section 168 Accelerated Cost Recovery System.

Statement Attached to and Made Part of
Consolidated 1990 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Explanation of Tax Adjustments	Income Increase (Decrease)
Gross Receipts	
Tax over book unbilled revenues	9,457,827
Unbilled revenues - Section 481 adjustment	36,440,786
Catawba 1989 annual bill deducted in 1989	4,685,738
Reversal of 1989 book Catawba annual bill estimate	(5,853,000)
Contributions in Aid of Construction	2,055,465
Catawba Settlement Agreements 1 & 2; Arbitration I Issues 5 & 6	28,671,392
Catawba Arbitration I Issues 1, 3 & 4	2,835,973
Reverse book provision for Catawba Arbitration I Issues 3 & 4	(28,181,756)
Difference in actual and estimated Catawba Buyers' 1990 annual bill	143,409
Total Gross Receipts	50,255,83
Cost of Goods	
Coal Inventory Adjustment	(2,166,003)
Book nuclear fuel burn-up expense	155,501,140
Catawba 1989 annual bill deducted in 1989	3,966,036
Reversal of 1989 book Catawba annual bill estimate	(5,458,000)
Catawba Settlement Agreements 1 & 2; Arbitration I Issues 5 & 6	11,446,939
Difference in actual and estimated Catawba Buyers' 1990 annual bill	536,496
Tax over book cost of inventory dispositions	(4,509,391)
Total Cost of Goods	159,317,21
Dividend Income	
Earnings of subsidiaries	(18,406,110)
Total Dividend Income	(18,406,11
Interest Income	
Loan Assistance Reserve	270,907
AFUDC interest	(109,470,049)
NCMC and Saluda River book imputed interest on note	(5,150,035)
Tax-exempt interest from Catawba Buyers	(165,710)

Explanation of Tax Adjustments	Increase (Decrease)
Tax-exempt interest	(110,353)
Tax-exempt interest from NCMPA & PMPA on Settlement and Arbitration	(91,822)
To record partnership items per K-1, Palmetto Seed Capital	88,498
To record partnership items per K-1, NC Enterprise Corporation	22,208
Tax-exempt interest - Town of Davidson Bonds	(39,425)
Total Interest Income	(114,627,569)
Capital Gain (Loss)	
Cost associated with relocated employees' real estate	(599,658)
Total Capital Gain (Loss)	(599,658)
Gain (Loss) on Assets	
Tax over book gain on disposition of depreciable assets	2,017,242
Total Gain (Loss) on Assets	2,017,242
Income	
Gain on death benefits from company-owned life insurance policies	(425,623)
Return on purchase capacity	(41,225,541)
To record partnership items per K-1, NC Enterprise Corporation	(15,470)
Inventory §481 adjustment	9,724,568
Correction of inventory adjustment	(239,028)
Total Other Income	(32,181,054)
WDN	
Wage reduction for Jobs Credit	2,400
Total WDN	2,400
Repairs & Maintenance	
Repair allowance for pre-ACRS assets	(33,659,694)
Tax inventory used in repair work	(1,111,219)
Total Repairs & Maintenance	(34,770,913)

	Explanation of Tax Adjustments	Increase (Decrease)
Bad Debt Expense		
	Bad Debts - Section 481 Adjustment	1,442,120
	Tax over book bad debts	(152,714)
	Total Bad Debt Expense	1,289,406
Rental Charges		
	Amounts paid on tax capitalized leases	(914,294)
	Total Rental Charges	(914,294)
Taxes		
	Hickory Franchise Tax	71,544
	Eliminate book deduction for state income taxes	38,542,759
	Capitalized overheads on transition property	(2,560,846)
	Deductible use tax on transition property	(1,257,576)
	Property taxes on non-transition property	798,032
	To delete Federal income taxes	175,569,981
	Cost associated with relocated employees' real estate	(27,603)
	Tax over book SC property taxes	(2,412,592)
	Gasoline and diesel fuel tax credit	117,960
	Book over tax - NC Franchise Tax	951,741
	Intangibles Tax	18,837
	Georgia state income taxes for 1986-1988	(31,521)
	To record the actual state income taxes for 1990.	(38,200,250)
	Total Taxes	171,580,456
Interest Expense		
	Eliminate book accrual of interest on Deferred Compensation Plan	351,600
	Interest on company-owned life insurance policies	(2,372,400)
	Book interest on Executive Deferred Compensation Plan	11,753
	Capitalized interest on self-constructed property	19,111,358
	Cost associated with relocated employees' real estate	(395,557)
	Supplemental Security Plan Costs	508,750
	Interest to carry tax-exempt securities	11,664
	Total Interest Expense	17,227,168

Depreciation

Explanation of Tax Adjustments	Income Increase (Decrease)
Tax over book depreciation	(270,817,052)
Total Depreciation	(270,817,052)
Pension Plans	
Tax over book pension expense	(1,069,867)
Total Pension Plans	(1,069,867)
Benefit Plans	
Employee incentive goals	(767,434)
Stock Purchase Savings Program	18,711,303
Capitalized overheads on transition property	(6,590,271)
Difference in book and tax basis of fringe benefits capitalized	(2,258,298)
Total Benefit Plans	9,095,300
Other Deductions	
ESOP Dividend Distribution	(872,451)
Non-employee ESOP Plan	58,601
Meals and entertainment disallowance	832,868
Self insurance reserve	6,440,404
Injuries and damages reserve	1,197,602
Directors Deferred Compensation Plan	3,602
Loan Assistance Reserve	545,737
To eliminate book loss on Greensboro Transit System	14,175,885
Reversal of amortization of nuclear fuel enrichment costs	3,087,333
To delete book write down of absolute inventory	7,440,000
Life insurance expense	856,951
Penalties	92,741
Provision for deferred taxes	13,666,244
Provision for deferred taxes	21,434,354
Bond Loss Amortization	3,392,546
Book amortization of acquisition adjustment	348,912
Book deferral of purchased capacity	(52,627,798)
Storm damage amortization	4,571,714
Amortization of Cherokee cancellation costs	62,372,328
Loss on bond redemption	(7,948,669)
Executives Deferred Compensation Plan	299,480
Payout of Executive Deferred Compensation Plan	(629)
Amortization of capitalized real property taxes	(32,466)

Explanation of Tax Adjustments	Income Increase (Decrease)
Cost of removal	(16,477,203)
Investment Tax Credit	(3,250,242)
Investment Tax Credit	(28,542)
Investment Tax Credit	(6,234)
Tax over book gain on hedging transactions	877,350
Cost associated with relocated employees' real estate	914,681
Catawba Settlement Agreements 1 & 2; Arbitration I Issues 5 & 6	230,171
Catawba Arbitration I Issues 1, 3 & 4	19,065,214
Reverse book provision for Catawba Arbitration I Issues 3 & 4	(6,448,414)
Unallowable civic and political expenses	156,414
To record partnership items per I-1, Palmetto Seed Capital	(30,391)
Mill-Power profit elimination	105,306
Supplemental Security Plan Costs	(1,802,582)
Supplemental Security Plan Costs	6,273,647
Tax assets expensed for books	3,581,127
Payout of Non-Employees DSOP Plan	(32,943)
Amortization of Claiborne startup expenses	(127,494)
Amortization of Nantabala startup expenses	(84,935)
Capital items disposed of that were included in inventory adjustment	(1,494,309)
Total Other Deductions	79,882,599

CONSOLIDATED 1990 U. S. CORPORATE INCOME TAX
RETURN OF DUKE POWER COMPANY AND AFFILIATES

COST OF GOODS SOLD

DESCRIPTION	BOOK BALANCE	ADJUSTMENTS	TAX BASIS
PURCHASE POWER	594,580,673	(10,491,471)	584,089,202
STEAM	47,463,225	1,757,207	49,220,432
NUCLEAR	138,922,887	2,532,673	141,455,560
HYDRO	8,044,020		8,044,020
COMBUSTION TURBINE	472,428		472,428
TRANSMISSION	16,963,115	142,060	17,105,175
DISTRIBUTION	39,227,668	77,269	39,304,937
WATER	1,826,509		1,826,509
FUEL	660,519,002	(153,335,137)	507,183,865
TRANSIT	410,510		410,510
MERCHANDISE	34,582,041		34,582,041
OTHER	154,605	182	154,787
	1,543,166,683	(159,317,217)	1,383,849,466

Short-Term Capital Gains and Losses—Assets Held One Year or Less

(a) Property and description 100 shares of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Cost or other basis, plus expense of sale	(f) Gain or loss ((d) less (e))

Short-term capital gain from installment sales from Form 6252, line 22 or 30	2	
Used capital loss carryover (attach computation)	3	(
Net short-term capital gain or (loss). (Combine lines 1 through 3.)	4	

Long-Term Capital Gains and Losses—Assets Held More Than One Year

Power Company Bond	1990	11,822	11,629	1
of employee house				(599,6

Gain from Form 4797, line 7 or 9	6	Consol
Long-term capital gain from installment sales from Form 6252, line 22 or 30	7	Rules
Net long-term capital gain or (loss). (Combine lines 5 through 7.)	8	

Summary of Parts I and II

Net excess of net short-term capital gain (line 4) over net long-term capital loss (line 8)	9	
Net capital gain. Enter excess of net long-term capital gain (line 8) over net short-term capital loss (line 4)	10	
Total of lines 9 and 10. Enter here and on Form 1120, line 8, page 1; or the proper line on other returns	11	
Note: If losses exceed gains, see instructions on capital losses for explanation of capital loss carrybacks.		

Instructions

References are to the Internal Revenue Code unless otherwise noted.)

Important Tax Law Changes

These changes apply if the corporation exchanges property with a related party (as defined in section 267(b)) and within 2 years of the transfer, either the related party or the corporation disposes of the property. The loss may have to be recognized as of the date of the original exchange. The new rule is effective for transactions after July 1999. See section 1031 for further details and exceptions.

Section 1031(h) provides that real property located in the U.S. and real property located outside the U.S. are not like-kind for purposes of section 1031.

Use of Schedule

Form 1120-D is used to report sales and

1120-DF, 1120-IC-DISC, 1120F, 1120-FSC, 1120-H, 1120L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 990-C, or certain Forms 990-T.

Sales or exchanges of property other than capital assets are reported on Form 4797, Sales of Business Property. Sales or exchanges of property includes property used in a trade or business, involuntary conversions (other than casualties or thefts), gain from the disposition of oil, gas, or geothermal property, and the section 291 adjustment to section 1250 gains. See the instructions for Form 4797 for more information.

If property is involuntarily converted because of a casualty or theft, use Form 4684, Casualties and Thefts.

Parts I and II

Generally, a corporation must report sales and exchanges, including "like-kind" exchanges, even though there is no gain or

loss from a transaction between related persons. See sections 1091 and 2612 for details and exceptions.

Use Part I to report the sale or exchange of capital assets held one year or less. Use Part II to report the sale or exchange of capital assets held more than one year. **What Are Capital Assets?**—Each property the corporation held (whether or not connected with its trade or business) is a capital asset except:

1. Assets that can be inventoried and are held mainly for sale to customers in the ordinary course of trade or business.
2. Depreciable or real property used in the trade or business.
3. Certain copyrights; literary, artistic, or musical compositions; letters or memorandums; or similar property.
4. Accounts or notes receivable (including drafts) in the ordinary course of trade or for services rendered or from the

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Casualty and Theft—Property Held More Than 1 Year

Enter the gross proceeds from the sale or exchange of real estate reported to you for 1990 on Form(s) 1041 (or a substitute statement) that you will be including on line 2, 10, or 20 1

(a) Description of property	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Depreciation allowed or allowable since acquisition	(f) Cost or other basis, plus improvements and expense of sale	(g) LOSS ((f) minus the sum of (d) and (e))
Land sales	Various	1990	367,289		174,497	

10 Gain, if any, from Form 4684, Section B, line 21

11 Section 1231 gain from installment sales from Form 6252, line 22 or 30

12 Gain, if any, from line 32, from other than casualty and theft

13 Add lines 2 through 5 in columns (g) and (h)

14 Combine columns (g) and (h) of line 6. Enter gain or (loss) here, and on the appropriate line as follows:

Partnerships.—Enter the gain or (loss) on Form 1065, Schedule K, line 6. Skip lines 8, 9, 11, and 12 below.

S corporations.—Report the gain or (loss) following the instructions for Form 1120S, Schedule K, lines 5 and 6. Skip lines 8, 9, 11, and 12 below, unless line 7 is a gain and the S corporation is subject to the capital gains tax.

All others.—If line 7 is zero or a loss, enter the amount on line 11 below and skip lines 8 and 9. If line 7 is a gain and you did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain as a long-term capital gain on Schedule D and skip lines 8, 9, and 12 below.

15 Recaptured net section 1231 losses from prior years (see instructions)

16 Subtract line 8 from line 7. If zero or less, enter -0-. Also enter on the appropriate line as follows (see instructions):

S corporations.—Enter this amount (if greater than zero) on Form 1120S, Schedule D, line 7, and skip lines 11 and 12 below.

All others.—If line 9 is zero, enter the amount from line 7 on line 12 below. If line 9 is more than zero, enter the amount from line 8 on line 12 below, and enter the amount from line 9 as a long-term capital gain on Schedule D.

Part II Ordinary Gains and Losses

10 Ordinary gains and losses not included on lines 11 through 16 (include property held 1 year or less):

Depreciable property					

11 Loss, if any, from line 7

12 Gain, if any, from line 7, or amount from line 8 if applicable

13 Gain, if any, from line 31

14 Net gain or (loss) from Form 4684, Section B, lines 13 and 20a

15 Ordinary gain from installment sales from Form 6252, line 21 or 29

16 Recapture of section 179 deduction for partners and S corporation shareholders from property dispositions by partnerships and S corporations (see instructions)

17 Add lines 10 through 16 in columns (g) and (h)

18 Combine columns (g) and (h) of line 17. Enter gain or (loss) here, and on the appropriate line as follows:

a For all except individual returns: Enter the gain or (loss) from line 18 on the return being filed.

b For individual returns:

19 If the loss on line 11 includes a loss from Form 4684, Section B, Part II, column (b)(ii), enter that part of the loss here and

B			
C			
D			
Enter lines 19A through 19D to these columns	Property A	Property B	Property C
1 Gross sales price (Note: See line 1 before completing.)			
2 Cost or other basis plus expense of sale			
3 Depreciation (or depletion) allowed or allowable			
4 Adjusted basis. Subtract line 22 from line 21			
5 Total gain. Subtract line 23 from line 20.			
6 If section 1245 property:			
a Depreciation allowed or allowable from line 22			
b Enter the smaller of line 24 or 25a			
7 If section 1250 property: If straight line depreciation was used, enter zero on line 26g unless you are a corporation subject to section 291.			
a Additional depreciation after 12/31/75 (see instructions)			
b Applicable percentage multiplied by the smaller of line 24 or line 26a (see instructions)			
c Subtract line 26a from line 24. If line 24 is not more than line 26a, skip lines 25d and 26e.			
d Additional depreciation after 12/31/69 and before 1/1/76			
e Applicable percentage multiplied by the smaller of line 26c or 26d (see instructions)			
f Section 291 amount (corporations only)			
g Add lines 26b, 26e, and 26f			
8 If section 1252 property: Skip this section if you did not dispose of land or if you are a partnership.			
a Soil, water, and land clearing expenses			
b Line 27a multiplied by applicable percentage (see instructions)			
c Enter the smaller of line 24 or 27b			
9 If section 1254 property:			
a Intangible drilling and development costs, expenditures for development of mines and other natural deposits, and mining exploration costs (see instructions)			
b Enter the smaller of line 24 or 28a			
10 If section 1255 property:			
a Applicable percentage of payments excluded from income under section 125 (see instructions)			
b Enter the smaller of line 24 or 29a			
Summary of Part III Gains (Complete property columns A through D, through line 29b before going to line 3)			
10 Total gains for all properties. Add columns A through D, line 24			
11 Add columns A through D, lines 25b, 26g, 27c, 28b, and 29b. Enter here and on line 13. (See the instructions for Part IV if this is an installment sale.)			
12 Subtract line 31 from line 30. Enter the portion from casualty and theft on Form 4684, Section B, line 15. Enter the portion from other than casualty and theft on Form 4797, line 5			
Part IV Election Not to Use the Installment Method (Complete this part only if you elect out of the installment method and report a note or other obligation at less than full face value.)			
3 Check here if you elect out of the installment method			
4 Enter the face amount of the note or other obligation			
5 Enter the percentage of valuation of the note or other obligation			
Recapture Amounts Under Sections 179 and 280F When Business Use Drops to 50% or Less (See instructions for Part V.)			
			(a) Section 179

CONSOLIDATED 1990 U. S. CORPORATE INCOME TAX
RETURN OF DUKE POWER COMPANY AND AFFILIATES

TAXES

DESCRIPTION	BOOK BALANCE	ADJUSTMENTS	TAX BASIS
NC PROPERTY	37,370,403	(798,032)	36,572,371
NC CITY LICENSE	87,331	(71,544)	15,787
NC CITY CHAIN STORE	7,305		7,305
NC FRANCHISE	75,253,788	(951,741)	74,302,047
NC INTANGIBLES	87,037	(18,837)	68,200
NC INDUSTRIAL COMMISSION	135,312		135,312
NC UNEMPLOYMENT	119,923		119,923
NC INCOME	29,393,967	(644,125)	28,749,842
NC OTHER	0		0
SC PROPERTY	28,701,745	2,412,592	31,114,337
SC CITY, BUS, CHAIN STORE LICENSE	6,768,860		6,768,860
SC FRANCHISE	4,832,397		4,832,397
SC KILOWATT HOUR	4,487,497		4,487,497
SC PUBLIC SERVICE	1,053,188		1,053,188
SC GREENWOOD	1,178		1,178
SC INDUSTRIAL COMMISSION	207,986		207,986
SC UNEMPLOYMENT	444,980		444,980
SC INCOME	9,517,271	(66,889)	9,450,382
FED. INCOME	175,569,981	(175,569,981)	0
FED. SOCIAL SECURITY	37,423,350	2,960,846	40,384,196
FED. HIGHWAY USE	57,520	(117,960)	(60,440)
FED. UNEMPLOYMENT	779,256		779,256
OTHER TAXES	932,919	1,285,215	2,218,134
TOTAL TAXES	413,233,194	(171,580,456)	241,652,738

Statement Attached To And Made Part Of
Consolidated 1990 U. S. Corporation Income Tax
Return Of Duke Power Company And Affiliates

Contributions

	<u>Total</u>	<u>North Carolina</u>	<u>Other</u>
Economic Development Funds	\$256,000	\$ 81,000	\$175,000
Governmental Units	1,317	1,317	
Miscellaneous Items Under \$1,000	18,669	15,621	3,048
National Association of Consumer Agency Administrators	1,950		1,950
CPR Legal Program	4,000	4,000	
Performing Arts Center	55,793	55,793	
Share the Warmth	76,483	75,081	1,402
Arts & Science Council	5,257	5,257	
Junior Achievement	1,367	1,367	
National Kidney Foundation of SC	1,000		1,000
Keep NC Clean & Beautiful, Inc.	3,650	3,650	
National Wildlife Foundation	25,000		25,000
Speech & Hearing Center of York & Chester Counties	2,681		2,681
YMCA	4,000	4,000	
National Trust for Historic Charleston Preservation	2,125		2,125
NC Community College Fund	2,500	2,500	
Duke Power Company Foundation	5,371,046	5,371,046	
Total	<u>\$5,832,838</u>	<u>\$5,620,632</u>	<u>\$212,206</u>

Duke Power Company

Business or activity to which this form relates

Electric Utility

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "Listed Property," complete Part V.)

1 Maximum dollar limitation (see instructions)	1	
2 Total cost of section 179 property placed in service during the tax year (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	
4 Reduction in limitation—Subtract line 3 from line 2, but do not enter less than -0-	4	
5 Dollar limitation for tax year—Subtract line 4 from line 1, but do not enter less than -0-	5	
(a) Description of property	(b) Cost	(c) Elected cost
6		
7 Listed property—Enter amount from line 26	7	
8 Total elected cost of section 179 property—Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction—Enter the lesser of line 5 or line 8	9	
10 Carryover of disallowed deduction from 1989 (see instructions)	10	
11 Taxable income limitation—Enter the lesser of taxable income or line 5 (see instructions)	11	
12 Section 179 expense deduction—Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 1991—Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for automobiles, certain other vehicles, cellular telephones, computers, or property for entertainment, recreation, or amusement (listed property). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1990 Tax Year (Do Not Include Listed Property).

(a) Classification of property	(b) Mo. and yr. placed in service	(c) Basis for depreciation (Business use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Dep.
14 General Depreciation System (GDS) (see instructions):						
a 3-year property						
b 5-year property		179,605,540	5 Yrs.	HY	200DB	35,
c 7-year property		38,213,944	7 Yrs.	HY	200DB	5,
d 10-year property						
e 15-year property		28,452,578	15 Yrs.	HY	150DB	1,
f 20-year property		413,235,713	20 Yrs.	HY	150DB	15,
g Residential rental property			27.5 yrs.	MM	S/L	
			27.5 yrs.	MM	S/L	
h Nonresidential real property		18,181,677	31.5 yrs.	MM	S/L	
			31.5 yrs.	MM	S/L	
15 Alternative Depreciation System (ADS) (see instructions):						
a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part III Other Depreciation (Do Not Include Listed Property)

16 GDS and ADS deductions for assets placed in service in tax years beginning before 1990 (see instructions)	16	189,
17 Property subject to section 168(f)(1) election (see instructions)	17	
18 ACRS and other depreciation (see instructions)	18	354,

Part IV Summary

Less: Depreciation deducted elsewhere

19 Listed property—Enter amount from line 25	19	6

Section A.—Depreciation (Caution: See instructions for limitations for automobiles.)2a Do you have evidence to support the business use claimed? ☐ Yes ☐ No 22b If "Yes," is the evidence written? ☐

(a) of property (list vehicles first)	(b) Date placed in service	(c) Business use percentage	(d) Cost or other basis	(e) Basis for depreciation (business use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction

3 Property used more than 50% in a trade or business:

Numerous Vehicles - Details in Taxpayer's files							19,370,924
Less: Amounts expensed elsewhere or capitalized							13,212,572
		%					

4 Property used 50% or less in a trade or business:

		%				S/L-	
		%				S/L-	
		%				S/L-	

5 Add amounts in column (h). Enter the total here and on line 19, page 1 25 6,158,352

6 Add amounts in column (i). Enter the total here and on line 7, page 1 26

Section B.—Information Regarding Use of Vehicles—If you deduct expenses for vehicles:

Always complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5	
7 Total business miles driven during the year (DO NOT include commuting miles)										
8 Total commuting miles driven during the year										
9 Total other personal (noncommuting) miles driven										
10 Total miles driven during the year—Add lines 27 through 29										
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the vehicle available for personal use during off-duty hours?										
2 Was the vehicle used primarily by a more than 5% owner or related person?										
3 Is another vehicle available for personal use?										

Section C.—Questions for Employers Who Provide Vehicles for Use by Their Employees

(Answer these questions to determine if you meet an exception to completing Section B. Note: Section B is completed for vehicles used by sole proprietors, partners, or other more than 5% owners or related persons.)

- 4 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?
- 5 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? (See instructions for vehicles used by corporate officers, directors, or 1% or more owners.)
- 6 Do you treat all use of vehicles by employees as personal use?
- 7 Do you provide more than five vehicles to your employees and retain the information received from your employees concerning the use of the vehicles?
- 8 Do you meet the requirements concerning qualified automobile demonstration use (see instructions)?

Note: If your answer to 34, 35, 36, 37, or 38 is "Yes," you need not complete Section B for the covered vehicles.

Part VII Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) An lc

19 Amortization of costs that begins during your 1990 tax year

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1990 U.S. Corporation Income Tax
Return of Duke Power Company And Affiliates

Duke Power Company

Statement Attached To And Made Part Of
Consolidated 1990 U.S. Corporation Income Tax
Return of Duke Power Company And Affiliates

Section 167(a)(11) Election

Taxpayer elects to compute depreciation on the Class Life Asset Depreciation Range System for the Tax Year 1990 in accordance with Section 1.167(a)(11) of the regulations.

Section 167(a)(11)(f) Election

Taxpayer elects repair allowance for GLC 49.140 in accordance with Section 1.167(a)(11)(f)(2)(v) of the regulations.

Section 167(a)(12) Election

Taxpayer elects to compute depreciation on the Class Life System for the Tax Year 1990 in accordance with Section 1.167(a)(12) of the regulations.

Election to Amortize start-up expenses

Taxpayer elects under section 195, Internal Revenue Code, 1986, to amortize the cost of acquiring an interest in a fuel enrichment project (LES) over a sixty month period beginning March 1, 1990.

Change in Accounting Method for Inventory

Taxpayer requested a change in method of accounting for inventory as of January 1, 1990. Form 3115 - Application for Change in Accounting Method filed on November 30, 1989. The net section 481 adjustment for the year of change (1990) was \$58,347,407. This return contains the first year's amortization of the section 481 adjustment of \$9,724,568 in accordance with section 5.06(1)(e) of Rev. Proc 84-74 pending approval of the Application

Return of Duke Power Company and Affiliates

<u>Schedule of Other Income</u>	<u>Per Books</u>	<u>Increase (Decrease) Taxable Income</u>	<u>Tax Basis</u>
Regulatory Deferrals	41,225,541	(41,225,541)	0
Partnership Income	501,326	(441,093)	60,233
Other	0	9,485,540	9,485,540
Total Other Income	41,726,867	(32,181,094)	9,545,773

<u>Schedule of Other Deductions</u>	<u>Per Books</u>	<u>Increase (Decrease) Taxable Income</u>	<u>Tax Basis</u>
Electric	\$38,816,842	\$41,484,275	(\$2,667,433)
General & Administrative	82,124,124	10,259,403	71,864,721
Water	417,907	(28,542)	446,449
Transit	511,059	(6,234)	517,293
Merchandising	6,458,658	0	6,458,658
Miscellaneous	36,812,895	29,173,697	8,639,198
Other Deductions	0	0	0
Total Other Deductions	\$165,141,485	\$79,882,599	\$85,258,886

Return of Duke Power Company and Affiliates

Balance Sheet	Beginning of Year	End of Year
1 Cash	\$15,134,967	\$8,210,163
2 Trade Notes & Accounts Receivable	524,371,232	475,126,184
2a Less: Allowance for Bad Debts	(3,836,581)	(3,683,054)
2b Net Notes & Receivables	520,534,651	471,443,130
3 Inventories	319,278,976	335,061,770
4 Government Obligations - US	0	0
5 Government Obligations - State	0	0
6 Other Current Assets	14,256,965	14,766,750
7 Loans to Stockholders	0	0
8 Mortgage & Real Estate Loans	0	0
9 Other Investments	271,480,755	283,143,169
10a Building & Other Depreciable Assets	12,747,398,746	13,577,567,697
10b Less: Accumulated Depreciation	(4,781,661,999)	(5,177,565,591)
10c Net Building & Depreciable Assets	7,965,736,747	8,500,002,106
11a Depletable Assets	0	0
11b Less Accumulated Depletion	0	0
11c Net Depletable Assets	0	0
12 Land (Net of Amortization)	0	0
13a Intangible Assets (Amortizable)	0	0
13b Less: Accumulated Amortization	0	0
13c Net Intangible Assets	0	0
14 Other Assets	817,034,865	879,160,132
15 Total Assets	\$9,923,457,926	\$10,491,767,220
Liabilities and Stockholders Equity		
16 Accounts Payable	\$306,262,962	\$299,833,309
17 Mortgages, Notes, Bonds Payable (less than 1 year)	175,184,747	190,661,895
18 Other Current Liabilities	205,490,473	195,182,454
19 Loans from Stockholders	0	0
20 Mortgages, Notes, Bonds Pay (more than 1 year)	2,823,618,449	3,102,745,644
21 Other Liabilities	2,073,044,323	2,136,580,780
22a Capital Stock Preferred	683,307,400	750,025,000
22b Capital Stock Common	1,862,721,243	1,862,978,364
22c Total Capital Stock	2,546,028,643	2,613,004,364
23 Paid in or Capital Surplus	0	0
24 Retained Earnings - Appropriated	0	0
25 Retained Earnings - Unappropriated	1,793,828,329	1,953,776,774
26 Less Cost of Treasury Stock	0	0
27 Total Liabilities & Stockholders' Equity	\$9,923,457,926	\$10,491,767,220

CONSOLIDATED 1970 U. S. CORPORATE INCOME TAX
RETURN OF DUKE POWER COMPANY AND AFFILIATES

OTHER CURRENT ASSETS

DESCRIPTION	BALANCE
LOAN ASSISTANCE	3,782,892
PREPAYMENTS	10,852,629
INTEREST RECEIVABLE	131,229
 TOTAL	 14,766,750

OTHER ASSETS

DESCRIPTION	BALANCE
DEFERRED TAXES	79,908,293
EXTRAORDINARY PROPERTY LOSSES	177,785,205
UNAMORTIZED DISCOUNTS ON DEBT	5,301,965
PRELIMINARY SURVEY & INVESTIGATION	2,895,329
UNAMORTIZED LOSS ON REACQUIRED DEBT	72,630,116
CLEARING	2,793,257
OTHER	537,845,967
 TOTAL	 879,160,132

OTHER INVESTMENTS

DESCRIPTION	BALANCE
CLAIBORNE ENERGY SERVICES, INC.	500
DUKE ENGINEERING & SERVICES	5,566,930
NANTAHALA POWER	36,849,291
WATERSEE POWER	1,000
MILL POWER	5,217,315
CRESCENT LAND & TIMBER	70,530,695
EASTOVER LAND AND MINING	5,180,391
WESTERN FUEL	500
CHURCH STREET CAPITAL CORP	95,591,780
N V SOB	0
STONEWALL STREET GROUP, INC	25,478,279
ACCOUNTS PAYABLE	(16,602,488)
CASH SURRENDER VALUE	10,094,082
CATAWBA NOTES	43,249,569
OTHER	1,985,325
 TOTAL	 283,143,169

CONSOLIDATED 1990 U. S. CORPORATE INCOME TAX
RETURN OF DUKE POWER COMPANY AND AFFILIATES

OTHER CURRENT LIABILITIES

DESCRIPTION	BALANCE
CUSTOMER DEPOSITS	(15,314,029)
TAXES ACCRUED	(34,578,639)
INTEREST ACCRUED	(73,878,110)
OTHER	(70,406,885)
DIVIDENDS	(1,004,791)
 TOTAL	 (195,182,454)

OTHER LIABILITIES

DESCRIPTION	BALANCE
FEDERAL INVESTMENT TAX CREDIT	(322,802,210)
OTHER DEFERRED CREDITS	(130,305,034)
RESERVE FOR INJURIES & DAMAGES	(12,076,497)
DEFERRED TAXES	(1,624,963,373)
PROPERTY INSURANCE RESERVE	(42,613,032)
MISCELLANEOUS OPERATING RESERVES	(3,820,634)
 TOTAL	 (2,136,580,780)

Consolidated 1990 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Analysis of Unapportioned Retained Earnings

1	Balance at Beginning of Year	\$1,793,828,329
2	Net Income (Loss) per Books	538,188,261

Other Increase

3a	Other Increases	
3b	Increase to Unapportioned Retained Earnings	
3	Total Other Increases	0
4	Total of Lines 1, 2, and 3	2,332,016,590

Distributions

5a	Cash	376,719,545
5b	Stock	
5c	Property	
5	Total Distributions	376,719,545

Other Decreases

6a	Tax Benefit of ESOP Dividend	409
6b	Capital Stock Transactions	1,517,862
6	Total Other Decreases	1,518,271
7	Total of Lines 5 and 6	378,237,816
8	Balance at End of Year (Line 4 less 7)	\$1,953,778,774

Duke Power Company

56-0205520

Diesel-Powered Highway Vehicle Credit

	(a) Number of Vehicles	(b) Rate	
Diesel-powered cars		\$102.00	\$
Diesel-powered light trucks and vans	2	198.00	
Total diesel-powered highway vehicle credit			\$

III Fuel Tax Credit

Type of Fuel	(a) Type of Use (See table below.)	(b) Number of Gallons	(c) Rate	
Gasoline	b	60,422	.091/.09 (.141*)	\$ 5
Gasohol			.031/.03 (.087*)	
Diesel fuel	b, e	818,638	.151/.15 (.201*)	112
Special motor fuels			.091/.09 (.141*)	
Gasoline used in aviation			.121/.12 (.151*)	
Aviation fuel (other than gasoline)			.141/.14 (.176*)	
Other (See instructions.)				
Total fuel tax credit				\$ 118

is rate is only for fuel purchased and used after November 30, 1990.

III Total Income Tax Credit

Total income tax credit claimed (add line 3, column (c) in Part I and line 8, column (d) in Part II). Enter here and on Form 1040, line 60; Form 1120, line 32g; Form 1120-A, line 28g; Form 1120S, line 23c; Form 1041, line 24g; or the proper line of other returns. \$ 118

Use Table

Table lists the uses for which you may claim a credit for fuels. See Pub. 378, Fuel Credits and Refunds, for definitions of these uses.

On a farm for farming purposes

Off-highway business use

Export

Commercial fishing vessel

Intercity or local bus

School bus

Diesel fuel used in boats, used as heating oil, or used for nonbusiness off-highway use

Diesel fuel used in a qualified local bus

Supplies for aircraft

Commercial aviation

Helicopters

Gasoline used to make gasohol

Preparing and sending the form to IRS 13 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the IRS and the Office of Management and Budget at the addresses listed in the instructions of the tax return with which this form is filed.

General Instructions

Purpose of Form.—Form 4136 is used by individuals, estates, trusts, or corporations to claim credit for Federal excise tax on fuels and to claim the credit for diesel-powered highway vehicles. (Partnerships cannot file this form; instead, they must attach a statement to Form 1065, U.S. Partnership Return of Income, showing the number of gallons of fuel allocated to each partner, the types of use, and the applicable tax rates.)

Requirements.—In order to claim a credit you must: (1) use the fuel for a purpose listed in the Type of Use Table; (2) buy the fuel at a price that included the tax; and (3) not have requested a refund of the tax.

Including Fuel Tax Credit in Income.—The amount of the credit on line 8, Part II, must be included in your gross income if you claimed the taxes paid as an expense deduction that reduced your income tax liability.

return to claim a credit. Pub. 378, Tax Guide; Pub. 595, Tax Guide for Commercial Fishermen; and Fuel Excise Taxes for 1991—all contain information on the credit for fuel. For more information on the credit for fuel, call 1-800-829-FORM (3676); publications needed.

Specific Instructions**Part I**

Diesel-Powered Highway Vehicle Credit.—If you bought a diesel-powered highway vehicle during the year for a use other than the first purchase, you may claim a one-time credit of \$102 for a car and \$198 for a light truck or van. The vehicle must be a diesel-powered highway vehicle that has at least 4 wheels, has a gross vehicle weight of 10,000 pounds or less, and is used for highway use in the U.S. under any state. If you claim the credit for diesel-powered vehicles, for depreciation you must reduce the basis of the credit claimed.

Part II

Amount of Fuel Credit.—The credit is imposed on fuels changed directly or indirectly before September 1, 1990, included the Leaking Underground Storage Tank (LUST) tax. After August 1, 1990, and before December 1, 1990,

Current Year Investment Credit

Generally, you cannot claim the regular investment credit for property placed in service after December 31, 1985 (see Instructions). If you are claiming credit under section 46(g) for "qualified withdrawals" with respect to "certain vessels" (see Instructions), check here.

Regular credit—Enter amount from Schedule A, line 4	1	10,849,71
Qualified rehabilitation expenditures for transitional rehabilitation property and certain rehabilitation projects—Enter qualified investment and multiply by percentage shown:		
10-year-old buildings	2a	
10-year-old buildings	2b	
Qualified historic structures (attach NPS certificate)	2c	
Enter NPS number assigned or the flow-through entity's identifying number (see Instructions)		
Qualified rehabilitation expenditures not includible in line 2 above:		
1936 buildings	3a	
Qualified historic structures (attach NPS certificate)	3b	
Enter NPS number assigned or the flow-through entity's identifying number (see Instructions)		
Credit from cooperatives—Enter unused regular investment credit from cooperatives	4	
Business energy investment credit—Enter amount from Schedule B, line 6	5	
Current year investment credit—Add lines 1 through 5	6	10,849,71

See General Instruction B, "When To File Form 3800, General Business Credit."

Current Year Investment Credit Tax Liability Limitation

Individuals—Enter amount from Form 1040, line 40	7	
Corporations—Enter amount from Form 1120, Schedule J, line 3 (or Form 1120-A, Part I, line 1)		
Other filers—Enter regular tax before credits from your return		
Credits that reduce regular tax before the investment credit:		
Credit for child and dependent care expenses (Form 2441)	8a	
Credit for the elderly or the disabled (Schedule R, Form 1040)	8b	
Foreign tax credit (Form 1116 or Form 1118)	8c	
Charitable contributions tax credit (Form 5735)	8d	
Mortgage interest credit (Form 8395)	8e	
Credit for fuel from a nonconventional source (see instructions)	8f	
Orphan drug credit (Form 5765)	8g	
Total credits that reduce regular tax before the investment credit. Add lines 8a through 8g	8h	
Regular tax—Subtract line 8h from line 7	9	
Statutory minimum tax:		
Individuals—Enter amount from Form 6251, line 17	10	
Corporations—Enter amount from Form 4626, line 13		
States and Trusts—Enter amount from Form 8656, line 37		
Total income tax:		
Individuals—Add line 9 above and line 19 of Form 6251. Enter the total	11	
Corporations—Add line 9 above and line 15 of Form 4626. Enter the total		
Other filers—See Instructions		
If more than \$25,000, enter 25% of the excess (see Instructions)	12	
Subtract line 10 or line 12, whichever is greater, from line 11. Enter the result. If less than zero, enter zero	13	
Disallowed credit—Enter the smaller of line 6 or line 13. This is your General Business Credit		

Consolidated
Limitation
Applied

Recovery	a	20-year or more	166,918,663	100	166,918,663
	b	Other			
Recovery	c	20-year or more		100	
	d	Other			
Nonrecovery	e	20-year or more		100	
	f	Other			
Nonrecovery	g	20-year or more		100	
	h	Other			

Recovery property—Enter qualified investment (from lines 1a through 1h, column (4)) and multiply by percentage shown	166,918,663	x 6.5%	2	10,849,7
Nonrecovery property—Enter qualified investment (see instructions for limitations) and multiply by percentage shown		x 10%	3	
Enter year regular investment credit. Add lines 2 and 3. Enter here and on line 1 of page 1			4	10,849,7

Part B—Business Energy Investment Credit

Enter on lines 1a through 1e your qualified investment in business energy property.

Property	Line	(1) Class of Property or Life Years	(2) Code	(3) Basis	(4) Applicable Percentage	(5) Qualified Invest (column 3 x colu
Recovery	a	3-year			60	
	b	Other			100	
Nonrecovery	c	3 or more/less than 5			33 1/3	
	d	5 or more/less than 7			66 2/3	
	e	7 or more			100	

Enter qualified investment—Add lines 1a through 1e, column (5) 2

Enter in column (1) the portion of the line 2 amount allocable to the following types of property:

Line	(1) Qualified Investment	(2) Credit Percentage	(3) Investment Cr (column 1 x colu
a	Energy property (see instructions)	10	
b	Thermal property (see instructions)	10	
c	Nonthermal property (see instructions)	15	

Enter year credit for investment in business energy property. Add lines 3a through 3c, column 3d

Enter in other property. (See instructions.) Enter qualified investment and multiply by percentage shown:

Enter in long-term section 46(b)(2)(C) projects under way before 3. x 6.5% 4a

Enter in electric generating property placed in service before 1989 in an application has been docketed with the Federal Energy Regulatory Commission by 12-31-85). x 7.15% 4b

Enter cooperative credit—Enter unused business energy investment credit from cooperatives. 5

Enter unused business energy investment credit—Add lines 3d through 5. Enter here and on line 5 of 1 6

Investment Credit

rent year investment credit (Form 3468, Part I)	1	10,849,713
rent year jobs credit (Form 5884, Part I)	2	2,400
rent year credit for alcohol used as fuel (Form 6478)	3	
rent year credit for increasing research activities (Form 6765, Part III)	4	
rent year low-income housing credit (Form 8586, Part I)	5	
rent year disabled access credit (Form 8826, Part I)	6	
rent year general business credit—Add lines 1 through 6	7	10,852,113
sive activity credits included on lines 1 through 6 (see Instructions)	8	-0-
tract line 8 from line 7	9	10,852,113
sive activity credits allowed in 1990 (see Instructions)	10	
ryforward of general business credit, WIN credit or ESOP credit to 1990 (see Instructions)	11	
ryback of general business credit to 1990	12	
tative general business credit—Add lines 9 through 12	13	10,852,113

General Business Credit Limitation Based on Amount of Tax

viduals—Enter amount from Form 1040, line 40	14	Consolidation Limitation Applies
porations—Enter amount from Form 1120, Schedule J, line 3 (or Form 1120-A, Part I, line 1)		
er filers—Enter regular tax before credits from your return		
redits that reduce regular tax before the general business credit—		
dit for child and dependent care expense (Form 2441)	15a	
or the elderly or the disabled (Schedule R, Form 1040)	15b	
on tax credit (Form 1116 or Form 1118)	15c	
sessions tax credit (Form 5735)	15d	15h
rtgage interest credit (Form 8396)	15e	
dit for fuel from a nonconventional source	15f	
han drug credit (Form 6765)	15g	
al credits that reduce regular tax before the general business credit. Add lines 15a through 15g	15h	
l enter here		
regular tax—Subtract line 15h from line 14	16	
stative minimum tax:		
viduals—Enter amount from Form 6251, line 17	17	
porations—Enter amount from Form 4626, line 13		
ates and Trusts—Enter amount from Form 8656, line 37		
income tax:		
viduals—Add line 16 above and line 19 of Form 6251. Enter the total	18	
porations—Add line 16 above and line 15 of Form 4626. Enter the total		
er filers—See Instructions		
ne 16 is more than \$25,000, enter 25% of the excess	19	
tract line 17 or line 19, whichever is greater, from line 18. Enter the result. If less than zero,	20	
er zero		
eral business credit—Enter the smaller of line 13 or line 20. Also enter this amount on Form		
line 44; Form 1120, Schedule J, line 4e; Form 1120-A, Part I, line 2a; or on the appropriate		
of your return. (Individuals, estates, and trusts, see instructions if the credit for increasing		
earch activities is claimed. C corporations, see instructions for Schedule A if the investment		
dit is claimed or if the corporation has undergone a post-1985 ownership change	21	

A

See Attached Schedules

C

D

Original Investment Credit

Computation Steps:

(see Specific Instructions)

Original rate of credit.

Date property was placed in service

Cost or other basis

Original estimated useful life or class of property.

Applicable percentage

Original qualified investment (Multiply line 3 by the percentage on line 5.)

Original credit (Multiply line 6 by the percentage on line 1.)

Date property ceased to be qualified investment credit property

Number of full years between the date on line 2 and the date on line 6

Properties

A

B

C

See Attached Schedules

Computation of Recapture Tax

Recapture percentage (from instructions)

Proportional recapture tax (Multiply line 7 by the percentage on line 10.)

Add line 11, columns A through D

Enter tax from property ceasing to be at risk, or for which there was an increase in nonqualified nonrecourse financing (attach separate computation).

Total—Add lines 12 and 13

Portion of original credit (line 7) not used to offset tax in any year, plus any carryback and carryforward of credits you can now apply to the original credit year because you have freed up tax liability in the amount of the tax recaptured (Do not enter more than line 14—see instructions)

Total increase in tax—Subtract line 15 from line 14. Enter here and on the appropriate line of your tax return

1.9

1.9

1.9

General Instructions

Section references are to the Internal Revenue Code before amendment by the Revenue Reconciliation Act of 1990 (the Act), unless otherwise noted.)

Work Reduction Act Notice.—We ask for information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form varies depending on individual circumstances. The estimated average time is:

Recordkeeping 7 hr., 53 min.

Learning about the form 2 hr., 23 min.

Preparing and sending form to IRS 2 hr., 37 min.

If you have comments concerning the accuracy or clarity of these time estimates or suggestions for making

this form more simple, we would be happy to hear from you. You can write to both the IRS and the Office of Management and Budget at the addresses listed in the instructions of the tax return with which this form is filed.

Purpose of Form.—Use Form 4255 to figure the increase in tax for the recapture of investment credit for regular and energy property.

You must refigure the credit if you took it in an earlier year, but disposed of the property before the end of the recapture period or the useful life you used to figure the original credit. You must also refigure the credit if you returned leased property (on which you had taken a credit) to the lessor before the end of the recapture period or useful life.

You must refigure the credit if you changed the use of property so that it no longer qualifies as regular or energy investment credit property. For example, you must refigure the credit if you change the use of property from business use to personal use, or if there is any decrease in the percentage of business use of investment credit property. See sections 50(a)(2) (as

amended by the Act), 47(a)(3), 4 and 49(e)(2) for information on a property used for entertainment, recreation, amusement) placed in service at 1984, ceases to be used more than 12 months in any 12-month period in business, you may have to recapture investment credit taken on the property. See section 280F for details.

If certain "listed property" (i.e., certain other vehicles, computers, etc.) used for entertainment, recreation, amusement) placed in service at 1984, ceases to be used more than 12 months in any 12-month period in business, you may have to recapture investment credit taken on the property. See section 280F for details.

An election to be treated as an individual does not automatically trigger recapture of investment credit taken before the election. However, the S corporation election of investment credit recapture does not apply.

If property on which you took a credit ceases to be energy investment credit property

Year of Addition	Cost of Retired Property	Recapture Percentage	Base
Duke Power Company:			
1988 Non-Transition	1,877,769	80	1,502,215
1988 QPE Recapture	3,575,066	100	3,575,066
1989 Non-Transition	17,289	100	17,289
1989 QPE Recapture	16,410,452	100	16,410,452
Total @ 6.5 %			<u>21,505,022</u>
1983 QPE Recapture	0	100	0
1984 QPE Recapture	0	100	0
1984 (7 Yr Non-ACRS)	2,566,526	33 1/3	855,508
1985	3,422,252	20	684,450
1985 QPE Recapture	0	100	0
Total @ 8 %			<u>1,539,958</u>
1987 Non-Transition	26,748	60	16,049
1987 QPE Recapture	1,237,762	100	1,237,762
Total @ 8.25 %			<u>1,253,811</u>
1975 QPE Recapture	0	100	0
1976 QPE Recapture	0	100	0
1977 QPE Recapture	0	100	0
1978 QPE Recapture	0	100	0
1979 QPE Recapture	0	100	0
1980 QPE Recapture	0	100	0
1981 QPE Recapture	0	100	0
1982 QPE Recapture	0	100	0
1985 (5 Yr Non-ACRS)	4,879	50	2,440
1985 (7 Yr Non-ACRS)	2,063,646	33 1/3	687,881
1985	20,941	20	4,188
1986	205,657	40	82,263
1986 QPE Recapture	2,461,976	100	2,461,976
Total @ 10 %			<u>3,238,745</u>
1975 QPE Recapture	0	100	0
1976 QPE Recapture	0	100	0
1977 QPE Recapture	0	100	0
1978 QPE Recapture	0	100	0
1979 QPE Recapture	0	100	0
1980 QPE Recapture	0	100	0
1981 QPE Recapture	0	100	0
1982 QPE Recapture	0	100	0
1983 Non-Recovery	0	0	0
1984 Non-Recovery	0	0	0
Total @ 1 %			<u>0</u>

Year of Addition	Cost of Retired Property	Recapture Percentage	Base
Duke Power Company:			
1977 QPE Recapture	0	100	0
1978 QPE Recapture	0	100	0
1979 QPE Recapture	0	100	0
1980 QPE Recapture	0	100	0
1981 QPE Recapture	0	100	0
1982 QPE Recapture	0	100	0
1983 Non-Recovery	0	0	0
1984 Non-Recovery	0	0	0
Total @ 0.5 %			<u>0</u>

Summary of Investment Tax Credit Recapture

Duke Power Company -

6.5% of \$ 21,505,022	1,397,826
8% of \$ 1,539,959	123,197
8.25% of \$ 1,253,811	103,439
10% of \$ 3,238,748	323,875
1% of \$	0
0.5% of \$	0
Total Investment Tax Credit Recapture	<u>1,948,337</u>

as shown on return

Duke Power Company

56-020552

Current Year Jobs Credit

Enter the total qualified wages paid or incurred during the tax year for services of employees who are certified as members of a targeted group

1 6,00

Enter 40% of line 1 here. You must subtract this amount from the deduction on your return for salaries and wages. (Members of a group of trades or businesses under common control, see instructions.)

2 2,40

Low-through jobs credits from other entities

If you are a—	Then enter total of current year jobs credit(s) from—
a Shareholder . . .	Schedule K-1 (Form 1120S), lines 12d, 12e, or 13
b Partner . . .	Schedule K-1 (Form 1065), lines 13d, 13e, or 14
c Beneficiary . . .	Schedule K-1 (Form 1041), line 12.
d Patron . . .	Written statement from cooperative

3

Current year jobs credit. Add lines 2 and 3. (S corporations, partnerships, estates, trusts, and cooperatives, see instructions.)

4 2,40

See General Instruction B, Who Must File Form 3800, General Business Credit.

II Tax Liability Limitation

Individuals—Enter amount from Form 1040, line 40

Corporations—Enter amount from Form 1120, Schedule J, line 3 (or Form 1120-A, Part I, line 1)

Other filers—Enter regular tax before credits from your return

5

Credits that reduce regular tax before the jobs credit:

Credit for child and dependent care expenses (Form 2441)

6a

Credit for the elderly or the disabled (Schedule R, Form 1040)

6b

Foreign tax credit (Form 1116 or Form 1118)

6c

Assessments tax credit (Form 5735)

6d

Mortgage interest credit (Form 8396)

6e

Credit for fuel from a nonconventional source

6f

Orphan drug credit (Form 6765)

6g

Total credits that reduce regular tax before the jobs credit—Add lines 6a through 6g

6h

Net regular tax—Subtract line 6h from line 5.

7

Tentative minimum tax:

Individuals—Enter amount from Form 6251, line 17

Corporations—Enter amount from Form 4626, line 13

Estates and trusts—Enter amount from Form 8656, line 37

8

Net income tax:

Individuals—Add line 7 above, and line 19 of Form 6251. Enter the total

Corporations—Add line 7 above, and line 15 of Form 4626. Enter the total

Other filers—See instructions

9

If line 7 is more than \$25,000, enter 25% of the excess (see instructions)

10

Subtract line 8 or line 10, whichever is greater, from line 9. Enter the result. If less than zero, enter zero

11

Total allowed jobs credit—Enter the smaller of line 4 or line 11. This is your General Business Credit for 1990. Enter here and on Form 1040, line 44; Form 1120, Schedule J, line 4e; Form 1120-A, Part I, line 2a; or the appropriate line of other income tax returns

12

Recordkeeping Act Notice.—We ask for information on this form to carry out the Internal Revenue laws of the United States. You are required to give us this information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping 3 hrs., 50 min.

Learning about the law or the form 35 min.

Preparing and sending the form to IRS 41 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple,

we would be happy to hear from you. Write to both the IRS and the Office of Management and Budget at the address listed in the instructions of the tax return on which this form is filed.

Items You Should Note

• The targeted jobs credit has been based on qualified wages paid or accrued to employees who began work for the employer on or before December 31, 1991.

INSTRUCTIONS FOR FILING
AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1991

to be signed and
dated by

- ☐ Taxpayer
☐ Taxpayer and spouse
☒ Officer
☐

Amount of
tax

Total Tax \$
Less: payments & credits \$
Balance due (overpayment) \$(2,973,641)

Refund payment

- ☒ Refunded to you \$ 2,973,641
☐ Credited to your estimated tax \$
☐ \$ refunded and \$ credited

Draw check to N/A

NOTE: Your social security number or employer identification number should be entered on your remittance.

Mail tax return and check
(if applicable) to

SC DEPT. OF REVENUE
COLUMBIA, SC 29214

Return must be mailed on
or before

IMMEDIATELY

Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.

Special Instructions



AMENDED

TAXPAYER ID INFORMATION

FILE # 20090024 - 9

TAX YEAR FOR PERIOD ENDING DECEMBER 31, 1991

E.I.# 56-0205520

NAME DUKE POWER COMPANY

MAILING ADDRESS MAIL CODE PB05B

CHARLOTTE STATE NC ZIP CODE 28242

Change of Address ☐

A COMPLETE COPY OF FEDERAL RETURN
BE ATTACHED TO THIS RETURN.

Check if ☐ Consolidated Return

If Final Return, Indicate Whether: Merged

Reorganized ☐ Dissolved ☐ Withdrawn

County or Counties in SC Where Property is Located

VARIOUS

City Audit Location SI

CHARLOTTE, NC

Telephone Number:

(704) 382-8175

14-0601

Federal ordinary income (loss) per Federal Form 1120, 1120A or 1120S	1.	<u>53</u>
Net Adjustment from line 12, Schedule A and B	2.	<u>(1)</u>
Total Net Income as Reconciled (line 1 plus or minus line 2)	3.	<u>51</u>
If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3.	4.	<u>112</u>
CESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	<u><</u>
South Carolina Net Income subject to tax (line 4 less line 5)	6.	<u>112</u>
TAX: Multiply amount on line 6 by .05 (5.0%)	7.	<u> </u>
Non-Refundable credits from line 3, Schedule C	8.	<u> </u>
Balance of tax (line 7 less line 8) Enter the difference but not less than zero	9.	<u> </u>
Payments: (a) Tax Withheld (see instructions)	(b) Paid by Declaration	
(c) Paid with Tentative Return	(d) Credit from line 24b	
AS REPORTED		
Payments (add lines 10a through 10d)	11.	<u> </u>
Balance of Tax Due (line 9 less line 11)	12.	<u> </u>
Interest Due	Penalty Due	(See instructions for penalty and interest.)
TOTAL INCOME TAX, Interest and Penalty Due (add lines 12 and 13)		
OVERPAYMENT (line 11 less line 9)	To be applied as follows:	
(a) Estimated Tax	(b) License Fee	(c) Refunded
Total License Fee Due from Schedule K, line 9, on page 5		
Section 12-20-105 credit (see instructions)		
Total License Fee Due (subtract line 17 from line 16 but not less than zero)		
Payments: (a) Paid with Tentative Return		
(b) Credit from line 15b		
Total Payments (add line 19(a) and (b))		
Balance of Fee Due (line 18 less line 20)		
Interest Due		
Penalty Due (See instructions for penalty and interest.)		
TOTAL LICENSE FEE, Interest and Penalty Due (add lines 21 and 22)		
OVERPAYMENT (line 20 less line 18) To be applied as follows:		
(a) Estimated Tax	(b) Income Tax	(c) Refunded
GRAND TOTAL INCOME TAX and LICENSE FEE DUE (add lines 14 and 23)		

Make check payable to: South Carolina Department of Revenue.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

Signature of officer

Date

Title

I authorize the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer.

Yes ☐ No ☐

Preparer's Printed Name

4. _____
Additions (attach schedule) 5. _____
6. _____
Deductions (add lines 1 through 5) 6. _____

DEDUCTIONS FROM FEDERAL NET INCOME

7. _____
Deductions (attach schedule) 10. _____
Deductions (add lines 7 through 10) SEE ATTACHED AUDIT 11. _____
Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U SCHEDULE 12. (18,1

E C NON-REFUNDABLE TAX CREDITS

1. _____
Credits (from Schedule I) 1. _____
2. _____
ie 7, Part I, SC1120U) 2. _____
3. _____
of line 1 or 2 (enter on line 8, SC1120U) 3. _____
4. _____
Carryover (line 1 less line 3) 4. _____

E D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

of Corporation DUKE POWER COMPANY
f this report _____ Fed. E.I. No. 56-0205520
orated under the Laws of the State of NORTH CAROLINA on 11/27/63
ign Corporation, the date qualified to do business in the State of South Carolina is 2/24/64
on of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD
City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
he name of the Corporation changed during the year? NO Give old name _____

ommenced business in the State of South Carolina was _____
of principal executive office (street address) 84 VILLA ROAD; GREENVILLE, SOUTH CARO
of principal business in S.C. ELECTRIC UTILITY
orporation's books are in the care of CONTROLLER
ad at (street address) 422 SOUTH CHURCH STREET, CHARLOTTE, NC 28242

consolidated, complete and attach Schedule J for each corporation listed in the consolidation.
total number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follow
NUMBER OF SHARES CLASS SERIES
10,000,000 COMMON NO PAR

total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class
NUMBER OF SHARES CLASS SERIES

ames and business addresses of the directors (or individuals functioning as directors) and principal officers in the Co
ditional space is necessary, attach separate schedule).

NAME BUSINESS ADDRESS AND OFFICE

	Gross Amounts 1	Less: Related Expenses 2	Allocated Direct to SC and Other States 3	Allocated Directly to SC 4	be Excluded from Payroll Factor 5	to l fr
connected with business						
Is received	SEE ATTACHED AUDIT SCHEDULE					
esses on real property						
esses on intangible pers. prop.						
ent income directly allocated						
INCOME DIRECTLY ALLOCATED			4,260,936			
E DIRECTLY ALLOCATED TO S.C.				84,827		
S TO APPORTIONMENT FACTORS						

LE G COMPUTATION OF TAXABLE INCOME FOR ORGANIZATIONS CLAIMING MULTI-STATE OPERATIONS

Income as reconciled. Enter amount from line 3, Page 1	1.	517,
Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	4,
Income subject to apportionment (line 1 less line 2)	3.	513,263,
Amount on line 3 by appropriate ratio from Schedule H-1, 2, or 3 and enter result here	4.	112,
Income subject to direct allocation to S.C. from Schedule F, line 8	5.	
C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Page 1	6.	112,

LE H-1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everyw	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) En
and Equipment				
ries				
Property				
ons	<	>	<	>
(add lines 1 - 5; subtract line 6)				
	1. Within S.C.		2. Total Everywhere	3.
Beginning and Ending Period (add line 7a and b and divide by 2)				
or Lease Value				
Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
S Payroll				
Officers Compensation and Exclusions	<	>	<	>
Payroll (Col. 1 + Col. 2 and enter ratio in Col. 3)				
Sales (Col. 1 + Col. 2 and enter ratio in Col. 3)				
Sales (same as line 14)				
of Ratios (add Column 3 - lines 10, 13, 14 and 15)				
etical Average of Ratios				

ILE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In S.C.	2. Total Everywhere	3
Gross Receipts			
Exclusion (see instructions)	<	>	
Receipts (for ratio)	1,150,934,640	5,245,229,966	
Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			21.

LE H-3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount
Within South Carolina	

B Minority Business (TC-2) C _____
 C Water Resources (TC-3) C _____
 D South Carolina New Jobs Credit (TC-4) D _____
 E Scenic Rivers (TC-5) E _____
 F Infrastructure Construction or Improvement (TC-6) F _____
 G Palmetto Seed Capital (TC-7) G _____
 H Corporate Headquarters Income Tax Application (TC-8) H _____
 I Child Care Program (TC-9) I _____
 J Base Closure/Federal Facility Employment Reduction-Hiring Credit (TC-10) ... J _____
 K Economic Impact Zone Property Investment Credit (TC-11) K _____
 L Credit for Hiring Recipients of Family Independence Payments (TC-12) L _____
 M Additional Family Independence Payments Credit (TC-12-A) M _____
 N Motion Picture Project/Production Facility Credit (TC-13) N _____
 Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) 3. _____

E J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN
AFFILIATED CORPORATION NO. 1

DUKE POWER COMPANY S.C.I.D. No. _____
 of this report Fed. E.I. No. _____

is incorporated under the laws of the State of NORTH CAROLINA on 11/27/63

Ign Corporation, the date qualified to do business in the State of South Carolina is _____

on of the Registered Office of the Corporation in the State of South Carolina is _____

City of GREENVILLE and Registered Agent at such address is _____

the name of the Corporation changed during the year? NO Give old name _____

commenced business in the State of South Carolina was 2/24/64

of principal office (street address) _____

principal business in S.C. ELECTRIC UTILITY

corporation's books are in the care of CONTROLLER

and at 422 SOUTH CHURCH STREET, CHARLOTTE, NORTH CAROLINA 28242

professional corporation, are all shareholders, one-half of the directors and all officers (other than the secretary a

ed to practice the professional service engaged in by the corporation? _____

total number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follow

NUMBER OF SHARES	CLASS	SERIES
10,000,000	NO PAR	COMMON

total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class

NUMBER OF SHARES	CLASS	SERIES

total amount of stated capital per balance sheet is:

total paid in Capital Stock (cannot be a negative amount) \$ _____

total paid in Capital Surplus (cannot be a negative amount) \$ _____

total amount of Stated Capital (cannot be a negative amount) \$ _____

names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Co
 additional space is necessary, attach separate schedule).

BUSINESS ADDRESS AND OFFICE

		Total System (A)	Intra South (B)
Operating Revenues, (Itemize):			
		\$	\$
Operating Revenues		4. \$	\$
Receipts, (Itemize):		5.	
Other Receipts:		6. \$	\$
Gross Receipts (Add Lines 4 and 6)		7.	
Value (Line 7, Column B x .003)			8. \$
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16, Part II, Page 1)			9. \$

from 2000 Code of Laws as Amended
on 12-20-100 as amended for taxable years beginning after 1995.

place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigational company, power company, electric cooperative, light company, gas company, telegraph company, and telephone company shall report with the department and pay a license fee as follows:

One dollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and used in the conduct of business as determined by the department for property tax purposes for the preceding taxable year; and one dollar for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered for others within this state during the preceding taxable year, except that with regard to electric cooperatives, only distribution rates are subject to the gross receipts portion of the license fee under this subitem. The minimum license fee under this section is \$25.

NEW INFORMATION

South Carolina has updated income tax laws to conform with the Internal Revenue Code of 1986, as amended through December 31, 1999, including

Section 17 Section 12-20-105 credit is for amounts paid in cash to provide infrastructure for an eligible project. Effective June 11, 1999, the term eligible project has been expanded to include industrial shell buildings and the purchase of land for an office, business or industrial park. As of June 30, 1999, notwithstanding the statute of limitations, the time allotted for requesting a corporate refund has been extended from three years to five years from the date the Internal Revenue Service changes the taxable income. The signature section of the return contains a new area for the preparer's telephone number.

INSTRUCTIONS

Instructions - If the company paid cash to provide infrastructure for an eligible project, enter the amount on line 17. Attach a schedule to the return showing the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amount of the contribution and to whom and when paid, a description of the infrastructure, and the date the infrastructure was completed or is expected to be completed. If the infrastructure has not been completed as of the date the return is filed, the taxpayer must include a waiver of the statute of limitations. The amount of the credit for any single tax year may not exceed \$300,000. If the credit exceeds tax liability, the excess may be carried forward and deducted in the succeeding years. See SC Revenue Ruling #96-11.

Instructions if Public Utilities 'C' Corporation.

Instructions if Public Utilities 'S' Corporation.

॥५॥

[illegible]

[illegible]

DES00011027

This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

Return For
Period Ending 12/31/91-INCOME; 12/31/92-LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

NAME AND ADDRESS
DUKE POWER COMPANY
MAIL CODE PB05B
CHARLOTTE, NC 28242-0001

RETURN DUE ON OR
BEFORE

MARCH 15, 1992

-0205520

Owner Identification No.

4900-R

Business Code

12 20090024-9

File Number

THIS RETURN

Extension Requested: Yes ☒ No ☐

Type of SC Return: Separate ☒
Consolidated ☐

If Final Return, Indicate Whether: Merg
Reorganized ☐ Dissolved ☐ With

County in SC Where Property is loc
VARIOUS

Did any of the corporations in this l
property presumed abandoned under C
of the South Carolina Code of
☒ yes ☐ no

City Audit Location
CHARLOTTE NORTH

Telephone Number: (704) 382

Federal ordinary income (loss) Per Federal Form 1120, 1120A or 1120S	1.	535,8
Net Adjustment from line 12, Schedule A and B	2.	(18,1
Total Net Income As Reconciled (line 1 plus or minus line 2)	3.	517,5
If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	4.	172,1
LESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	<
South Carolina Net Income subject to tax (line 4 less line 5)	6.	172,1
TAX: Multiply amount on line 6 by .05 (5.0%)	7.	8,6
Non-Refundable credits from line 5, Schedule C	8.	1
Balance of tax (line 7 less line 8) enter the difference but not less than zero.	9.	8,4
Payments: (a) Tax Withheld (see instructions)	(b) Paid by Declaration	
(c) Paid with Tentative Return	(d) Credit from line 22b	
Total Payments (add lines 10a through 10d)	11.	8,6
Balance of Tax Due (line 9 less line 11)	12.	(1
Interest Due	Penalty Due	(See instructions for penalty and interest.)
TOTAL INCOME TAX, Interest and Penalty Due (add lines 12 and 13)	14.	(1
OVERPAYMENT (line 11 less line 9)	To be applied as follows:	
(a) Estimated Tax	(b) License Fee	(c) Refunded
Total License Fee Due from Schedule J, line 3, on page 5	16.	4,6
Payments: (a) Paid with Tentative Return	(b) Credit from line 15b	
Total Payments (add line 17 (a) and (b))	18.	5,6
Balance Of Fee Due (line 16 less line 18)	19.	
Interest Due	Penalty Due	(See instructions for penalty and interest.)
TOTAL LICENSE FEE, Interest and Penalty Due (add lines 19 and 20)	21.	
OVERPAYMENT (line 18 less line 16)	To be applied as follows:	
(a) Estimated Tax	(b) Income Tax	(c) Refunded
GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)	23.	(1

Make checks payable to: South Carolina Department of Revenue.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompaniment, Report, statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete	Signature of officer	Date	Title
	Preparer's signature	Date	Check if self-employed ☐
Preparer's name (or yours if self-employed) and address	Firm's name (or yours if self-employed) and address		E.I. No.
	DELOITTE AND TOUCHE LLP 2500 ONE PPG PLACE		13-38915 Zip code 15222

4. _____
 5. _____
 6. _____
 7. _____
 8. _____
 9. _____
 10. _____
 11. _____
 12. _____

SCHEDULE D
 ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS
 of: Corporation DUKE POWER COMPANY
 te of this Report: _____ Fed. E.I. No. 56-0205520
 orporated under the Laws of the State of NORTH CAROLINA on 11/27/1963
 Foreign Corporation, the date qualified to do business in the State of South Carolina is 2/24/1963
 cation of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD
 the City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
 as the name of the Corporation changed during the year? NO Give old name _____
 te commenced business in the State of South Carolina was 1963
 cation of principal executive office (street address) 84 VILLA ROAD; GREENVILLE, SOUTH CAROLINA
 ture of principal business in S.C. ELECTRIC UTILITY
 e Corporation's books are in the care of DAVID L. HAUSER, CONTROLLER
 cated at (street address) 422 SOUTH CHURCH STREET; CHARLOTTE, NC 28242-0001
 filing consolidated, complete and attach Schedule I for each corporation listed on the consolidation.
 a professional corporation are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) qualified to practice the professional services engaged in by the corporation? _____
 e total number of authorized shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
<u>300,000,000</u>	<u>NO PAR</u>	<u>COMMON</u>

The total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series

Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation. If additional space is necessary, attach a separate schedule.)

NAME

BUSINESS ADDRESS AND OFFICE

	Gross Amounts 1	Related Expenses 2	to S.C. and Other States 3	Directly to S.C. 4	from Payroll Factor 5	100
Not connected with business						
received						
ts						
is/losses on real property						
is/losses on intangible pers. prop.						
stment income directly allocated						
TOTAL INCOME DIRECTLY ALLOCATED						
OME DIRECTLY ALLOCATED TO S.C.						
TOTALS TO APPORTIONMENT FACTORS						

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATION

1. Net income as reconciled. Enter amount from line 3, Part I	1.
2. Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
3. Net income subject to apportionment (line 1 less line 2)	3.
4. Apply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
5. Income subject to direct allocation to S.C. from Schedule F, line 8	5.
6. S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

SCHEDULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending
d				
dings				
inery and Equipment				
ts				
Property				
clusions	<	>	<	>
TOTAL (add lines 1 - 5; subtract line 6)				
	1. Within S.C.		2. Total Everywhere	3. Ra
of Beginning and Ending Period (add line 7a and b and divide by 2)				
ital or Lease Value				
TOTAL Property (Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
SS Payroll				
s: Officers Compensation and Exclusions	<	>	<	>
TOTAL Payroll (Col. 1 + Col. 2 and enter ratio in Col. 3)				
TOTAL Sales (Col. 1 + Col. 2 and enter ratio in Col. 3)				
TOTAL of Three Ratios (add Column 3 - lines 10, 13 and 14)				
Arithmetical Average of Three Ratios				

SCHEDULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Ra
al Gross Receipts			
s: Exclusion	<	>	<
ss Receipts (for ratio)			
io of Gross Receipts (line 3, Col. 1 + line 3, Col. 2)			

SCHEDULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Rat
al within South Carolina		
System		
io (South Carolina + Total System)		

AS ORIGINALLY FILED, DECEMBER

Due: Line 1 $\times .001$

		Total System (A)	Intra South (B)
Operating Revenues, (Itemize):			
		\$	\$
al Operating Revenues	4.	\$ 3,824,976,047	\$1,126,
er Receipts, (Itemize):	5.		
al Other Receipts	6.	\$	\$
al Gross Receipts (Add Lines 4 and 6)	7.		1,126,
Due (Line 7, Column B $\times .003$)	8.	\$ 3,	
al License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16 Part II, Page 1)	9.	\$ 4,	

Carolina Code Section 12-19-100 (As amended for license tax years beginning after May 10, 1994.)

of the license fee imposed by Section 12-19-70, there is levied, in addition to any other license taxes and fees of every kind, a license fee of one mill upon each dollar of the fair market value of property, as determined by the Department of Revenue for property tax purposes for the preceding accounting period, owned and used within South Carolina by every express company, street railway company, navigation company, waterworks company, power company, electric cooperative, light company, gas company, telegraph company, and telephone company. The license fee provided for by this section shall be paid at the time of the filing of the reports required by this chapter.

Carolina Code Section 12-19-110 (As amended for license tax years beginning after May 10, 1994.)

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind, there shall be levied an annual license fee of three mills upon the gross receipts derived from services rendered from regulated businesses during the calendar year next preceding by every express company, street railway company, navigation company, power company, distribution electric cooperative, light company, gas company, telegraph company, and telephone company, where a consolidated return pursuant to Section 12-7-1570 is filed, the phrase 'the gross receipts derived from regulated business' does not include gross receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided for by this section must be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperatives shall file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

Carolina Code Section 12-19-120

The license fee provided by Sections 12-19-100 and 12-19-110 shall be less than twenty-five dollars for any regulated business.

License fees are due on or before the fifteenth day of the third month next after the preceding income year.

The total license fee cannot be less than twenty-five dollars (\$25.00).

INSTRUCTIONS

See SC1120 instructions if Public Utilities 'C' Corporation.

See SC1120S instructions if Public Utilities 'S' Corporation.

OUTH CAROLINA LICENSE TAX FOR UTILITIES

	<u>1992</u>
pts Reported on Original Return	1,135,185,801
ess: Sales for Resale	0
ess: Rents	(907,248)
ess: Water Revenues	(5,259,474)
ess: Forfeited Discounts	(1,168,204)
ess: Bad Debt	
ess: Interdepartmental rents	(5,420)
ess: Misc. Service Revenue/Other Electric Revenues	(786,696)
ess: Interdepartmental sales	<u>(538,011)</u>
djusted Receipts	1,126,520,748

(ATTACH TO RETURN)

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

JUNTY YORK 19 87 19 88 19 89 19 90 19 91 19

MONTH	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
1 JANUARY	860	871	1,019	1,073	1,323	
2 FEBRUARY	860	884	1,023	1,092	1,371	
3 MARCH	860	898	1,026	1,110	1,419	
4 APRIL	859	911	1,029	1,128	1,466	
5 MAY	859	924	1,032	1,147	1,514	
6 JUNE	859	937	1,036	1,165	1,562	
7 JULY	859	950	1,039	1,183	1,610	
8 AUGUST	859	963	1,042	1,202	1,658	
9 SEPTEMBER	859	977	1,045	1,220	1,706	
10 OCTOBER	858	990	1,049	1,238	1,753	
11 NOVEMBER	858	1,003	1,052	1,257	1,801	
12 DECEMBER	858	1,016	1,055	1,275	1,849	
TOTAL EMPLOYEES	5,151	11,323	12,446	14,090	19,031	
DIVIDED BY: NUMBER OF MONTHS IN OPERATION	6	12	12	12	12	
MONTHLY AVERAGE OF FULL TIME EMPLOYEES	858.42	943.58	1,037.13	1,174.17	1,585.92	
LESS: PREVIOUS YEAR AVERAGE		858.42	943.58	1,037.13	1,174.17	
AVERAGE INCREASE IN FULL TIME EMPLOYEES		85	93	137	411	

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
YEAR 1 INCREASE	85	85	85	
YEAR 2 INCREASE		93	93	
YEAR 3 INCREASE			137	
YEAR 4 INCREASE				
YEAR 5 INCREASE				
YEAR 6 INCREASE				
NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	85	178	315	
AMOUNT OF CREDIT PER EMPLOYEE	300	300	300	
ELIGIBLE CREDIT (multiply line 12 by line 13)	25,500	53,400	94,500	
UNUSED NEW JOBS CREDIT CARRYOVER	0	0	0	
TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	25,500	53,400	94,500	

(ATTACH TO RETURN)

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY OCONEE 19 89 19 90 19 91 19 19 19

MONTH	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5

1 JANUARY	1,431	1,449	1,693			
2 FEBRUARY	1,430	1,471	1,695			
3 MARCH	1,430	1,493	1,698			
4 APRIL	1,430	1,515	1,700			
5 MAY	1,429	1,537	1,702			
6 JUNE	1,429	1,559	1,704			
7 JULY	1,429	1,581	1,706			
8 AUGUST	1,428	1,603	1,708			
9 SEPTEMBER	1,428	1,625	1,711			
10 OCTOBER	1,428	1,647	1,713			
11 NOVEMBER	1,427	1,669	1,715			
12 DECEMBER	1,427	1,691	1,717			

TOTAL EMPLOYEES
DIVIDED BY: NUMBER OF MONTHS
IN OPERATION

17,146	18,840	20,461			
12	12	12			

MONTHLY AVERAGE
OF FULL TIME EMPLOYEES
LESS: PREVIOUS YEAR
AVERAGE
AVERAGE INCREASE IN FULL
TIME EMPLOYEES

1,429.93	1,570.00	1,705.09			
	1,429.83	1,570.00			
	141	135			

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
YEAR 1 INCREASE	141			
YEAR 2 INCREASE				
YEAR 3 INCREASE				
YEAR 4 INCREASE				
YEAR 5 INCREASE				
YEAR 6 INCREASE				
NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	141			
AMOUNT OF CREDIT PER EMPLOYEE	300			
ELIGIBLE CREDIT (multiply line 12 by line 13)	42,300			
UNUSED NEW JOBS CREDIT CARRYOVER	0			
TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	42,300			

COMPUTATION OF NET INCOME & TAX	1991
INCOME PER US1120	542,320,893
1986-1994 audit adjustments	(6,682,671)
ADJUSTMENTS PER EXHIBIT 1 SCH 1	0
STATED FED NET INCOME	535,638,222
ADJUSTMENTS PER SCH 6	(18,114,194)
RE ADJUSTED INCOME	517,524,028
ADJUSTMENTS PER SCH 7	(4,260,936)
PORTIONABLE INCOME AS ADJUSTED	513,263,092
RATIO PER RETURN OR SCH A	33.5297%
INCOME APPORTIONED TO SC	172,095,575
ADDITIONAL TO SC PER SCH 7	84,827
FINAL SC NET INCOME	172,180,402
CONTRIBUTIONS	
NET INCOME	172,180,402
ADDITIONAL	
TAXABLE NET INCOME	172,180,402
RATE	5.0000%
	8,609,020
PREVIOUSLY PAID	8,653,606
OVERPAYMENT <OVERPAYMENT>	(44,586)

120 SCH A & B ADJUSTMENTS

1991

ENDED ADJ. PER EXHIBIT 1 SCH 2	0
120 SCH A & B (NET) PER RETURN	(22,137,404)
ADJUSTMENTS:	
MPT US INTEREST	0
CONTRIBUTIONS	0
INTEREST INCOME	0
RETIREMENT	0
CONTRIBUTION (BLK. BOOK)	0
TAX CREDIT	94,945
DEPRECIATION ADJUSTMENT	0
DEPRECIATION ADJUSTMENT-LARRY	0
ADJUSTMENT	0
RECTED ALLOCATED GAIN/LOSS	2,978,128
ENVIRONMENTAL TAX	950,137
DIVIDEND ALLOCATION	0
IP (WRONG YEAR)	0
IP-BLACK BOOK	0
TURN FUEL, INC REIMBURSEMENT	0
ATED EXPENSES PER SCH	0
IL	(18,114,194)

DATED ITEMS

1991

HERE ALLOCATIONS PER EX. 1
WHERE ALLOCATIONS PER RETURN
IDIT ADJUSTMENTS:
REST APPORTIONED ON SC AUDIT
/LOSS INTANG. PERS. PROP.
PROPERTY-CATAWBA-EX 4
ALLOWED ON SC AUDIT-EXH 9

4,260,936

YWHERE ALLOCATIONS AS ADJUSTED

4,260,936

LOCATIONS PER EX. 1 SCH 3
LOCATIONS PER RETURN
IDIT ADJUSTMENTS:
PROPERTY-CATAWBA-EXH 4
RECTED GAIN/LOSS ALLOCATIONS

84,827

LOCATIONS AS ADJUSTED

84,827



Return To:
COMMISSION
P.O. Box 125
Columbia, SC 29214

Return For
Period Ending DECEMBER 31, 1991 INCOME
DECEMBER 31, 1992 LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

AND ADDRESS

RETURN DUE ON OR
BEFORE
MARCH 15, 1992

SE POWER COMPANY
SOUTH CHURCH STREET
CHARLOTTE, NC 28242-0001

5520
Identification No.

4900R
Business Code

12-200900249
File Number

A COPY OF FEDERAL FORM 1120,
1120S AND SUPPORTING SCH
MUST BE ATTACHED AND MADE
THIS RETURN

Extension Requested: Yes ☒ No ☐

Type of SC Return: Separate ☒
Consolidated ☐

If Final Return, Indicate Whether: Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn ☐
County in SC Where Property is located:

VARIOUS

Did any of the corporations in this Return
property presumed abandoned under SC
Title 27 of the South Carolina Code of Li
☒ yes ☐ no

City Audit Location

CHARLOTTE, NC

Telephone Number: (704) 382-

COMPUTATION OF INCOME TAX LIABILITY

Ordinary Income (loss) Per Federal Form 1120, 1120A or 1120S	1.	<u>542,320.</u>
Adjustment from line 12, Schedule A and B	2.	<u><22,137.1</u>
Net Income As Reconciled (line 1 plus or minus line 2)	3.	<u>520,183.</u>
State Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	4.	<u>173,072.</u>
Distribution to shareholders of S corporation	5.	<u><</u>
Carolina Net Income subject to tax (line 4 less line 5)	6.	<u>173,072.</u>
Multiply amount on line 6 by .05 (5.0%)	7.	<u>8,653</u>
Refundable credits from line 5, Schedule C	8.	<u>8,653</u>
Net tax (line 7 less line 8) enter the difference but not less than zero.	9.	<u>8,653</u>
(a) Tax Withheld (see instructions) <u>40,000</u>	(b) Paid by Declaration <u>10,307.546</u>	
(c) Paid with Tentative Return <u>300,000</u>	(d) Credit from line 23b	
Payments (add lines 10a through 10d)	11.	<u>10,647.5</u>
Net Tax Due (line 9 less line 11)	12.	
Contribution: Check for Wildlife Fund; Children's Trust Fund	13.	
Interest Due; Penalty Due (See instructions for penalty and interest.)	14.	
INCOME TAX, Interest, Penalty, and Contribution Due (add lines 12 through 14)	15.	
PAYMENT (line 11 less line 9) <u>1,993,940</u>	To be applied as follows:	
Refunded Tax <u>1,993,940</u>	(b) License Fee	(c) Refunded
Check for Wildlife Fund	(e) Children's Trust Fund	

COMPUTATION OF LICENSE FEE

License Fee Due from Schedule J, line 9, on page 5	17.	<u>5,009.3</u>
Payments: (a) Paid with Tentative Return <u>5,009.367</u>	(b) Credit from line 16b	
Payments (add line 18 (a) and (b))	19.	<u>5,009.36</u>
Net License Fee Due (line 17 less line 19)	20.	<u>-0-</u>
Interest Due; Penalty Due (See instructions for penalty and interest.)	21.	
LICENSE FEE, Interest and Penalty Due (add lines 20 and 21)	22.	<u>-0-</u>
PAYMENT (line 19 less line 17)	To be applied as follows:	
Refunded Tax	(b) Income Tax	(c) Refunded
TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 15 and 22)	24.	

Make checks payable to: South Carolina Tax Commission.

I, [Signature], a principal officer of the corporation for which this return is made, declare that this return including accompanying A
statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct to S.C. and Other States 3	Net Amounts Allocated Directly to S.C. 4	Payroll to be Excluded from Payroll Factor 5	to B from
rest not connected with business						
dends received						
ts						
ns/losses on real property						
ns/losses on intangible pers. prop.						
stment income directly allocated						
TOTAL INCOME DIRECTLY ALLOCATED						
OME DIRECTLY ALLOCATED TO S.C.						
TOTALS TO APPORTIONMENT FACTORS						

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATION

al net income as reconciled. Enter amount from line 3, Part I	1. 520,183.
s: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2. 4,240.9
al net income subject to apportionment (line 1 less line 2)	3. 515,922.1
ultiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4. 172,987.1
s: Income subject to direct allocation to S.C. from Schedule F, line 8	5. 84.1
al S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6. 173,072.1

SCHEDULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
id				
7s				
ary and Equipment				
entories		SCH. ATTACHED		
ier Property				
clusions	<	>	<	>
TAL (add lines 1 - 5; subtract line 6)				
		1. Within S.C.	2. Total Everywhere	3. R
g. of Beginning and Ending Period (add line 7a and b and divide by 2)				
ntal or Lease Value				
TAL Property (add lines 8 and 9 (Col. 1 + Col. 2 and enter ratio in Col. 3)	4,938,256,115	13,610,915,978	.362	
LOSS Payroll				
ss: Officers Compensation and Exclusions	<	>	<	>
TAL Payroll (Col. 1 - Col. 2 and enter ratio in Col. 3)	268,564,320	775,765,396	.346	
TAL Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	1,150,934,640	3,876,846,194	.296	
TAL of Three Ratios (add Column 3 - lines 10, 13 and 14)			1.005	
ithmetical Average of Three Ratios			.335	

SCHEDULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. R
tal Gross Receipts			
ss: Exclusion	<	>	
oss Receipts (for ratio)			
atio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			

SCHEDULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	R
tal Within South Carolina		
ital for System		
ition (South Carolina - Total System)		

STATE OF SOUTH CAROLINA
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

FILE NO.

1024-9

Return for the Period Ending
DEC 1991

1. Tentative Tax Based on Net Income 10,607.54

2. LESS: Estimated Tax Payments 10,307.5

3. Tentative Tax Due ▶ 300.00

4. Total Capital and Paid in Surplus
_____ x .001 plus
\$15.00 but not less than \$25.00
Tentative License Fee (N/A for
Savings and Loan Associations) ▶ 5,009.36

5. Balance Remitted 5,309.36

DEI NO.

205520

Return extended to

3/15/92

Date

3/13/92

E POWER COMPANY
S CHURCH ST
LOTTE, NC 28242

South Carolina Return 1991

Power Company
5520

II LICENSE FEE

1 Capital and Paid in Surplus		5,009,367
DUE @ 0.001 + \$15.00		5,009,367
Application of Corp Hdq Credit		0
ice		5,009,367
with tentative return	5,009,367	
it from line 20b	0	
1 Payments		5,009,367
nce of fee due		(0)
rest due	0	
lty Due	0	
1 LICENSE FEE		0
payment		0
it to Estimate	0	
it to Income Tax	0	
it to Refund	0	
4E TAX and LICENSE FEE DUE		0

South Carolina Return 1991

Power Company
5520

South Carolina Return - Part I

INCOME TAX LIABILITY

Federal taxable income per Federal return	542,320,893
Adjustments	(22,137,404)

Final net income as reconciled	520,183,489
Amount from line 6, Sched G	173,072,111
Loss carryover	0

Final Taxable Net Income	173,072,111
Tax Due @ 5.00%	8,653,606

Tax deferred on foreign income	0
Amount	8,653,606

Refundable Credit from Schedule C-Line 3	0
Amount of Tax Due	8,653,606

Interest on DISC	0
Final Tax & Interest	8,653,606

Withheld	40,000
By declaration	10,307,546
With tentative return	300,000
Amount from line 30	0

Final Payments	10,647,546
Amount of tax due	0
Interest due	0
City	0
Contribution	0
Final INCOME TAX	0
Amount of overpayment	1,993,940

Applied to:	Estimate	1,993,940
	License Fee	0
	Refund	0
	Check for Wildlife Fu	0
	Children's Trust Fund	0

South Carolina Return 1991

Power Company
5520

DULE A & B

Additions

son or measured by income	38,484,339
ral NOL	0
Exempt Income	773,232
	0
r Additions	0
l Additions	<u>39,257,571</u>

Deductions

rest on obligations of the US	60,514
Tax Credit	94,945
s Adjustment	47,367,133
preciation in excess of Federal	13,545,384
cal Gains on Property disposition over SC	326,999

l Deductions	<u>61,394,975</u>
djustment	(22,137,404)

DULE C

l Credits	0
Due	8,653,606
er of Line 1 or 2	0
it Caryover	<u>0</u>

th Ca i Return 1991
Company

il and Paid in Surplus EOY
in

N/A
5,009,367

	1 Gross	2 Related	3 Net	4 Net to SC	5 Exclude Pay	6 Exclude Prop
: connected with business	0	0	0	0	////////	////////
received	226	0	226	0	////////	////////
	0	0	0	0	0	0
uses on real property	4,252,453	0	4,252,453	76,370	////////	////////
uses on intangible persona	0	0	0	0	////////	////////
income directly allocated	8,257	0	8,257	8,257	0	0
: DIRECTLY ALLOCATED			4,260,936	////////	////////	////////
ILY ALLOCATED TO SC			////////	84,827	////////	////////
PORTIONMENT FACTORS			////////	////////	0	0

come as reconciled 520,183,489
bj to direct allocation to SC 4,260,936
come subject to apportionment 515,922,551
e to SC by appropriate ratio 172,987,284
subject to direct allocation to SC 84,827
Income 173,072,111

	w/i state	Everywhere	Factor	Weight
clude Exclusion in State)	4,938,356,115	13,610,915,978	0.362823	1
lude Exclusion in State)	268,564,320	775,765,396	0.346193	1
	1,150,914,640	3,876,646,194	0.295876	1
				3
	1.005890			
ortionment Factor	0.335297			

4692

DES00011045

h Card Return 1991

Company

NON-REFUNDABLE TAX CREDITS

over from previous years	0
Irrigation System	0
liness	0
ces	0
Credit	0
s	0
re Construction	0
d capital	0
come Tax Application	0
rogram	0

0

4683

DES00011046

South Carolina Return 1991

Power Company
5520

1 Credits

0

nce Sheet

Begin

End

	8,210,163	10,280,851
e Notes & A/R	475,126,184	522,396,110
: Allow for Bad Debts	(3,683,054)	(4,987,948)
Notes & Receivables	478,809,238	527,384,058
ntories	335,061,770	320,287,730
Obligations-US	0	0
Obligations-State	0	0
r Current Assets	14,766,750	15,338,501
s to Stockholders	0	0
age & Real Estate Loans	0	0
r Investments	283,143,169	319,658,278
& Other Depr Assets	13,677,567,697	14,397,913,061
: Accum Depr	(5,177,565,591)	(5,647,511,446)
Bldg & Depr Assets	18,855,133,288	20,045,424,507
etable Assets	0	0
Accum Depletion	0	0
Depletable Assets	0	0
(Net of Amort)	0	0
agable Assets (Amort)	0	0
Accum Amort	0	0
Intangible Assets	0	0
r Assets	879,160,132	1,000,326,989

2 ASSETS

20,854,284,510 22,238,700,914

ilities and Stockholders Equity

Begin

End

nts Payable	299,833,309	336,518,983
s, Notes, Bonds Pay (less 1 yr)	190,661,895	92,183,157
r Current Liabilities	195,182,454	219,233,049
s from Stockholders	0	0
s, Notes, Bonds Pay (more 1 yr)	3,102,745,644	3,259,574,918
r Liabilities	2,136,580,780	2,219,743,692
Capital Stock Preferred >>>	750,026,000	740,191,400
Capital Stock Common >>>	1,862,978,364	1,924,997,858
Paid in or Capital Surplus >>>	0	0
ined Earnings - Appropriated	0	0
ined Earnings - Unappropriated	1,953,778,774	2,141,259,069
Cost of Treasury Stock	0	0

3 LIAB. + STOCKHOLDERS EQUITY

10,491,787,220 10,933,702,126

Percent Calculation for
of:
Carolina

Within the
STATE
(1)

Everywhere
(2)

	Beginning	Ending	Beginning	Ending	
c	4,210,184,071	5,478,021,727	12,095,895,834	13,834,651,918	
	19,803,871	20,629,544	33,618,726	34,526,750	
	477,216	429,338	2,783,025	1,499,563	
ls & Supplies	69,163,928	61,030,014	317,830,996	308,136,491	
lity	1,932,407	1,752,789	23,612,432	24,245,999	
ries	4,267,340	3,493,697	13,919,742	9,822,384	
e Assets	4,305,828,833	5,565,357,109	12,487,660,755	14,212,883,105	
Tangible Assets		4,935,592,971		13,350,271,930	
ps 8		2,763,144		260,644,048	Percentag Factor
roperty & Rents		4,938,356,115		13,610,915,978	36.282
Factor		268,564,320		775,765,396	34.619
actor (See separate Schedule)		1,150,934,640		3,876,846,194	29.687
of Percentages					100.589
pportionment Percentage					33.529

1991 South Carolina Income Tax Return

Statement of Gross Receipts

	Total	South Carolina	Other
Electric Revenues	\$3,816,108,213	\$1,129,676,247	\$2,686,431,966
Water Revenues	7,640,911	5,259,474	2,381,437
Bus Revenues	1,226,923	250,080	976,843
Merchandising	51,870,147	15,748,839	36,121,308
Non Utility	0	0	0
	\$3,876,846,194	\$1,150,934,640	\$2,725,911,554
Sales Percentage	29.6874%		

1991 South Carolina Income Tax Return

Statement of Regulated Gross Receipts

	Total	South Carolina	Other
Electric Revenues	\$3,816,108,213	\$1,129,676,247	\$2,686,431,966
Water Revenues	7,640,911	5,259,474	2,381,437
Bus Revenues	1,226,923	250,080	976,843
	\$3,824,976,047	\$1,135,185,801	\$2,689,790,246

	Total System (A)	In South
Operating Revenues. (Itemize):		
	\$	\$
SCHEDULE ATTACHED		
Operating Revenues	4. \$ 3,824,976.047	\$ 1,131
Other Receipts. (Itemize):	5.	
Other Receipts	6. \$ 3,824,976.047	\$ 1,131
Gross Receipts (Add Lines 4 and 6)	7.	1,131
Due (Line 7, Column B x .003)	8.	\$ 3,41
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 17 Part II, Page 1)	9.	\$ 5.0

Carolina Code Section 12-19-100

of the license fee imposed by Section 12-19-70 and in addition to any and all other taxes, a license fee of one each dollar of the fair market value of property as determined by the South Carolina Tax Commission for ses, for the preceding accounting period, owned and used within South Carolina in the conduct of the busir ad company, express company, street railway company, navigation company, waterworks company, power comp, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car comp, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

Carolina Code Section 12-19-110

lition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of w/ is levied an annual license fee of three mills upon the gross receipts derived from services rendered from regula this state during the calendar year next preceding by every railroad company, express company, street railw; ation company, waterworks company, power company, distribution electric cooperative, light company, gi aph company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating c rowers express car company, and all other privately operated car lines. However, where a consolidated return on 12-7-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' sha receipts arising from any transactions between any of the separate members of the consolidated return group. T ted for by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives ie fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

Carolina Code Section 12-19-120

case shall the license fee provided by Sections 12-19-100 and 12-19-110 be less than twenty-five dollars iration.

icense fees are due on or before the fifteenth day of the third month next after the preceding income year.

otal license fee cannot be less than twenty-five dollars (\$25.00).

INSTRUCTIONS

SC1120 instructions if Public Utilities 'C' Corporation.

SC1120S instructions if Public Utilities 'S' Corporation.



Return To:
SOUTH CAROLINA
COMMISSION
P.O. Box 125
Columbia, SC 29214

Return For DECEMBER 31, 1991 INCOME
Period Ending DECEMBER 31, 1992 LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

E AND ADDRESS

RETURN DUE ON OR
BEFORE
MARCH 15, 1992

UKE POWER COMPANY
2 SOUTH CHURCH STREET
CHARLOTTE, NC 28242-0001

205520
Identification No

4900R
Business Code

12-200900249
File Number

A COPY OF FEDERAL FORM 1120
1120S AND SUPPORTING SC
MUST BE ATTACHED AND MADE
THIS RETURN

Extension Requested: Yes ☒ No ☐

Type of SC Return: Separate ☒
Consolidated ☐

If Final Return, Indicate Whether: Merger
Reorganized ☐ Dissolved ☐ Withdra

County in SC Where Property is located:
VARIOUS

Did any of the corporations in this Ret
property presumed abandoned under
Title 27 of the South Carolina Code of
☒ yes ☐ no

City Audit Location
CHARLOTTE, NC

Telephone Number: (704) 382

I COMPUTATION OF INCOME TAX LIABILITY

1. Ordinary Income (loss) Per Federal Form 1120, 1120A or 1120S 1. 542,320
2. Adjustment from line 12, Schedule A and B 2. <22,137
3. Net Income As Reconciled (line 1 plus or minus line 2) 3. 520,183
4. Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3 4. 173,07
5. Distribution to shareholders of S corporation 5. <
6. South Carolina Net Income subject to tax (line 4 less line 5) 6. 173,07
7. Multiply amount on line 6 by .05 (5.0%) 7. 8.65
8. Refundable credits from line 5, Schedule C 8. 8.65
9. of tax (line 7 less line 8) enter the difference but not less than zero. 9. 8.65
10. (a) Tax Withheld (see instructions) 40,000 (b) Paid by Declaration 10,307,546
(c) Paid with Tentative Return 300,000 (d) Credit from line 23b
11. Payments (add lines 10a through 10d) 11. 10,647
12. nce of Tax Due (line 9 less line 11) 12. 10,647
13. tribution: Check for Wildlife Fund Children's Trust Fund 13. 10,647
14. est Due Penalty Due (See instructions for penalty and interest.) ... 14. 10,647
15. AL INCOME TAX, Interest, Penalty, and Contribution Due (add lines 12 through 14) 15. 10,647
16. RPAYMENT (line 11 less line 9) 1,993,940 To be applied as follows:
17. stimated Tax 1,993,940 (b) License Fee (c) Refunded
18. heck for Wildlife Fund (e) Children's Trust Fund

COMPUTATION OF LICENSE FEE

17. License Fee Due from Schedule J, line 9, on page 5 17. 5,009
18. nents: (a) Paid with Tentative Return 5,009,367 (b) Credit from line 16b
19. Payments (add line 18 (a) and (b)) 19. 5,009
20. nce Of Fee Due (line 17 less line 19) 20. - 0 -
21. est Due Penalty Due (See instructions for penalty and interest.) ... 21. - 0 -
22. AL LICENSE FEE, Interest and Penalty Due (add lines 20 and 21) 22. - 0 -
23. RPAYMENT (line 19 less line 17) To be applied as follows:
24. stimated Tax (b) Income Tax (c) Refunded
25. ND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 15 and 22) 24. 10,647

Make checks payable to South Carolina Tax Commission.

I, undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompanying
statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

INSTRUCTIONS FOR FILING
AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1992

To be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of tax	Total Tax \$ Less: payments & credits \$ Balance due (overpayment) \$(6,535,081)
Overpayment	☒ Refunded to you \$6,535,081 ☐ Credited to your estimated tax \$ ☐ \$ refunded and \$ credited
Draw check to N/A	<i>NOTE: Your social security number or employer identification number should be entered on your remittance.</i>
Mail tax return and check if applicable) to	SC DEPT. OF REVENUE COLUMBIA, SC 29214
Return must be mailed on or before	IMMEDIATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	



AMENDED

TAXPAYER ID INFORMATION

A COMPLETE COPY OF FEDERAL RETURN
BE ATTACHED TO THIS RETURN.

Check if ☐ Consolidated Return

If Final Return, Indicate Whether: Merged

Reorganized ☐ Dissolved ☐ Withd

County or Counties in SC Where Property is Loca

VARIOUS

City Audit Location

CHARLOTTE, NC

Telephone Number:

(704) 382-8175

14-0601

FILE # 20090024 - 9

JRN FOR PERIOD ENDING DECEMBER 31, 1992

E.I.# 56-0205520

ME DUKE POWER COMPANY

LING ADDRESS MAIL CODE PB05B

Y CHARLOTTE STATE NC ZIP CODE 28242

ange of Address ☐

Federal ordinary income (loss) per Federal Form 1120, 1120A or 1120S 1. 51

Net Adjustment from line 12, Schedule A and B 2. 1

Total Net Income as Reconciled (line 1 plus or minus line 2) 3. 61

If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3. 478,1

LESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable 5. <

South Carolina Net Income subject to tax (line 4 less line 5) 673,1

TAX: Multiply amount on line 6 by .05 (5.0%) 7. 1

Non-Refundable credits from line 3, Schedule C 8. 1

Balance of tax (line 7 less line 8) Enter the difference but not less than zero 9. 1

Payments: (a) Tax Withheld (see instructions) (b) Paid by Declaration

(c) Paid with Tentative Return (d) Credit from line 24b

otal Payments (add lines 10a through 10d) AS REPORTED 11. 1

Balance of Tax Due (line 9 less line 11) 12. 1

Interest Due Penalty Due (See instructions for penalty and interest.) 13. 1

TOTAL INCOME TAX, Interest and Penalty Due (add lines 12 and 13) 14. 1

OVERPAYMENT (line 11 less line 9) To be applied as follows:

(a) Estimated Tax (b) License Fee (c) Refunded

Total License Fee Due from Schedule K, line 9, on page 5 16. 1

Section 12-20-105 credit (see instructions) 17. 1

Total License Fee Due (subtract line 17 from line 16 but not less than zero) 18. 1

Payments: (a) Paid with Tentative Return (b) Credit from line 15b

Total Payments (add line 19a and (b)) 20. 1

Balance of Fee Due (line 18 less line 20) 21. 1

Interest Due Penalty Due (See instructions for penalty and interest.) 22. 1

TOTAL LICENSE FEE, Interest and Penalty Due (add lines 21 and 22) 23. 1

OVERPAYMENT (line 20 less line 18) To be applied as follows:

(a) Estimated Tax (b) Income Tax (c) Refunded

GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 23) 25. 1

Make check payable to: South Carolina Department of Revenue.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

Signature of officer

Date

Title

I authorize the Director of the Department of Revenue or delegate to discuss this return, attachments and related tax matters with the preparer

Yes ☐ No ☐

Preparer's Printed Name

4. _____
Additions (attach schedule) 5. _____
Additions (add lines 1 through 5) 6. _____

DEDUCTIONS FROM FEDERAL NET INCOME

Interest on Obligations Of The U.S. 7. _____
8. _____
9. _____
Deductions (attach schedule) 10. _____
Deductions (add lines 7 through 10) SEE ATTACHED AUDIT 11. _____
Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U SCHEDULE 12. 27,

LE C NON-REFUNDABLE TAX CREDITS

Credits (from Schedule I) 1. _____
Line 7, Part I, SC1120U) 2. _____
Portion of line 1 or 2 (enter on line 8, SC1120U) 3. _____
Carryover (line 1 less line 3) 4. _____

LE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

Name of Corporation DUKE POWER COMPANY
Date of this report _____ Fed. E.I. No. 56-0205520
Incorporated under the Laws of the State of NORTH CAROLINA on 11/27/63
When Corporation, the date qualified to do business in the State of South Carolina is 2/24/64
Address of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD
City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
Has the name of the Corporation changed during the year? NO Give old name _____
When commenced business in the State of South Carolina was _____
Address of principal executive office (street address) 84 VILLA ROAD; GREENVILLE, SOUTH CARO.
Nature of principal business in S.C. ELECTRIC UTILITY
Where corporation's books are in the care of CONTROLLER

Address at (street address) 422 SOUTH CHURCH STREET, CHARLOTTE, NC 28242
If consolidated, complete and attach Schedule J for each corporation listed in the consolidation.
Total number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follows:
NUMBER OF SHARES CLASS SERIES
10,000,000 COMMON NO PAR

Total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class
NUMBER OF SHARES CLASS SERIES

Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation. If additional space is necessary, attach separate schedule).

NAME

BUSINESS ADDRESS AND OFFICE

	Gross Amounts 1	Less: Related Expenses 2	Allocated Direct to SC and Other States 3	Allocated Directly to SC 4	be Excluded from Payroll Factor 5	to 1
not connected with business						
nds received	SEE ATTACHED AUDIT SCHEDULE					
losses on real property						
losses on intangible pers. prop.						
ment income directly allocated						
INCOME DIRECTLY ALLOCATED						
ME DIRECTLY ALLOCATED TO S.C.						
US TO APPORTIONMENT FACTORS						

FILE G COMPUTATION OF TAXABLE INCOME FOR ORGANIZATIONS CLAIMING MULTI-STATE OPERATIONS

et income as reconciled. Enter amount from line 3, Page 1	1.	612,
ncome subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	
et income subject to apportionment (line 1 less line 2)	3.	612,
y amount on line 3 by appropriate ratio from Schedule H-1, 2, or 3 and enter result here	4.	78,
ncome subject to direct allocation to S.C. from Schedule F, line 8	5.	
i.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Page 1	6.	78,

FILE H-1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Every	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ei
3				
ery and Equipment				
ories				
Property				
ions	<	>	<	>
L (add lines 1 - 5; subtract line 6)				
		1. Within S.C.	2. Total Everywhere	3
f Beginning and Ending Period (add line 7a and b and divide by 2)				
or Lease Value				
L Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
IS Payroll				
Officers Compensation and Exclusions	<	>	<	>
L Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
L Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
L Sales (same as line 14)				
L of Ratios (add Column 3 - lines 10, 13, 14 and 15)				
etrical Average of Ratios				

FILE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In S.C.	2. Total Everywhere	3
Gross Receipts			
Exclusion (see instructions)	<	>	
Receipts (for ratio)	1,182,784,969	9,285,402,738	
Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			12.

FILE H-3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	
Vithin South Carolina		

C Water Resources (TC-3) C _____
 D South Carolina New Jobs Credit (TC-4) D _____
 E Scenic Rivers (TC-5) E _____
 F Infrastructure Construction or Improvement (TC-6) F _____
 G Palmetto Seed Capital (TC-7) G _____
 H Corporate Headquarters Income Tax Application (TC-8) H _____
 I Child Care Program (TC-9) I _____
 J Base Closure/Federal Facility Employment Reduction-Hiring Credit (TC-10) .. J _____
 K Economic Impact Zone Property Investment Credit (TC-11) K _____
 L Credit for Hiring Recipients of Family Independence Payments (TC-12) L _____
 M Additional Family Independence Payments Credit (TC-12-A) M _____
 N Motion Picture Project/Production Facility Credit (TC-13) N _____
 Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) 3. _____

LE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN
AFFILIATED CORPORATION NO. 1

DUKE POWER COMPANY S.C.I.D. No. _____
 of this report _____ Fed. E.I. No. _____
 ss _____
 incorporated under the laws of the State of NORTH CAROLINA on 11/27/63
 sign Corporation, the date qualified to do business in the State of South Carolina is _____
 on of the Registered Office of the Corporation in the State of South Carolina is _____
 City of GREENVILLE and Registered Agent at such address is _____
 he name of the Corporation changed during the year? NO Give old name _____
 commenced business in the State of South Carolina was 2/24/64
 on of principal office (street address) _____
 of principal business in S.C. ELECTRIC UTILITY
 corporation's books are in the care of CONTROLLER
 ed at 422 SOUTH CHURCH STREET, CHARLOTTE, NORTH CAROLINA 28242
 rofessional corporation, are all shareholders, one-half of the directors and all officers (other than the secretary a
 ed to practice the professional service engaged in by the corporation? _____
 ital number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follow

NUMBER OF SHARES	CLASS	SERIES
100,000,000	NO PAR	COMMON

ital number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class

NUMBER OF SHARES	CLASS	SERIES

ital amount of stated capital per balance sheet is:

ital paid in Capital Stock (cannot be a negative amount) \$ _____
 ital paid in Capital Surplus (cannot be a negative amount) \$ _____
 ital amount of Stated Capital (cannot be a negative amount) \$ _____

ames and business addresses of the directors (or individuals functioning as directors) and principal officers in the Co
 iftional space is necessary, attach separate schedule).

NAME

BUSINESS ADDRESS AND OFFICE

		Total System (A)	Int South
ating Revenues, (Itemize):		\$	\$
Operating Revenues	4.	\$	\$
Receipts, (Itemize):	5.		
Other Receipts	6.	\$	\$
Gross Receipts (Add Lines 4 and 6)	7.		
Due (Line 7, Column B × .003)			8. \$
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16, Part II, Page 1)			9. \$

from 2000 Code of Laws as Amended

lion 12-20-100 as amended for taxable years beginning after 1995.

place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigational company, power company, electric cooperative, light company, gas company, telegraph company, and telephone company shall file an annual report with the department and pay a license fee as follows:

one dollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and used in the conduct of business as determined by the department for property tax purposes for the preceding taxable year plus one dollar for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered for hire within this state during the preceding taxable year, except that with regard to electric cooperatives, only distribution receipts are subject to the gross receipts portion of the license fee under this subitem. The minimum license fee under this section is \$25.

NEW INFORMATION

Carolina has updated income tax laws to conform with the Internal Revenue Code of 1986, as amended through December 31, 1999, including

Section 17 Section 12-20-105 credit is for amounts paid in cash to provide infrastructure for an eligible project. Effective June 11, 1999, the term of an eligible project has been expanded to include industrial shell buildings and the purchase of land for an office, business or industrial park. On or before June 30, 1999, notwithstanding the statute of limitations, the time allotted for requesting a corporate refund has been extended from thirty days from the date the Internal Revenue Service changes the taxable income.

The signature section of the return contains a new area for the preparer's telephone number.

INSTRUCTIONS

Instructions - If the company paid cash to provide infrastructure for an eligible project, enter the amount on line 17. Attach a schedule to the return showing the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amount of cash paid for infrastructure and to whom and when paid, a description of the infrastructure, and the date the infrastructure was completed or is expected to be completed. If the infrastructure has not been completed as of the date the return is filed, the taxpayer must include a waiver of the statute of limitations. The amount of the credit for any single tax year may not exceed \$300,000. If the credit exceeds tax liability, the excess may be carried forward and deducted in the succeeding years. For more information see SC Revenue Ruling #96-11.

120 instructions if Public Utilities 'C' Corporation.

1120S instructions if Public Utilities 'S' Corporation.

WUJNY

[illegible]

DES00011059

ԿԱԼԻՍ ԳՐԱԴՆԵՐ
 ԻՆՎԵՍՏ
 ԻՆՎԵՍՏԻՄԵՆՏԱԿԱՆ
 ԵՏՐԱԴԱՆԱԳՐԱԿ
 Կ
 ՅՄ
 ԻԼ

 ԵՐԱՅԻՐԱՅԻՆԻՄԵՆՏ
 :ԲԼՈ ՅԿՄ

1949-50	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG	AH	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR	AS	AT	AU	AV	AW	AX	AY	AZ	BA	BB	BC	BD	BE	BF	BG	BH	BI	BJ	BK	BL	BM	BN	BO	BP	BQ	BR	BS	BT	BU	BV	BW	BX	BY	BZ	CA	CB	CC	CD	CE	CF	CG	CH	CI	CJ	CK	CL	CM	CN	CO	CP	CQ	CR	CS	CT	CU	CV	CW	CX	CY	CZ	DA	DB	DC	DD	DE	DF	DG	DH	DI	DJ	DK	DL	DM	DN	DO	DP	DQ	DR	DS	DT	DU	DV	DW	DX	DY	DZ	EA	EB	EC	ED	EE	EF	EG	EH	EI	EJ	EK	EL	EM	EN	EO	EP	EQ	ER	ES	ET	EU	EV	EW	EX	EY	EZ	FA	FB	FC	FD	FE	FF	FG	FH	FI	FJ	FK	FL	FM	FN	FO	FP	FQ	FR	FS	FT	FU	FV	FW	FX	FY	FZ	GA	GB	GC	GD	GE	GF	GG	GH	GI	GJ	GK	GL	GM	GN	GO	GP	GQ	GR	GS	GT	GU	GV	GW	GX	GY	GZ	HA	HB	HC	HD	HE	HF	HG	HH	HI	HJ	HK	HL	HM	HN	HO	HP	HQ	HR	HS	HT	HU	HV	HW	HX	HY	HZ	IA	IB	IC	ID	IE	IF	IG	IH	II	IJ	IK	IL	IM	IN	IO	IP	IQ	IR	IS	IT	IU	IV	IW	IX	IY	IZ	JA	JB	JC	JD	JE	JF	JG	JH	JI	IJ	JK	KL	KM	KN	KO	KP	KQ	KR	KS	KT	KU	KV	KW	KX	KY	KZ	LA	LB	LC	LD	LE	LF	LG	LH	LI	LJ	LK	LL	LM	LN	LO	LP	LQ	LR	LS	LT	LU	LV	LW	LX	LY	LZ	MA	MB	MC	MD	ME	MF	MG	MH	MI	MJ	MK	ML	MM	MN	MO	MP	MQ	MR	MS	MT	MU	MV	MW	MX	MY	MZ	NA	NB	NC	ND	NE	NF	NG	NH	NI	NJ	NK	NL	NM	NN	NO	NP	NQ	NR	NS	NT	NU	NV	NW	NX	NY	NZ	OA	OB	OC	OD	OE	OF	OG	OH	OI	OJ	OK	OL	OM	ON	OO	OP	OQ	OR	OS	OT	OU	OV	OW	OX	OY	OZ	PA	PB	PC	PD	PE	PF	PG	PH	PI	PJ	PK	PL	PM	PN	PO	PP	PQ	PR	PS	PT	PU	PV	PW	PX	PY	PZ	QA	QB	QC	QD	QE	QF	QG	QH	QI	QJ	QK	QL	QM	QN	QO	QP	QQ	QR	QS	QT	QU	QV	QW	QX	QY	QZ	RA	RB	RC	RD	RE	RF	RG	RH	RI	RJ	RK	RL	RM	RN	RO	RP	RQ	RR	RS	RT	RU	RV	RW	RX	RY	RZ	SA	SB	SC	SD	SE	SF	SG	SH	SI	SJ	SK	SL	SM	SN	SO	SP	SQ	SR	SS	ST	SU	SV	SW	SX	SY	SZ	TA	TB	TC	TD	TE	TF	TG	TH	TI	TJ	TK	TL	TM	TN	TO	TP	TQ	TR	TS	TT	TU	TV	TW	TX	TY	TZ	UA	UB	UC	UD	UE	UF	UG	UH	UI	UJ	UK	UL	UM	UN	UO	UP	UQ	UR	US	UT	UU	UV	UW	UX	UY	UZ	VA	VB	VC	VD	VE	VF	VG	VH	VI	VJ	VK	VL	VM	VN	VO	VP	VQ	VR	VS	VT	VU	VV	VW	VX	VY	VZ	WA	WB	WC	WD	WE	WF	WG	WH	WI	WJ	WK	WL	WM	WN	WO	WP	WQ	WR	WS	WT	WU	WV	WW	WX	WY	WZ	XA	XB	XC	XD	XE	XF	XG	XH	XI	XJ	XK	XL	XM	XN	XO	XP	XQ	XR	XS	XT	XU	XV	XW	XX	XY	XZ	YA	YB	YC	YD	YE	YF	YG	YH	YI	YJ	YK	YL	YM	YN	YO	YP	YQ	YR	YS	YT	YU	YV	YW	YX	YY	YZ	ZA	ZB	ZC	ZD	ZE	ZF	ZG	ZH	ZI	ZJ	ZK	ZL	ZM	ZN	ZO	ZP	ZQ	ZR	ZS	ZT	ZU	ZV	ZW	ZX	ZY	ZZ	AA
12,345,678	10,456,789	156,789,012	98,765,432	178,901,234	4,567,890	111,222,333	76,543,210	1,234,567	34,567,890	1,234,567	23,456,789	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,890	1,234,567	56,789,012	12,345,678	98,765,432	34,567,89																																																																																																																																																																																																																																																																																																																			

EX-1
RETURN

LUPT

1

61,619,11,0

3

74 2
SA THMS

1

12,344,870

811,535

722,180

802,197

294,874

1,341

1,763,476

(1,762,500)

8,025,542

1,826,292

101,063

1,342

14,508,511

(1,441,081)

722,180

4,707,738

2,385,124

2,774,827

8,247,883

2,955,818

842,793

181,812

385,147

578,875

192,194

4,740,938

315,809

10

11,270,704

8,273

18,888

(1,000)

87,186

181,345

5,873

92,488

15,804

25,186

0

24,483

11,222

84,827

10,881

11

1,868,488

4,075,758

3,876,292

101,063

1,342

13,764,180

8,273

18,888

4,923,988

87,186

181,345

5,823,225

182,371

18,348

25,186

0

24,483

11,222

84,827

10,881

11

4709

DES00011061

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

Return For
Period Ending 12/31/92-INCOME; 12/31/93-LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

MUST BE ATTACHED AND IN
THIS RETURN

Extension Requested: Yes ☒ No

Type of SC Return: Separate ☒
Consolidated

If Final Return, Indicate Whether: Merger
Reorganized ☐ Dissolved ☐ W
County in SC Where Property is li
VARIOUS

Did any of the corporations in this
property presumed abandoned under
of the South Carolina Code
☒ yes ☐ no

City Audit Location
CHARLOTTE NORTH

Telephone Number: (704) 38

NAME AND ADDRESS
DUKE POWER COMPANY
MAIL CODE PB05B
CHARLOTTE, NC 28242-0001

RETURN DUE ON OR
BEFORE

MARCH 15, 1993

5-0205520

4900-R

12 20090024-9

Employer Identification No.

Business Code

File Number

For Office Use Only

Federal ordinary Income (loss) Per Federal Form 1120, 1120A or 1120S	1.	584,
Net Adjustment from line 12, Schedule A and B	2.	27,
Total Net Income As Reconciled (line 1 plus or minus line 2)	3.	612,
If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	4.	208,
LESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	<
South Carolina Net Income subject to tax (line 4 less line 5)	6.	208,
TAX: Multiply amount on line 6 by .05 (5.0%)	7.	10,
Non-Refundable credits from line 5, Schedule C	8.	
Balance of tax (line 7 less line 8) enter the difference but not less than zero.	9.	10,
Payments: (a) Tax Withheld (see instructions)	(b) Paid by Declaration	
(c) Paid with Tentative Return	(d) Credit from line 22b	
Total Payments (add lines 10a through 10d)	11.	10,
Balance of Tax Due (line 9 less line 11)	12.	(:
Interest Due	13.	(:
Penalty Due (See instructions for penalty and interest.)	14.	(:
TOTAL INCOME TAX, Interest and Penalty Due (add lines 12 and 13)		
OVERPAYMENT (line 11 less line 9)	To be applied as follows:	
(a) Estimated Tax	(b) License Fee	(c) Refunded
Total License Fee Due from Schedule J, line 9, on page 5	16.	5,
Payments: (a) Paid with Tentative Return	(b) Credit from line 15b	
Total Payments (add line 17 (a) and (b))	18.	5,
Balance Of Fee Due (line 16 less line 18)	19.	
Interest Due	20.	
Penalty Due (See instructions for penalty and interest.)	21.	
TOTAL LICENSE FEE, Interest and Penalty Due (add lines 19 and 20)		
OVERPAYMENT (line 18 less line 16)	To be applied as follows:	
(a) Estimated Tax	(b) Income Tax	(c) Refunded
GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)	23.	(:

Make checks payable to: South Carolina Department of Revenue.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including account Report, statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete	Signature of officer	Date	Title
	Preparer's signature	Date	Check if self-employed ☐ Preparer's soc
Preparer's name (or yours if self-employed) and address	DELOITTE AND TOUCHE LLP 2500 ONE PPG PLACE		E.I. No. 13-38915 Zip code 15222

4. _____
5. _____
Other Additions (attach schedule)
Total Additions (add lines 1 through 5) SEE ATTACHED AUDIT STATEMENT 6. _____

DEDUCTIONS FROM FEDERAL NET INCOME

7. _____
8. _____
9. _____
10. _____
Other Deductions (attach schedule)
Total Deductions (add lines 7 through 10) SEE ATTACHED AUDIT STATEMENT 11. _____
Net Adjustment (line 8 less line 11) Also enter on line 2, Part I, SC1120U 12. _____

SCHEDULE C NON-REFUNDABLE TAX CREDITS

1. _____ 0
2a. _____ 0
Edit Carryover From Previous Year
Total Credits (add lines 1 and 2(a) through (i) 3. _____
4. _____ 10,
5. _____
6. _____

(a) Drip/Trickle Irrigation System (TC-1)
(b) Minority Business (TC-2)
(c) Water Resources (TC-3)
(d) South Carolina New Jobs Credit (TC-4) 300,600
(e) Scenic Rivers (TC-5)
(f) Infrastructure Construction or Improvement (TC-6)
(g) Palmetto Seed Capital (TC-7)
(h) Corporate Headquarters Income Tax Application (TC-8)
(i) Child Care Program (TC-9)
Lesser of line 3 or 4 (enter on line 8, Part I, SC1120U)
Edit Carryover (line 3 less line 5)

SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

Name of Corporation DUKE POWER COMPANY
Date of this Report _____ Fed. E.I. No. 56-0205520
Incorporated under the Laws of the State of NORTH CAROLINA on 11/27/1963
Foreign Corporation, the date qualified to do business in the State of South Carolina is 2/24/1963
Location of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD
the City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
Has the name of the Corporation changed during the year? NO Give old name _____
Date commenced business in the State of South Carolina was 1963
Location of principal executive office (street address) 84 VILLA ROAD; GREENVILLE, SOUTH CAR
Nature of principal business in S.C. ELECTRIC UTILITY
Where Corporation's books are in the care of DAVID L. HAUSER, CONTROLLER
Located at (street address) 422 SOUTH CHURCH STREET; CHARLOTTE, NC 28242-0001
Filing consolidated, complete and attach Schedule I for each corporation listed on the consolidation.
Are all shareholders, one-half of the directors and all officers (other than the secretary) authorized to practice the professional services engaged in by the corporation? _____
Total number of authorized shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
300,000,000	NO PAR	COMMON

Total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
204,859,339	NO PAR	COMMON

List names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation. If additional space is necessary, attach a separate schedule.)

NAME

BUSINESS ADDRESS AND OFFICE

	Gross Amounts 1	Related Expenses 2	to S.C. and Other States 3	Directly to S.C. 4	from Payroll Factor 5	in
Interest not connected with business						
Dividends received						
Gifts						
Gains/losses on real property						
Gains/losses on intangible pers. prop.						
Investment income directly allocated						
TOTAL INCOME DIRECTLY ALLOCATED						
INCOME DIRECTLY ALLOCATED TO S.C.						
TOTALS TO APPORTIONMENT FACTORS						

DULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERA

Net income as reconciled. Enter amount from line 3, Part I	1.
Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
Net income subject to apportionment (line 1 less line 2)	3.
Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
Less: Income subject to direct allocation to S.C. from Schedule F, line 8	5.
Net S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

DULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending
Land				
Buildings				
Machinery and Equipment				
Inventory				
Other Property				
Inclusions	<	>	<	>
TAL (add lines 1 - 5; subtract line 6)				
		1. Within S.C.	2. Total Everywhere	3. Ratio
Ratio of Beginning and Ending Period (add line 7a and b and divide by 2)				
Ratio of Lease Value				
TAL Property Add lines 8 and 9. (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
OSS Payroll				
Less: Officers Compensation and Exclusions	<	>	<	>
TAL Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
TAL Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
TAL of Three Ratios (add Column 3 - lines 10, 13 and 14)				
Arithmetical Average of Three Ratios				

DULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Ratio
Net Gross Receipts			
Less: Exclusion	<	>	
Net Receipts (for ratio)			
Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			

DULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
Within South Carolina		
or System		
Ratio (South Carolina ÷ Total System)		

		Total System (A)	Int South
Operating Revenues, (Itemize):			
		\$	\$
Total Operating Revenues	4.	\$ 3,968,567,265	\$1,178
Other Receipts, (Itemize):	5.		
Total Other Receipts	6.	\$	\$
Total Gross Receipts (Add Lines 4 and 6)	7.		1,178
Due (Line 7, Column B x .003)	8.	\$	3
Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16 Part II, Page 1)	9.	\$	5

Carolina Code Section 12-19-100 (As amended for license tax years beginning after May 10, 1994.)

of the license fee imposed by Section 12-19-70, there is levied, in addition to any other license taxes and fees of every kind, a license fee of one mill upon each dollar of the fair market value of property, as determined by the Department of Revenue for property tax purposes for the preceding accounting period, owned and used within South Carolina by every express company, street railway company, navigation company, waterworks company, power company, electric cooperative, light company, gas company, telegraph company, and telephone company. The license fee provided for by this section shall be paid at the time of the filing of the reports required by this chapter.

Carolina Code Section 12-19-110 (As amended for license tax years beginning after May 10, 1994.)

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind, there shall be levied an annual license fee of three mills upon the gross receipts derived from services rendered from regulated businesses during the calendar year next preceding by every express company, street railway company, navigation company, power company, distribution electric cooperative, light company, gas company, telegraph company, and telephone company, where a consolidated return pursuant to Section 12-7-1570 is filed, the phrase 'the gross receipts derived from regulated business' does not include gross receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided for by this section must be paid at the time of filing the reports required. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative shall file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

Carolina Code Section 12-19-120

In no case shall the license fee provided by Sections 12-19-100 and 12-19-110 be less than twenty-five dollars in any calendar year.

License fees are due on or before the fifteenth day of the third month next after the preceding income year.

Total license fee cannot be less than twenty-five dollars (\$25.00).

INSTRUCTIONS

to SC1120 instructions if Public Utilities 'C' Corporation.

SC1120S instructions if Public Utilities 'S' Corporation.

SOUTH CAROLINA LICENSE TAX FOR UTILITIES

	1993
Receipts Reported on Original Return	<u>1,182,784,969</u>
Less: Sales for Resale	
Less: Rents	(856,452)
Less: Water Revenues	
Less: Forfeited Discounts	(1,644,917)
Less: Bad Debt	
Less: Interdepartmental rents	(2,542)
Less: Misc. Service Revenue/Other Electric Revenues	(897,162)
Less: Interdepartmental sales	<u>(499,622)</u>
Adjusted Receipts	<u>1,178,884,274</u>

(ATTACH TO RETURN)

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY YORK	19 87	19 88	19 89	19 90	19 91	19 92
MONTH	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
1 JANUARY	860	871	1,019	1,073	1,323	1,8
2 FEBRUARY	860	894	1,023	1,092	1,371	1,8
3 MARCH	860	899	1,026	1,110	1,419	1,9
4 APRIL	859	911	1,029	1,128	1,466	1,9
5 MAY	859	924	1,032	1,147	1,514	1,9
6 JUNE	859	937	1,036	1,165	1,562	1,9
7 JULY	859	950	1,039	1,183	1,610	1,9
8 AUGUST	859	963	1,042	1,202	1,658	2,0
9 SEPTEMBER	859	977	1,045	1,220	1,706	2,0
10 OCTOBER	858	990	1,049	1,238	1,753	2,0
11 NOVEMBER	858	1,003	1,052	1,257	1,801	2,0
12 DECEMBER	858	1,015	1,055	1,275	1,849	2,0
1: TOTAL EMPLOYEES	5,151	11,323	12,446	14,090	19,031	23,7
2: DIVIDED BY: NUMBER OF MONTHS IN OPERATION	5	12	12	12	12	
3: MONTHLY AVERAGE OF FULL TIME EMPLOYEES	958.42	943.58	1,037.13	1,174.17	1,585.92	1,980.
4: LESS: PREVIOUS YEAR AVERAGE		958.42	943.58	1,037.13	1,174.17	1,585.
5: AVERAGE INCREASE IN FULL TIME EMPLOYEES		35	93	137	411	3

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
1: YEAR 1 INCREASE	85	85	85	
2: YEAR 2 INCREASE		93	93	
3: YEAR 3 INCREASE			137	1.
4: YEAR 4 INCREASE				4
5: YEAR 5 INCREASE				
6: YEAR 6 INCREASE				
7: NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	85	178	315	7.
8: AMOUNT OF CREDIT PER EMPLOYEE	300	300	300	3.
9: ELIGIBLE CREDIT (multiply line 12 by line 13)	25,500	53,400	94,500	217,8
10: UNUSED NEW JOBS CREDIT CARRYOVER	0	0	0	
11: TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	25,500	53,400	94,500	217,8.

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY	OCONEE	19 89	19 90	19 91	19 92	19	19
MONTH		PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
1	JANUARY	1,431	1,449	1,693	1,747		
2	FEBRUARY	1,430	1,471	1,695	1,776		
3	MARCH	1,430	1,493	1,698	1,806		
4	APRIL	1,430	1,515	1,700	1,835		
5	MAY	1,429	1,537	1,702	1,865		
6	JUNE	1,429	1,559	1,704	1,895		
7	JULY	1,429	1,581	1,706	1,924		
8	AUGUST	1,428	1,603	1,708	1,954		
9	SEPTEMBER	1,428	1,625	1,711	1,983		
10	OCTOBER	1,428	1,647	1,713	2,013		
11	NOVEMBER	1,427	1,669	1,715	2,042		
12	DECEMBER	1,427	1,691	1,717	2,072		
TOTAL EMPLOYEES		17,146	18,840	20,461	22,912		
DIVIDED BY: NUMBER OF MONTHS IN OPERATION		12	12	12	12		
MONTHLY AVERAGE OF FULL TIME EMPLOYEES		1,429.83	1,570.00	1,705.08	1,909.29		
LESS: PREVIOUS YEAR AVERAGE			1,428.83	1,570.00	1,705.08		
AVERAGE INCREASE IN FULL TIME EMPLOYEES			141	135	204		

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
YEAR 1 INCREASE	141	141		
YEAR 2 INCREASE		135		
YEAR 3 INCREASE				
YEAR 4 INCREASE				
YEAR 5 INCREASE				
YEAR 6 INCREASE				
NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	141	276		
AMOUNT OF CREDIT PER EMPLOYEE	300	300		
ELIGIBLE CREDIT (multiply line 12 by line 13)	42,300	82,800		
UNUSED NEW JOBS CREDIT CARRYOVER	0	0		
TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	42,300	82,800		

COMPUTATION OF NET INCOME & TAX

1992

INCOME PER US1120	631,940,828
1986-1994 audit adjustments	(47,038,666)
ADJUSTMENTS PER EXHIBIT 1 SCH 1	0
ADJUSTED FED NET INCOME	584,902,162
ADJUSTMENTS PER SCH 6	27,932,122
FED ADJUSTED INCOME	612,834,284
ADJUSTMENTS PER SCH 7	(315,909)
PORTIONABLE INCOME AS ADJUSTED	612,518,375
RATIO PER RETURN OR SCH A	34.0765%
INCOME APPORTIONED TO SC	208,724,824
ADJUSTABLE TO SC PER SCH 7	10,861
FINAL SC NET INCOME	208,735,685
CONTRIBUTIONS	
NET INCOME	208,735,685
LIABILITY	
TAXABLE NET INCOME	208,735,685
RATE	5.0000%
DUED	10,436,784
PREVIOUSLY PAID	11,237,773
OVERPAYMENT <OVERPAYMENT>	(800,989)

120 SCH A & B ADJUSTMENTS

1992

ENDED ADJ. PER EXHIBIT 1 SCH 2	0
120 SCH A & B (NET) PER RETURN	27,904,690
UDIT ADJUSTMENTS:	
EMPT US INTEREST	0
NTRIBUTIONS	0
EREST INCOME	0
SET RETIREMENT	0
OP CONTRIBUTION (BLK. BOOK)	0
EL TAX CREDIT	44,198
PRECIATION ADJUSTMENT	0
PRECIATION ADJUSTMENT-LARRY	0
ADJUSTMENT	0
RRECTED ALLOCATED GAIN/LOSS	0
/IRONMENTAL TAX	(16,766)
IDEND ALLOCATION	0
OP (WRONG YEAR)	0
OP-BLACK BOOK	0
STERN FUEL, INC REIMBURSEMENT	0
ATED EXPENSES PER SCH	0
AL	27,932,122

LOCATED ITEMS

1992

WHERE ALLOCATIONS PER EX. 1
RYWHERE ALLOCATIONS PER RETURN
UDIT ADJUSTMENTS:
EREST APPORTIONED ON SC AUDIT
N/LOSS INTANG. PERS. PROP.
AL PROPERTY-CATAWBA-EX 4
ALLOWED ON SC AUDIT-EXH 9

315,909

RYWHERE ALLOCATIONS AS ADJUSTED

315,909
=====

LLOCATIONS PER EX. 1 SCH 3
LLOCATIONS PER RETURN
UDIT ADJUSTMENTS:

10,861

PROPERTY-CATAWBA-EXH 4
RECTED GAIN/LOSS ALLOCATIONS

LLOCATIONS AS ADJUSTED

10,861
=====

Mail This Return To:
TAX COMMISSION
Corporation Return
Columbia, SC 29214

Return For December 31, 1992 INCOME
Period Ending December 31, 1993 License

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

NAME AND ADDRESS

Duke Power Company
422 South Church Street
Charlotte, NC 28242-0001

RETURN DUE ON OR
BEFORE

March 15, 1993

0205520

4900-R

12-20090024-9

or Identification No.

Business Code

File Number

THIS RETURN

Extension Requested: Yes ☒ No ☐

Type of SC Return: Separate ☒

Consolidated ☐

If Final Return, Indicate Whether: Mer
Reorganized ☐ Dissolved ☐ With

County in SC Where Property is locat
Various

Did any of the corporations in this R
property presumed abandoned unde
Title 27 of the South Carolina Code
☒ yes ☐ no

City Audit Location
Charlotte, North Ca

Telephone Number: (704) 38:

Federal ordinary Income (loss) Per Federal Form 1120, 1120A or 1120S	For Office Use Only	1.	631,940
Adjustment from line 12, Schedule A and B		2.	27,904
Net Income As Reconciled (line 1 plus or minus line 2)		3.	659,845
Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3		4.	224,755
Distribution to shareholders of S corporation		5.	< -0-
South Carolina Net Income subject to tax (line 4 less line 5)		6.	224,755
Multiply amount on line 6 by .05 (5.0%)		7.	11,237
Non-refundable credits from line 5, Schedule C		8.	-0-
Balance of tax (line 7 less line 8) enter the difference but not less than zero.		9.	11,237
Payments: (a) Tax Withheld (see instructions) <u>2,060,000</u>	(b) Paid by Declaration		9,733,940
(c) Paid with Tentative Return	(d) Credit from line 22b		
Total Payments (add lines 10a through 10d)		11.	11,793
Balance of Tax Due (line 9 less line 11)		12.	
Interest Due <u>556,167</u> Penalty Due <u>556,167</u> (See instructions for penalty and interest.)		13.	
TOTAL INCOME TAX, Interest and Penalty, Due (add lines 12 and 13)		14.	
PREPAYMENT (line 11 less line 9) <u>556,167</u> To be applied as follows:			
Estimated Tax <u>556,167</u> (b) License Fee <u>5,813</u> (c) Refunded <u>0</u>			
Total License Fee Due from Schedule J, line 9, on page 5		15.	5,813
Payments: (a) Paid with Tentative Return <u>5,813,565</u> (b) Credit from line 15b			
Total Payments (add line 18 (a) and (b))		18.	5,813
Balance Of Fee Due (line 17 less line 19)		19.	-0-
Interest Due <u>0</u> Penalty Due <u>0</u> (See instructions for penalty and interest.)		20.	-0-
TOTAL LICENSE FEE, Interest and Penalty Due (add lines 20 and 21)		21.	
PREPAYMENT (line 19 less line 17) <u>0</u> To be applied as follows:			
Estimated Tax <u>0</u> (b) Income Tax <u>0</u> (c) Refunded <u>0</u>			
GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)		23.	

Make checks payable to: South Carolina Tax Commission.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompaniment, statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.			
Signature of officer <u>Robert S. Lile</u>		Date <u>9-14-93</u>	Title <u>V.P.</u>
Preparer's signature <u></u>	Date <u></u>	Check if self-employed ☐	Preparer's social security number <u></u>
Firm's name (or yours if self-employed) and address <u></u>		E.I. No. <u></u>	Zip code <u></u>

or Additions (attach schedule) 5. 863,965
or Additions (add lines 1 through 5) 6. 53,008,4

DEDUCTIONS FROM FEDERAL NET INCOME

or On Obligations Of The U.S. 7. 33,486
or Fuel Tax Credit 8. 44,198
or Depreciation in Excess of Federal 9. 25,026,116
or Deductions (attach schedule) 10. _____
or Deductions (add lines 7 through 10) 11. 25,103,8
or Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U 12. 27,904,6

SCHEDULE C

NON-REFUNDABLE TAX CREDITS

or Credit Carryover From Previous Year 1. _____
or (a) Drip/Trickle Irrigation System (TC-1) 2a. _____
or (b) Minority Business (TC-2) b. _____
or (c) Water Resources (TC-3) c. _____
or (d) South Carolina New Jobs Credit (TC-4) d. _____
or (e) Scenic Rivers (TC-5) e. _____
or (f) Infrastructure Construction or Improvement (TC-6) f. _____
or (g) Palmetto Seed Capital (TC-7) g. _____
or (h) Corporate Headquarters Income Tax Application (TC-8) h. _____
or (i) Child Care Program (TC-9) i. _____
or Credits (add lines 1 and 2(a) through (i) -0-
or (line 7, Part I, SC1120U) 4. 11,237,7
or (enter on line 8, Part I, SC1120U) 5. -0-
or Credit Carryover (line 3 less line 5) 6. -0-

SCHEDULE D

ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

or If Corporation Duke Power Company
or of this Report December 31, 1992
or Incorporated under the Laws of the State of North Carolina on November 27, 1963
or Foreign Corporation, the date qualified to do business in the State of South Carolina is February 24, 1963
or Location of the Registered Office of the Corporation in the State of South Carolina is 84 Villa Rd. In the City of Greenville
or Registered Agent at such address is John F. Lomax
or the named agent of the Corporation changed during the year? No Give old name _____
or commenced business in the State of South Carolina was 1963
or Location of principal executive office 84 Villa Road, Greenville, SC
or Nature of principal business in S.C. Electric Utility
or Corporation's books are in the care of David L. Hauser, Controller
or located at 422 South Church Street, Charlotte, NC 28242-0001

or If consolidated, complete and attach Schedule I listing name, address and affiliation of all Corporations.
or If professional corporation are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) practice the professional services engaged in by the corporation? _____

or total number of authorized shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
300,000,000	Common	No Par

or total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as follows:

Number of Shares	Class	Series
204,859,339	Common	No Par

or names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation (if additional space is necessary, attach separate schedule.)

or Schedule Attached NAME BUSINESS ADDRESS AND OFFICE
All officers can be reached in care

	Amounts 1	Expenses 2	Other States 3	S.C. 4	Factor 5
Interest not connected with business					
Dividends received	200,317		200,317	-0-	
Losses/losses on real property	52,584		62,584	10,861	
Losses/losses on intangible pers. prop.	53,008		53,008	-0-	
Investment income directly allocated					
TOTAL INCOME DIRECTLY ALLOCATED			315,909		
INCOME DIRECTLY ALLOCATED TO S.C.				10,861	
TOTALS TO APPORTIONMENT FACTORS					

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATION	
1. Total net income as reconciled. Enter amount from line 3, Part I	659,845,500
2. Income subject to direct allocation to S.C. and other states from Schedule F, line 7	315,909
3. Total net income subject to apportionment (line 1 less line 2)	659,529,591
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	224,744,600
5. Income subject to direct allocation to S.C. from Schedule F, line 8	10,861
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	224,755,461

SCHEDULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
Real property				
Personal property				
Depreciable machinery and Equipment		SCHEDULE ATTACHED		
Inventory				
Other Property				
Subtotal	<	>	<	>
TOTAL (add lines 1 - 5; subtract line 6)				
		1. Within S.C.	2. Total Everywhere	3. Ratio
Ratio of Beginning and Ending Period (add line 7a and b and divide by 2)				
Ratio of Lease Value				
TOTAL Property Add lines 8 and 9 (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	5,717,318,285	14,776,916,945		.3869
GROSS Payroll				
Ratio: Officers Compensation and Exclusions	<	>	<	>
TOTAL Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	258,776,233	767,092,849		.3373
TOTAL Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	1,182,784,969	3,968,567,265		.2980
TOTAL of Three Ratios (add Column 3 - lines 10, 13 and 14)				1.0222
Arithmetical Average of Three Ratios				.3407

SCHEDULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Ratio
Total Gross Receipts			
Less: Exclusion	<	>	<
Net Gross Receipts (for ratio)			
Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			

SCHEDULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
Total Within South Carolina		
Total for System		
Ratio (South Carolina - Total System)		

is _____
 orated under the laws of the State of _____ on _____
 ign Corporation, the date qualified to do business in the State of South Carolina is _____ NOT
 of the Registered Office of the Corporation in the State of South Carolina is _____ APPLICABLE
 / of _____ and Registered Agent at such address is _____
 e name of the Corporation changed during the year? _____ Give old name _____
 commenced business in the State of South Carolina was _____
 on of principal Office _____
 of principal business in S.C. _____
 orporation's books are in the care of _____
 d at _____

Professional corporation, are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) q
 re the professional service engaged in by the corporation? _____

total number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follows:

NUMBER OF SHARES	CLASS	SERIES

total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as follo
 NUMBER OF SHARES CLASS SERIES

total amount of stated capital per balance sheet is:

total paid in Capital Stock.....	\$	_____
total paid in Capital Surplus	\$	_____
total amount of stated Capital	\$	_____

Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporatio
 additional space is necessary, attach a separate schedule).

NAME

BUSINESS ADDRESS AND OFFICE

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

For additional affiliated corporations duplicate Schedule I as needed.

Line 1 x .001

		Total System (A)	Intrastate South Caro (B)
Operating Revenues, (Itemize):			
		\$	\$
SCHEDULE ATTACHED			
Operating Revenues	4.	\$3,968,567,265	\$1,182,78
Receipts, (Itemize):	5.		
Other Receipts	6.	\$3,968,567,265	\$1,182,78
Gross Receipts (Add Lines 4 and 6)	7.		1,182,78
(Line 7, Column B x .003)	8.		\$ 3,54
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16 Part II, Page 1)	9.		\$ 5,81

South Carolina Code Section 12-19-100

The license fee imposed by Section 12-19-70 and in addition to any and all other taxes; a license fee of one mill is one dollar of the fair market value of property as determined by the South Carolina Tax Commission for property for the preceding accounting period, owned and used within South Carolina in the conduct of the business of: company, express company, street railway company, navigation company, waterworks company, power company, electric light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, tank car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines.

South Carolina Code Section 12-19-110

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind, there shall be levied an annual license fee of three mills upon the gross receipts derived from services rendered from regulated businesses in this state during the calendar year next preceding by every railroad company, express company, street railway company, waterworks company, power company, distribution electric cooperative, light company, gas company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, fruit growers' express car company, and all other privately operated car lines. However, where a consolidated return pursuant to Section 7-1570 is filed, the phrase "the gross receipts derived from services rendered from regulated business" shall not include the gross receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee imposed by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by this section shall file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

South Carolina Code Section 12-19-120

The license fee shall be the license fee provided by Sections 12-19-100 and 12-19-110 be less than twenty-five dollars for any business.

The license fees are due on or before the fifteenth day of the third month next after the preceding income year.

The license fee cannot be less than twenty-five dollars (\$25.00).

INSTRUCTIONS

12-19-120 instructions if Public Utilities 'C' Corporation.

12-19-120S instructions if Public Utilities 'S' Corporation.

STATE OF SOUTH CAROLINA
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

LE NO.

10024-9

Return for the Period Ending

DEC 1992

1. Tentative Tax Based on Net
Income

11,793.6

2. LESS: Estimated Tax Payments

9,733.6

3. Tentative Tax Due

2,060.0

4. Total Capital and Paid In Surplus
_____ x .001 plus

\$15.00 but not less than \$25.00

Tentative License Fee (N/A for
Savings and Loan Associations
or Banks)

5,813.5

5. Balance Remitted

7,873.5

EI NO.

105520

Return extended to

Date 3/15/93

WER COMPANY
HURCH ST
TE

NC 28242

Statement Attached to and Made Part of
Consolidated 1992 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Line #	Description	Per Books	Increase (Decrease) Taxable Income	Tax Basis
1a	Gross Receipts or Gross Sales	4,009,657,701	1,741,424	4,011,399,125
1b	Less Returns and Allowances	0	0	0
1c	Net Sales	4,009,657,701	1,741,424	4,011,399,125
2	Cost of Goods Sold	1,524,108,120	217,174,540	1,306,933,580
3	Gross Profit	2,485,549,581	218,915,964	2,704,465,545
4	Dividends	23,306,949	(23,106,632)	200,317
5	Interest	41,043,368	(29,288,701)	11,754,667
6	Gross Rents	158,155	0	158,155
7	Gross Royalties	0	0	0
8	Net Capital Gain (loss)	64,984	50,608	115,592
9	Net Gain or (Loss)	(292,444)	2,127,362	1,834,918
10	Other Income (Schedule Attached)	48,965,512	(50,183,039)	(1,217,527)
11	Total Income	2,598,796,105	118,515,562	2,717,311,667
DEDUCTIONS				
12	Compensation of Officers	8,168,716	0	8,168,716
13a	Salaries and Wages	155,275,697	3,253,134	152,022,563
13b	Less JOBS Credit	0	0	0
13c	Net Salaries and Wages	155,275,697	3,253,134	152,022,563
14	Repairs	400,701,669	(14,915,631)	415,617,300
15	Bad Debts	6,301,462	218,622	6,082,840
16	Rents	5,525,563	(1,119,292)	6,644,855
17	Taxes (Schedule Attached)	464,497,233	213,628,935	250,868,298
18	Interest	299,122,568	14,335,171	284,787,397
19	Contributions	286,008	0	286,008
20	Depreciation	345,404,394	(313,776,017)	659,180,411
21a	Less: Depreciation Claimed in Sch A	0	0	0
21b	Net Depreciation	345,404,394	(313,776,017)	659,180,411
22	Depletion	0	0	0
23	Advertising	5,204,190	0	5,204,190
24	Pension, Profit-Sharing Plans	60,062,484	18,895,342	41,167,142
25	Employee Benefit Programs	41,930,635	(2,428,317)	44,358,952
26	Other Deductions (Schedule Attached)	298,232,582	87,250,415	210,982,167
27	Total Deductions	2,090,713,201	5,342,362	2,085,370,839
28	Taxable Income Before Net Operating Loss and Special Deductions	508,082,904	123,857,924	631,940,828

Duke Power Company

Statement Attached to and Made Part of
Consolidated 1992 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Explanation of Tax Adjustments	Income Increase (Decrease)
Gross Receipts	
Catawba Coop Buyer's Operating Fee	887,013
Contributions in Aid of Construction	984,728
Reversal of 1991 Book Catawba Billing True-Ups	1,191,514
Catawba Buyers' 1992 Annual Bill True-Up	(4,827,749)
Tax Over Book Unbilled Revenues	3,010,006
To eliminate Book Reserve For Rate Refund	5,553,000
ROE Remand Order - Catawba	(6,929,947)
N.C. Fuel Revenues Refundable - \$481 Adjustment	17,169,311
N.C. Fuel Revenues Refundable	(15,296,452)
Total Gross Receipts	1,741,421
Cost of Goods	
Coal Inventory Adjustment	(3,944,119)
Book Nuclear Fuel Burn-up Expense	155,459,538
Reversal of 1991 Book Catawba Billing True-Ups	452,994
Catawba Buyers' 1992 Annual Bill True-Up	9,536,437
Tax Over Book Basis of Inventory Sold	(332,121)
To Reverse Book Amortization of BIRP Inventory Losses	6,361,860
Loss on BIRP Inventory Disposal	(11,138,260)
ROE Remand Order - Catawba	41,819,506
To Eliminate Book Expense for DOE Clean Up Fees	2,299,638
DOE Disposal Cost Refund	16,939,505
Inventory Issued with Tax Over Book Basis	(280,438)
Total Cost of Goods	217,174,541
Dividend Income	
Eliminate Equity Earnings of Subsidiaries	(23,270,478)
Delete 1991 Income from Palmetto Seed Capital	(36,639)
Delete book loss from NC Enterprise Fund, LP	887
Record Items for Decommissioning Fund-Non Qualified	199,598
Total Dividend Income	(23,106,632)
Interest Income	
Tax Exempt Interest	(1,748,487)
Tax Exempt Interest from Catawba Buyers	(11,763)
NCEMC & Saluda River Imputed Interest	(6,636,428)
AFUDC Interest Income	(21,238,797)
Loan Assistance Reserve	171,478
To Record Partnership Items per K-1, Palmetto Seed Capital	69,687
To Record Partnership Items Per K-1, NC Enterprise Fund, LP	55,386
Record Items for Decommissioning Fund-Non Qualified	50,223
Total Interest Income	(29,288,700)

Duke Power Company

Explanation of Tax Adjustments	Income Increase (Decrease)
Capital Gain (Loss)	
To Record Partnership Items per K-1, Palmetto Seed Capital	(2,316)
To Record Partnership Items per K-1, Palmetto Seed Capital	337
Record Items for Decommissioning Fund-Non Qualified	52,587
Total Capital Gain (Loss)	50,608
Gain (Loss) on Assets	
To Reverse 1991 Losses Booked in 1992	353,049
To eliminate Gain on Sale of Property	(60,606)
Tax Over Book Gain on Disposition of Assets	1,834,919
Total Gain (Loss) on Assets	2,127,362
Other Income	
Return on Purchased Capacity Levelization	(47,661,163)
Gain on Life Insurance Policy	(517,479)
Section 481 Adjustment - Inventory & Capital Spare Parts	(1,460,172)
Demand Side Management Costs	(544,225)
Total Other Income	(50,183,039)
Salaries & Wages	
Vacation Banking Accrual	3,253,134
Total Salaries & Wages	3,253,134
Repairs & Maintenance	
Repair Allowance For Pre-ACRS Assets	(14,815,008)
Eliminate Repair Costs Related To Belews Creek Transformers	983,035
Tax Inventory Spare Parts Used in Repair Work	(1,083,658)
Total Repairs & Maintenance	(14,915,631)
Bad Debt Expense	
Book Over Tax Bad Debt Expense	218,622
Total Bad Debt Expense	218,622
Rental Charges	
Amounts Paid on Tax Operating Leases	(1,119,292)
Total Rental Charges	(1,119,292)
Taxes	
Deductible Use Tax on Transition Property	(233,026)

Duke Power Company

Explanation of Tax Adjustments		Income Increase (Decrease)
Capitalized Labor Overheads on Transition Property	(144,761)	
Capitalized Property Taxes on Non-Transition Property	952,362	
To Delete Federal Income Taxes	203,417,852	
Eliminate Book Deduction for State Income Taxes	44,149,387	
NC Intangibles Tax	(39,543)	
Tax Over Book NC Franchise Tax	(63,986)	
SC Property Taxes - 481 Adj.	14,899,749	
Fuel Tax Credit	44,198	
To record actual state income taxes	(49,353,297)	
Total Taxes		213,628,93
Interest Expense		
Capitalized Interest on Non-Transition Property	18,913,811	
Interest on Life Insurance Policies	(5,741,904)	
Eliminate Book Interest for Deferred Compensation Plan	624,529	
Eliminate Book Interest on Executive 15. Plan	87,943	
Eliminate Interest on Deferred Comp.	450,792	
Total Interest Expense		14,335,17
Depreciation		
Tax Over Book Depreciation	(313,776,017)	
Total Depreciation		(313,776,01)
Pension Plans		
Book Over Tax Pension Expense	6,450,467	
Book Over Tax OPEB Expense	12,444,875	
Total Pension Plans		18,895,34
Benefit Plans		
Capitalized Labor Overheads on Transition Property	(487,385)	
To Eliminate Book True-UP for Incentive Goals	(381,182)	
Capitalized Fringe Benefits - Tax Basis	(1,559,750)	
Total Benefit Plans		(2,428,31)
Other Deductions		
Loss on Bond Redemption	(34,590,636)	
Bond Loss Amortization	5,937,096	
Book Deferral of Purchased Capacity	(18,849,987)	
Amortization of Cherokee Cancellation Costs	62,372,328	
Storm Damage Amortization	4,615,784	
Penalties	133,875	
Amortization of LES	3,087,333	
Amortization of Startup Expense - NP&L	(84,935)	
Amortization of Startup Expenses - Claiborne	(152,992)	
Meal & Entertainment Disallowance	869,684	
Amortization of Capitalized Real Property Taxes	(32,471)	
Amortization of Capitalized Interest on Real Property	(871,418)	

Duke Power Company

Explanation of Tax Adjustments	Income Increase (Decrease)
Investment Tax Credit	(11,262,077)
Investment Tax Credit	(28,541)
Provision for Deferred Income Taxes	17,726,531
Provision for Deferred Income Taxes	38,053,197
Book Amortization of Acquisition Adjustment	356,427
Cost of Removal	(19,259,546)
Tax Assets Expensed Per Books	3,541,951
Loan Assistance Reserve	35,904
Life Insurance Expense	2,144,531
Tax recognition of losses on Hedging Transactions	(2,916,125)
To Record Partnership Items per K-1, Palmetto Seed Capital	(38,363)
To Record Partnership Items Per K-1, NC Enterprise Fund, LP	(39,584)
Injuries & Damages Reserve	2,000,000
Asbestosis Reserve	2,900,000
Non-Employee DSOP Plan	92,750
Eliminate Book Expense For Deferred Compensation Plan	46,275
Payout of Deferred Compensation Plan	(294,257)
Eliminate Book Expense for Executive 15 Plan	350,631
Payout of Executive 15 Plan	(10,351)
Non-Employee Directors Def Comp Plan	(30,202)
Eliminate Book Expense for SSP	6,573,113
Payouts for Supplemental Security Plan	(1,656,212)
To Eliminate 1991 True-Up of SSP Accrued	(452,166)
To Eliminate Book Expense For SDCP	4,145,582
To Deduct Payouts for SDCP	(8,199,410)
To Eliminate Book Adjustment for 1991 SDCP Payouts	(244,094)
Greensboro Transit Franchise Termination Expense	(68,535)
Unallowable Civic & Political Expense	139,527
Reserve For Assessed Interest- Inventory 481 Adj.	9,931,261
Reserve for Decommissioning	56,040,082
Record Items for Decommissioning Fund-Non Qualified	(24,753)
Contributions to Qualified Decommissioning Fund	(36,928,000)
ESOP Dividend Distribution	(519,145)
Nuclear Insurance Reserves	8,375,524
Eliminate Reversal of Book Reserve-Catawba Arbitration II	(10,000,000)
Demand Side Management Costs	(17,918,158)
Amortization of Bad Creek Deferrals	21,896,472
Admitted liabilities - Section 481 Adjustment	107,045
Admitted Liabilities	249,470
Total Other Deductions	87,250,415

STATEMENT ATTACHED TO AND MADE PART OF
CONSOLIDATED 1992 U. S. CORPORATE INCOME TAX
RETURN OF DUKE POWER COMPANY AND AFFILIATES

COST OF GOODS SOLD

DESCRIPTION	BOOK BALANCE	ADJUSTMENTS	TAX BASIS
PURCHASE POWER	560,712,345	(9,989,431)	550,722,914
STEAM	54,209,578		54,209,578
NUCLEAR	152,071,717	(19,239,143)	132,832,574
HYDRO	13,644,710		13,644,710
COMBUSTION TURBINE	568,013		568,013
TRANSMISSION	19,962,039		19,962,039
DISTRIBUTION	44,938,366		44,938,366
WATER	1,684,601		1,684,601
FUEL	660,098,047	(151,515,419)	508,582,628
TRANSIT	22,156		22,156
MERCHANDISE	16,062,259		16,062,259
OTHER	134,289	(36,430,547)	(36,296,258)
	1,524,108,120	(217,174,540)	1,306,933,580

USE WITH FORMS 1120, 1120-A, 1120-DE, 1120-IC-DISC,
1120F, 1120-FSC, 1120-H, 1120L, 1120-ND, 1120-PC, 1120-POL,
1120-REIT, 1120-RIC, 990-C and certain Forms 990-T

Duke Power Company

Employer identification
56-

Short-Term Capital Gains and Losses — Assets Held 1 Year or Less

(a) Kind of property and description (Example, 100 shares of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Gross sales price	(e) Cost or other Basis, plus expense of sale	(f)
			0	0	
hip K-1's			0	0	
oning trust Fund Report			0	0	
			0	0	
			0	0	
			0	0	
			0	0	
			0	0	

capital gain from installment sales from 6252, line 26 or 37

2

gain or (loss) from like-kind exchanges from Form 8824

3

capital loss carryover (attach computation)

4

term capital gain or (loss). (Combine lines 1 through 4.)

5

Long-Term Capital Gains and Losses — Assets Held More Than 1 Year

			0	0	
rities			0	0	
hip K-1's			0	0	
			0	0	
			0	0	
			0	0	
			0	0	

from Form 4797, line 8 or 10

7

capital gain from installment sales from 6252, line 26 or 37

8

gain or (loss) from like-kind exchanges from Form 8824

9

term capital gain or (loss). (Combine lines 6 through 9.)

10

Summary of Parts I and II

loss of net short-term gain (line 5) over net long-term capital loss (line 10)

Co

net gain. Enter excess of net long-term capital gain (line 10) over net short-term capital

Li

5)

1 and 12. Enter here and on Form 1120, page 1 line 8, or the proper line on other returns.

losses exceed gains. see instructions on capital losses for explanation of capital loss carrybacks.

(Also Involuntary Conversions and Recapture Amounts
Under Sections 179 and 280F)

Attach to your tax return ▶ See Separate instructions.

1
Attach
Sequenc

Identifying number

56-02

Duke Power Company

the gross proceeds from the sale or exchange of real estate reported to you for 1992 on Form(s) 1099-S
state) that you will be including on line 2, 11, or 22

or Exchanges of Property Used In a Trade or Business and Involuntary Conversions From
Than Casualty or Theft – Property Held More Than 1 Year

Description of Property	(b) Date acquired (mo., day, yr.)	(c) Date Sold (mo., day, yr.)	(d) Gross Sales Price	(e) Depreciation allowed or allowable line acquisition	(f) Cost or other Basis, plus improvements and expense of sale	(g) LOSS (f) minus the sum of (d) and (e)	(h) (d) n
	Various	1,992				0	
						0	
						0	
						0	
						0	
						0	

ly, from Form 4684, line 39.

231 gain from installment sales Form 6252, line 26 or 37.

231 gain or (loss) from like-kind exchanges from Form 8824.

ly, from line 34, from other than casualty and theft

2 through 6 in columns (g) and (h).

columns (g) and (h) of line 7. Enter gain or (loss) here, and on the appropriate line as follows:

ips – Enter the gain or (loss) on Form 1065, Schedule K, line 6. Skip lines 9, 10, 12, and 13 below.

itions – Report the gain or (loss) following the instructions for Form 1120S, Schedule K, lines 5 and 6. Skip

1, 12, and 13 below, unless line 8 is a gain and the S corporation is subject to the capital gains tax.

– If line 8 is zero or a loss, enter the amount on line 12 below and skip lines 9 and 10. If line 8 is a gain

did not have any prior year section 1231 losses, or they were recaptured in an earlier year, enter the gain

term capital gain on Schedule D and skip lines 9, 10, and 13 below.

aptured Net Section 1231 losses from prior years (see instructions).

line 9 from line 8. If zero or less, enter -0-. Also enter on the appropriate line as follows (see instructions):

tions – Enter this amount (if more than zero) on Schedule D (Form 1120S), line 13, and skip lines 12 and 13 below.

– If line 10 is zero, enter the amount from line 8 on line 13 below. If line 10 is more than zero, enter the amount from line 9 on

and enter the amount from line 10 as a long-term capital gain on Schedule D.

ary Gains and Losses

ains and losses not included on lines 12 through 18 (include property held 1 year or less)

Depreciable Property						0
yer's files.						0
						0
						0
						0
						0
						0

y, from line 8.

y, from line 8, or amount from line 9 if applicable

y, from line 33.

r (loss) from Form 4684, lines 31 and 38a.

ain from installment sales from Form 6252, line 25 or 36.

ain or (loss) from like-kind exchanges from Form 8824.

of section 179 expense deduction for partners and S corporation shareholders from

dispositions by partnerships and S corporations (see instructions).

11 through 18 in col g & h.

columns (g) and (h) of line 19. Enter gain or (loss) here, and on the appropriate line as follows:

cept individual returns: Enter the gain or (loss) from line 20 on the return being filed

idual returns:

loss on line 12 includes a loss from Form 4684, line 35, column (b) (ii), enter that part of the loss here and

Description of section 1245, 1250, 1252, 1254, and 1255 property:	Code Section	(b) Date acquired (mo., day, yr.)	(c) (mc)

Lines 21A through 21D to these columns	Property A	Property B	Property C	Pro
les price.	0	0	0	
other basis plus expense of sale.	0	0	0	
tion (or depletion) allowed or allowable.	0	0	0	
l basis, subtract line 24 from line 23.	0	0	0	
n, subtract line 25 from line 22.	0	0	0	
on 1245 property:				
tion allowed or allowable from line 24.	0	0	0	
aller of line 26 or 27a.	0	0	0	
on 1250 property:				
ht line depreciation was used, enter -0- on line 28g. for a corporation subject to section 291.				
l depreciation 1975.	0	0	0	
ble percentage.	0.0000%	0.0000%	0.0000%	
stage times smaller of line 26 or 28a.	0	0	0	
line 28a from line 26. If line 26 is not more than . skip lines 28d and 28e.	0	0	0	
l depreciation after 1959 and before 1976.	0	0	0	
ble percentage.	0.0000%	0.0000%	0.0000%	
es the smaller of line 28c or 28d.	0	0	0	
91 amount (corporations only).	0	0	0	
28b, 28e, and 28f	0	0	0	
1252 Property:	0.0000%	0.0000%	0.0000%	
ection if you did not dispose of farmland or if this eing completed for a partnership.				
ir, and land clearing expenses.	0	0	0	
imes applicable percentage.	0	0	0	
smaller of line 26 or 29b.	0	0	0	
n 1254 Property:				
drilling and development costs, expenditures of mines er natural deposits, and mining exploration costs.	0	0	0	
smaller of line 26 or 30a.	0	0	0	
n 1255 property:				
e percentage of payments excluded from income				
26.	0	0	0	
smaller of line 26 or 31a	0	0	0	

Part II Gains. Complete Property Columns A through D, through line 31b before going to line 32

is for all properties. Add columns A-D, line 26.

nns A-D, lines 27b, 28g, 29c, 30b, and 31b. Enter here and on line 14. See the instructions for
his is an installment sale.

ne 33 from line 31. Enter the portion from casualty and theft on Form 4684, line 33. Enter the portion
r than casualty or theft on Form 4797, line 6.

1 Not to Use the Installment Method.

te this part only if you elect out of the installment method and report a note or other obligation as less than full f
re if you elect out of the installment method.

lace amount of the note or other obligation.

percentage of valuation of the note or other obligation.

Amounts Under section 179 and 280F When Business Use Drops to 50% or Less

uctions for Part V.

(a) Section 179	(b) Sect

9 expense deduction or depreciation allowable in prior years

ams S. 240-36-5316
 lliam H. 242-44-5627
 Steve C. 248-58-8700
 iard B. 136-36-8703
 lliam A. 240-62-5433
 ial B. 242-44-3979
 Jr., Donald H. 157-26-5779
 Michael S. 264-68-2377
 Excell O. 240-68-5155
 F. Alfred 238-68-3926
 William R. 338-24-9601
 John F. 250-50-3676
 Fred E. 247-50-4492
 James W. 251-52-1775
 Richard J. 244-74-9841
 T. C. 570-60-0799
 nes R. 288-32-7395
 Maurice D. 244-58-8877
 th, Jr., E.N. 237-36-3038
 rmy R. 560-62-6349
 Jr., Wm. T. 238-48-0539
 James E. 251-46-0092
 John P. 156-22-5830
 John P. 239-50-2250
 Lewis F. 245-52-1261
 Paul F. 237-68-6856
 William F. 397-34-1515
 James C. 255-54-7428
 in Kenneth 245-40-7613
 r., John J. 240-70-1459
 onald E. 243-68-4576
 David L. 245-88-5895
 William L. 246-56-0307
 Jr. J.W. 249-66-4496
 onald L. 250-86-3262
 Sharon A. 244-08-8240
 Geroqe E. 245-58-9362
 ames D. 237-88-5640
 David H. 213-48-3445
 Christopher C. 223-68-2957
 rwood L. 224-64-3481
 ert L. 245-24-1815
 e A. 463-70-9548
 rginia M. 245-64-3249
 th G. 244-82-2006
 arren H. 247-36-0637
 Phyllis T. 243-62-5852
 Carolyn R. 245-52-3531

Chairman & President \$ 778,489
 Vice Chairman of Board 402,439
 Ex. VP Gen. Counsel 315,015
 Ex. VP Power Gen. Group 274,773
 Ex. VP Customer Group 275,329
 Sr. VP Nuc. Generation 251,768
 Sr. VP Planning & Oper. 214,399
 Site VP 218,823
 VP Region 206,726
 VP Hickory Area 193,488
 VP Rates & Reg. Affairs 178,329
 VP Region 175,270
 VP Region 177,540
 Site VP 167,176
 VP Finance 175,986
 Site VP 181,341
 VP Human Resources 169,705
 VP Fossil & Hydro Gen. 161,704
 Chairman/Pres. Nantahala P&L 201,377
 VP Info. Tech. Services 155,025
 VP Procure Svcs. & Materials 174,483
 VP Generation Svcs. 181,214
 VP Taxes 150,535
 VP Marketing 138,421
 Secy. & Assoc. Gen. Counsel 147,206
 VP Winston-Salem Area 132,996
 VP Sys. Planning & Oper. 135,264
 VP Prod. Supp. Svcs. 124,632
 VP Corp. Communications 124,789
 VP Greenville Area 126,189
 VP Public Affairs 121,463
 Controller 126,028
 Pres. Duke Merchandising 119,585
 VP Charlotte Area 119,748
 VP Customer Planning 116,859
 VP Customer Svcs. 114,332
 VP Info. Systems 151,414
 VP Power Delivery 112,450
 VP Greensboro Area 110,705
 VP Corp. Performance 110,212
 Ast. Treasr. - Cash Mgmt. 95,750
 VP Corp. Excellence 91,992
 Treasurer 121,287
 Ast. Controller Ops. 79,357
 VP Corp. Comms. 81,667
 Ex. VP & Ast. To Chairman 65,259
 Ast. Secy. (Ex. Secy) 62,639
 Ast. Secy. 57,538

\$8,168,716

CONSOLIDATED 1992 U. S. CORPORATE INCOME TAX
RETURN OF DUKE POWER COMPANY AND AFFILIATES

TAXES

DESCRIPTION	BOOK BALANCE	ADJUSTMENTS	TAX BASIS
NC PROPERTY	41,546,719	(952,362)	40,594,357
NC CITY LICENSE	70,317		70,317
NC CITY CHAIN STORE	5,445		5,445
NC FRANCHISE	78,886,254	63,986	78,950,240
NC INTANGIBLES	108,907	39,543	148,450
NC INDUSTRIAL COMMISSION	203,739		203,739
NC UNEMPLOYMENT	194,727		194,727
NC INCOME	34,493,461	3,598,493	38,091,954
NC OTHER	0		0
SC PROPERTY	40,780,018	(14,899,749)	25,880,269
SC CITY, BUS, CHAIN STORE LICENSE	12,712		12,712
SC FRANCHISE	5,064,168		5,064,168
SC KILOWATT HOUR	4,121,453		4,121,453
SC PUBLIC SERVICE	1,092,744		1,092,744
SC GREENWOOD	1,157		1,157
SC INDUSTRIAL COMMISSION	299,407		299,407
SC UNEMPLOYMENT	475,287		475,287
SC INCOME	9,655,926	1,581,847	11,237,773
FED. INCOME	203,417,852	(203,417,852)	0
FED. SOCIAL SECURITY	41,459,881	144,761	41,604,642
FED. HIGHWAY USE	50,262	(44,198)	6,064
FED. UNEMPLOYMENT	673,639		673,639
OTHER TAXES	1,883,158	256,596	2,139,754
TOTAL TAXES	464,497,233	(213,628,935)	250,868,298

Statement Attached To And Made Part Of
Consolidated 1992 U. S. Corporation Income Tax
Return of Duke Power Company And Affiliates

Contributions

Arts & Science Council	\$ 3,134
CPR Legal Program	5,000
DPC Foundation	16,331
Habitat for Humanity	75,475
Minority Scholarships	1,762
N.C. Community Colleges	2,932
Share the Warmth	35,735
UNCC Athletic Foundation	13,782
Churches	8,149
N.C. Blumenthal Performing Arts Center	78,585
Duke Caring House	14,791
Rosedale Historic	1,907
Orange Co. Cooperative Extension Service	1,436
Queens College	4,150
Ideal Home Show	1,135
Cherokee County	12,217
Miscellaneous Items under \$1,000	<u>9,487</u>
 TOTAL	 <u>\$286,008</u>

(Including Information on Listed Property)

▶ See Separate Instructions ▶ Attach this form to your return

1992

Attachment
Sequence No. 6:Identifying number
56-0205520

Duke Power Company

to which this form relates

Section 179 Deduction for Depreciation on Certain Tangible Property (Section 179) (Note: If you have any "Listed Property," complete Part V before you complete Part I.)

Line 1: Enter dollar limitation

Line 2: Enter cost of section 179 property placed in service during the tax year (see instructions)

Line 3: Enter adjusted cost of section 179 property before reduction in limitation 20

Line 4: Enter reduction in limitation. Subtract line 3 from line 2, but do not enter less than -0-.

Line 5: Enter limitation for tax year. Subtract line 4 from line 1, but do not enter less than -0-.

(a) Description of Property	(b) Cost	(c) Elected Cost

Line 6: Enter amount from line 25. 0

Line 7: Enter elected cost of section 179 property. Add amounts in column (c), lines 6 and 7.

Line 8: Enter deduction. Enter the lesser of line 5 or line 8.

Line 9: Enter amount of disallowed deduction from 1991 (see instructions).

Line 10: Enter income limitation. Enter the smaller of taxable income or line 5 (See instructions).

Line 11: Enter 1992 expense deduction. Add lines 9 and 10, but do not enter more than line 11.

Line 12: Enter amount of disallowed deduction to 1993. Add lines 9 and 10, less line 12. 0

Part II Depreciation for Assets Placed in Service ONLY during Your 1992 Tax Year (Do Not Include Listed Property)

(a) Classification of Property	(b) Month and year placed in Service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation
Depreciation System (GDS) (see instructions):						
Real property		0	3	½ year	DDB	
Real property		94,223,961	5	½ year	DDB	18,8
Real property		16,926,045	7	½ year	DDB	2,4
Real property		0	10	½ year	DDB	
Real property		31,884,481	15	½ year	150% DB	1,5
Real property		347,662,247	20	½ year	150% DB	13,0
Nonresidential rental		0	27.5 yrs.	MM	S/L	
Residential rental		0	27.5 yrs.	MM	S/L	
Residential real		14,931,380	31.5 yrs.	MM	S/L	3
Residential rental		0	31.5 yrs.	MM	S/L	
Alternative Depreciation System (ADS) (see instructions):						
Real property		0			S/L	
Real property		0	12 yrs.		S/L	
Real property		0	40 yrs.	MM	S/L	

Part III Other Depreciation (Do Not Include Listed Property)

Line 13: Enter ADS deductions for assets placed in service before 1992 (see instructions). 305,7

Line 14: Enter amount subject to §168(f)(1) election (see instructions).

Line 15: Enter amount for other depreciation (see instructions). 310,9

Line 16: Enter total 6,2

Line 17: Enter total from line 12, lines 14 and 15 in column (g), and lines 16 through 19. Enter here

for Entertainment, Recreation, or Amusement

by vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 22a, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A - Depreciation (Caution: see instructions for limitations for automobiles.)

Is there evidence to support the business use claimed? ☐ Yes ☐ No **22b** If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Property (list vehicles first)	(b) Date placed in Service	(c) Business/ Investment Use Percentage	(d) Cost or other basis	(e) Basis for depreciation (business/ investment use only)	(f) Recovery Period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elect section costs
used more than 50% in a qualified business use (see instructions):								
Business Vehicles - Details in Taxpayers Files								14,283,550
Amounts Expensed Elsewhere or Capitalized								(8,062,014)
used 50% or less in a qualified business use (see instructions):								
Enter the total here and on line 19, page 1								6,221,536
Enter the total here and on line 7, page 1								

SECTION B - INFORMATION REGARDING USE OF VEHICLES

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. For leased vehicles to your employees, first answer the questions in Section C to see if you meet an exception to this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle
Business/investment miles driven during the year (DO NOT include commuting miles)						
Commuting miles driven during the year						
Personal (noncommuting) miles driven during the year - Add through '29						
Is the vehicle available for personal use off-duty hours?	Yes	No	Yes	No	Yes	No
Is the vehicle used primarily by a more than 5% owner or related person?						
Is the vehicle available for personal use by more than 5% owner or related person?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B. Note: Section B must always be completed for vehicles used by sole proprietors, partners, or other more than 5% owners or related persons.

Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes
Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees?	
Do you provide instructions for vehicles used by corporate officers, directors, or 1% or more owners?	
Do you treat all use of vehicles by employees as personal use?	
Do you provide more than five vehicles to your employees and retain the information received from your employees regarding the use of the vehicles?	X
Do you meet the requirements concerning qualified automobile demonstration use (see instructions)?	
If your answer to 34, 35, 36, 37, or 38 is "Yes" you need not complete Section B for the covered vehicles.	

(a) Description of costs	(b) Date amortization begins	(c) Amortizable Amount	(d) Code Section	(e) Amortization period or percentage	(f) Amortiz- ation this year
Amortization of costs that begins during your 1992 tax year:					

Return of Duke Power Company And Affiliates

Section 167(a)11 Election

Taxpayer elects to compute depreciation on the Class Life Asset Depreciation Range System for the Tax Year 1992 in accordance with Section 1.167(a)11 of the regulations.

Section 167(a)(11)(f) Election

Taxpayer elects repair allowance for GLC 49.140 in accordance with Section 1.167(a)(11)(f)(2)(v) of the regulations.

Section 167(a)12 Election

Taxpayer elects to compute depreciation on the Class Life System for the Tax Year 1992 in accordance with Section 1.167(a)12 of the regulations.

Statement Attached to and Made Part of
Consolidated 1992 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Schedule of Other Income	Per Books	Increase (Decrease) Taxable Income	Tax Basis
Other Income - Regulatory Deferrals	48,205,388	(48,205,388)	0
Other Income - Sundry Income	760,124	(517,479)	242,645
Other Income - Other	0	(1,460,172)	(1,460,172)
Total Other Income	48,965,512	(50,183,039)	(1,217,527)

Schedule of Other Deductions	Per Books	Increase (Decrease) Taxable Income	Tax Basis
Other Deductions - Electric	\$56,040,082	\$103,307,537	(\$47,267,455)
Other Deductions - Admin & General	173,660,940	14,502,771	159,158,169
Other Deductions - Water	441,851	(28,541)	470,392
Other Deductions - Transit	194,471	0	194,471
Other Deductions - Merchandising	18,191,837	0	18,191,837
Other Deductions - Other	49,703,401	(30,887,867)	80,591,268
Other Deductions	0	0	0
Total Other Deductions	\$298,232,582	\$86,893,900	\$211,338,682

Statement Attached to and Made Part of
Consolidated 1992 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Balance Sheet -----	Beginning of Year -----	End of Year -----
1 Cash	\$10,280,851	\$7,662,042
2 Trade Notes & Accounts Receivable	522,396,110	549,757,192
2a Less: Allowance for Bad Debts	(4,987,948)	(5,206,570)
2b Net Notes & Receivables	517,408,162	544,550,622
3 Inventories	320,287,730	321,762,484
4 Government Obligations - US	0	0
5 Government Obligations - State	0	0
6 Other Current Assets	15,338,501	16,553,305
7 Loans to Stockholders	0	0
8 Mortgage & Real Estate Loans	0	0
9 Other Investments	319,658,278	415,965,593
0a Building & Other Depreciable Assets	14,397,913,061	15,068,248,741
0b Less: Accumulated Depreciation	(5,647,511,446)	(6,081,042,629)
0c Net Building & Depreciable Assets	8,750,401,615	8,987,206,112
1a Depletable Assets	0	0
1b Less Accumulated Depletion	0	0
1c Net Depletable Assets	0	0
2 Land (Net of Amortization)	0	0
3a Intangible Assets (Amortizable)	0	0
3b Less: Accumulated Amortization	0	0
3c Net Intangible Assets	0	0
4 Other Assets	1,000,326,989	1,040,642,292
5 Total Assets	\$10,933,702,126	\$11,334,342,450

Liabilities and Stockholders Equity		
6 Accounts Payable	\$336,518,983	\$393,134,269
7 Mortgages, Notes, Bonds Payable (less than 1 year)	92,183,157	132,752,628
8 Other Current Liabilities	219,233,049	186,406,138
9 Loans from Stockholders	0	0
10 Mortgages, Notes, Bonds Pay (more than 1 year)	3,259,574,918	3,202,437,237
11 Other Liabilities	2,219,743,692	2,487,965,956
12a Capital Stock Preferred	740,191,400	781,018,750
12b Capital Stock Common	1,924,997,858	1,926,909,219
12c Total Capital Stock	2,665,189,258	2,707,927,969
13 Paid in or Capital Surplus	0	0
14 Retained Earnings - Appropriated	0	38,670
15 Retained Earnings - Unappropriated	2,141,259,069	2,223,679,583
16 Less Cost of Treasury Stock	0	0
17 Total Liabilities & Stockholders' Equity	\$10,933,702,126	\$11,334,342,450
=====		

CONSOLIDATED 1992 U. S. CORPORATE INCOME TAX
RETURN OF DUKE POWER COMPANY AND AFFILIATES

OTHER CURRENT ASSETS

DESCRIPTION	BALANCE
LOAN ASSISTANCE	4,861,339
PREPAYMENTS	11,610,095
INTEREST RECEIVABLE	61,871
TOTAL	16,553,305

OTHER ASSETS

DESCRIPTION	BALANCE
DEFERRED TAXES	159,699,125
EXTRAORDINARY PROPERTY LOSSES	49,909,894
UNAMORTIZED DISCOUNTS ON DEBT	5,771,858
PRELIMINARY SURVEY & INVESTIGATION	3,363,662
UNAMORTIZED LOSS ON REACQUIRED DEBT	109,663,652
CLEARING	437,382
OTHER	711,796,719
TOTAL	1,040,642,292

OTHER INVESTMENTS

DESCRIPTION	BALANCE
GT&W	300
CLAIBORNE ENERGY SERVICES, INC.	500,000
DUKE ENGINEERING & SERVICES	14,442,423
NANTABALA POWER	43,000,003
WATEREE POWER	1,000
MILL POWER	4,263,503
CRESCENT LAND & TIMBER	110,177,162
EASTOVER LAND AND MINING	3,981,160
WESTERN FUEL	500
CHURCH STREET CAPITAL CORP	171,557,290
N V SUB	0
STONEWALL STREET GROUP, INC	22,548,562
ACCOUNTS PAYABLE	(16,765,032)
CASH SURRENDER VALUE	2,374,551
CATAWBA NOTES	55,732,178
OTHER	4,151,993
TOTAL	415,965,593

CONSOLIDATED 1992 U. S. CORPORATE INCOME TAX
RETURN OF DUKE POWER COMPANY AND AFFILIATES

OTHER CURRENT LIABILITIES

DESCRIPTION	BALANCE
CUSTOMER DEPOSITS	(18,179,773)
TAXES ACCRUED	(36,884,852)
INTEREST ACCRUED	(68,077,745)
OTHER	(63,157,404)
DIVIDENDS	(106,364)

TOTAL	(186,406,138)

OTHER LIABILITIES

DESCRIPTION	BALANCE
FEDERAL INVESTMENT TAX CREDIT	(296,165,369)
OTHER DEFERRED CREDITS	(288,192,498)
RESERVE FOR INJURIES & DAMAGES	(16,976,497)
DEFERRED TAXES	(1,812,520,471)
PROPERTY INSURANCE RESERVE	(58,196,772)
MISCELLANEOUS OPERATING RESERVES	(15,914,349)

TOTAL	(2,487,965,956)

Statement Attached to and Made Part of
Consolidated 1992 U. S. Corporate Income Tax
Return of Duke Power Company and Affiliates

Analysis of Unapportioned Retained Earnings

1	Balance at Beginning of Year	\$2,141,259,069
2	Net Income (Loss) per Books	508,082,904
	Other Increase	
3a	Other Increases	
3b	Increase to Unapportioned Retained Earnings	
3	Total Other Increases	0
4	Total of Lines 1,2, and 3	2,649,341,973
	Distributions	
5a	Cash	416,882,249
5b	Stock	
5c	Property	
5	Total Distributions	416,882,249
	Other Decreases	
6a	Tax Benefit of ESOP Dividend	3,094
6b	Capital Stock Transactions	8,738,377
6c	Appropriation of retained earnings	38,670
6	Total Other Decreases	8,780,141
7	Total of Lines 5 and 6	425,662,390
8	Balance at End of Year (Line 4 less 7)	\$2,223,679,583

Election Under Section 468A

Company
Street
Carolina 28242-0001

Employer Identification Number - 56-0205520

Payments are made for the Taxable year 1992

Payments are made to cover the following nuclear decommissioning funds:

Plant	Nuclear Decommissioning Trust Fund	Employer Identification Number
Station - Unit 1	Duke Power Company Master Decommissioning	56-6373358
Carolina	Trust for Oconee Nuclear Station, Unit 1	

Actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were \$3,826,500.

Cash payments deemed made to the nuclear decommissioning fund under paragraph (c)(1) of regulation 1.468A-2 for the year were \$1,275,500.

The amount for the taxable year is \$10,439,000.
The following amounts is attached.

Plant	Nuclear Decommissioning Trust Fund	Employer Identification Number
Station - Unit 2	Duke Power Company Master Decommissioning	56-6373365
Carolina	Trust for Oconee Nuclear Station, Unit 2	

Actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were \$4,100,249.

Cash payments deemed made to the nuclear decommissioning fund under paragraph (c)(1) of regulation 1.468A-2 for the year were \$1,366,749.

The amount for the taxable year is \$10,051,000.
The following amounts is attached.

Plant	Nuclear Decommissioning Trust Fund	Employer Identification Number
Station - Unit 3	Duke Power Company Master Decommissioning	56-6373364
Carolina	Trust for Oconee Nuclear Station, Unit 3	

Actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were \$5,681,250.

Cash payments deemed made to the nuclear decommissioning fund under paragraph (c)(1) of regulation 1.468A-2 for the year were \$1,893,750.

The amount for the taxable year is \$13,474,000.
The following amounts is attached.

Election Under Section 468A

Company
urch Street
th Carolina 28242-0001

Employer Identification Number - 56-0205520

Payments are made for the Taxable year 1992

Payments are made to cover the following nuclear decommissioning funds:

or Plant

Nuclear Decommissioning Trust Fund

Employer Identification Number

ear Station - Unit 1
th Carolina

Duke Power Company Master Decommissioning
Trust for McGuire Nuclear Station, Unit 1

56-6373360

If actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed
as under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were \$5,611,751.

If cash payments deemed made to the nuclear decommissioning fund under paragraph (c)(1) of regulation 1.468A-2 for the
re \$1,877,250.

Reverse amount for the taxable year is \$8,933,000.
Ruling amounts is attached.

or Plant

Nuclear Decommissioning Trust Fund

Employer Identification Number

ear Station - Unit 2
th Carolina

Duke Power Company Master Decommissioning
Trust for McGuire Nuclear Station, Unit 2

56-6373381

If actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed
under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were \$6,659,253.

If cash payments deemed made to the nuclear decommissioning fund under paragraph (c)(1) of regulation 1.468A-2 for the
re \$2,219,751.

Reverse amount for the taxable year is \$9,274,000.
Ruling amounts is attached.

Election Under Section 4801

Company
March Street
North Carolina 28242-0001

Employer Identification Number - 55-0205520

Payments are made for the Taxable year 1992

Payments are made to cover the following nuclear decommissioning funds:

Power Plant	Nuclear Decommissioning Trust Fund	Employer Identification Number
Catawba Station - Unit 1 North Carolina	Duke Power Company Master Decommissioning Trust for Catawba Nuclear Station, Unit 1	55-6373362

If actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were \$869,998.

If cash payments deemed made to the nuclear decommissioning fund under paragraph (c)(1) of regulation 1.468A-2 for the taxable year were \$289,998.

Service amount for the taxable year is \$1,199,000.
Ruling amounts is attached.

Power Plant	Nuclear Decommissioning Trust Fund	Employer Identification Number
Catawba Station - Unit 2 North Carolina	Duke Power Company Master Decommissioning Trust for Catawba Nuclear Station, Unit 2	55-6373363

If actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were \$26,998.

If cash payments deemed made to the nuclear decommissioning fund under paragraph (c)(1) of regulation 1.468A-2 for the taxable year were \$309,000.

Service amount for the taxable year is \$1,272,000.
Ruling amounts is attached.

CONSOLIDATED 1992 U.S. CORPORATION INCOME
TAX RETURN OF DUKE POWER COMPANY AND AFFILIATES

Election Under §1.461-7T

The above election applies to:

Duke Power Company
422 South Church Street
Charlotte, North Carolina 28242

E.I.#
56-0205520

The taxable year of change begins January 1, 1992 and ends December 31, 1992.

The taxpayer is not subject to the conditions listed in section 4.01 of Rev. Proc. 84-74, 1984-44, I.R.B. 15.

The taxpayer elects the full-year change in method.

The taxpayer does not have an application for change in accounting method pending with the Internal Revenue Service.

The taxpayer does not have pending a ruling or technical advice pending for any accounting method with the Internal Revenue Service.

The methods of accounting being changed have been used for more than two taxable years.

None of the types of items subject to this election include inventoriable costs within the meaning of §1.471-3 of §1.471-11.

One item subject to the election includes cost, a portion of which must be capitalized.

- A. Property taxes - a portion of property taxes are subject to the capitalization rules of §263A.

CONSOLIDATED 1992 U. S. CORPORATION INCOME
TAX RETURN OF DUKE POWER COMPANY AND AFFILIATES

Election Under §1.461-7T

The amounts of the section 481(a) adjustment required by the change in accounting method are:

Property Taxes	-	\$44,699,245
NC Fuel Revenues Refundable	-	\$51,507,931
Admitted Liabilities	-	\$ 321,134

The amount of the section 481(a) adjustment that is attributable to the taxable year immediately preceding the taxable year of change is:

Property Taxes	-	\$13,584,908
NC Fuel Revenues Refundable	-	\$21,389,204
Admitted Liabilities	-	(\$ 23,877)

shown on tax return

Identifying number

DUKE POWER COMPANY

56-02053

I Information on the Like-Kind Exchange

Note: If the property described on line 1 or line 2 is real property located outside the United States, indicate the country.

Description of like-kind property given up LAND & BUILDING

Necklenburg County, North Carolina

Description of like-kind property received LAND & BUILDING

Necklenburg County, North Carolina

Date like-kind property given up was originally acquired (month, day, year) 3 7 21

Date you actually transferred your property to other party (month, day, year) 4 6 30

Date the like-kind property you received was identified (month, day, year). See instructions 5 8 11

Date you actually received the like-kind property from other party (month, day, year) 6 10 30

Was the exchange made with a related party? See instructions.

☐ Yes, in this tax year b ☐ Yes, in a prior tax year c ☒ No. If "No," go to Part II.

Enter the following information about the related party:

Name Identifying number

Address (no., street, and apt. or suite no., rural route, or P.O. box no. if mail is not delivered to street address)

City or town, state, and ZIP code

Relationship to you

During this tax year, did the related party sell or dispose of the like-kind property received from you in the exchange? ☐ Yes

During this tax year, did you sell or dispose of the like-kind property you received? ☐ Yes

If both lines 9 and 10 are "No," go to Part II. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 9 is reported on your return this tax year, unless one of the exceptions on line 11 applies. See instructions.

If one of the exceptions below applies to the disposition, check the applicable box:

- ☐ The disposition was after the death of either of the related parties.
- ☐ The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.
- ☐ You can establish to the satisfaction of the IRS that neither the exchange nor the disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

II Realized Gain or (Loss), Recognized Gain, and Basis of Like-Kind Property Received

Caution: If you transferred and received (a) more than one group of like-kind properties, or (b) cash or other (not like-kind) property, see instructions under Multi-Asset Exchanges.

Note: Complete lines 12 through 14 ONLY if you gave up property that was not like-kind. Otherwise, go to line 15.

Fair market value (FMV) of other property given up 12

Adjusted basis of other property given up 13

Gain or (loss) recognized on other property given up. Subtract line 13 from line 12. Report the gain or (loss) in the same manner as if the exchange had been a sale 14 - 0 -

Cash received, FMV of other property received, plus net liabilities assumed by other party, reduced (but not below zero) by any exchange expenses you incurred. See instructions 15 - 0 -

FMV of like-kind property you received 16 1,527.00

Add lines 15 and 16 17 1,527.00

Adjusted basis of like-kind property you gave up, net amounts paid to other party, plus any exchange expenses not used on line 15. See instructions 18 2,149.985

Realized gain or (loss). Subtract line 18 from line 17 19 582.985

Enter the smaller of line 15 or line 19, but not less than zero 20 582.985

Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions 21 - 0 -

Subtract line 21 from line 20. If zero or less, enter -0-. If more than zero, enter here and on Schedule D or Form 4797, unless the installment method applies. See instructions 22 - 0 -

Recognized gain. Add lines 21 and 22 23 - 0 -

Taxpayer: DUKE ENERGY CORPORATION - 3D100

Name of Return: SOUTH CAROLNIA CORPORATE INCOME TAX RETURN

Tax Year: 1992

Due Date:

Amended Return

Routing
TCM

Review and Verification:		Initials	Date	Corplax/Tax DM Filing Code:		1992 A	
Preparer		DuCHARME	5/25/2007	NOL's - Current Year Generated Amount			
Reviewer #1		ADR	5/31/2007	To be Carried Forward or Back?		0 back/20 fwd	
Reviewer #2		Km	6/9/07	Amended Returns Needed to C/B losses?		Yes No	
Reviewer #3				NOL's - Prior Year Amount			
				NOL's - Utilized Amount			
To be completed by Preparer		1992	Original	NOL's - NOL's remaining			

To be completed by Preparer	1992	Original
Apportionment Factor	12.7381%	12.7381%
Income Tax Liability	3,593.876	3,601.103
Franchise Tax Liability	0	0

Check Requisitions:		Overpayments:	
Balance Due w/Return:		Amount Credited to 1993:	
Date Uploaded to A/P:		(REFUND) PAYMENT	(\$7,227)
Date Check Due Back from A/P:		Refund Log Updated:	

Return Signatures:

LBR		BJF			
TCM		KGB	☒		

[illegible]

Return Attachments	
Form 7004	Balance Sheets by company
State Extension	M-1 & M-2 by company.
Proforma Statement	Schedule A & C by company
Form 1065 w K-1's	Schedule C from Income Tax Return
Form 1065 w/o K-1's	Other Income,Taxes, Deductions by Co.
Form 851	Officer's & Director's List
Form 8886	Federal Statute of Limitations
Income Statements by Company	Form 4562

71794703304020013329

AMENDED Mail This Return To: SC DEPARTMENT OF REVENUE Corporation Return Columbia, SC 29214-0100	STATE OF SOUTH CAROLINA PUBLIC UTILITY TAX RETURN Return For Period Ending <u>12/31/1992</u> RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR	SC1120U (Rev. 11/93) 3097 A COPY OF FEDERAL FORM 1120, 1120A or 1120S AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN Extension Requested: Yes ☐ No ☒ Type of SC Return: Separate ☒ Consolidated ☐ If Final Return, Indicate Whether: Merged ☐ Reorganized ☐ Dissolved ☐ Withdrawn ☐ County in SC Where Property is located: <u>SAME AS LAST FILED</u> Did any of the corporations in this Return have any property presumed abandoned under Chapter 18, Title 27 of the South Carolina Code of Laws, 1976? yes ☐ no ☐ City <u>CHARLOTTE</u> Audit Location <u>NC</u> State <u>NC</u> Telephone Number <u>980-373-5223</u>
NAME AND ADDRESS DUKE POWER COMPANY ST22M/P O. BOX 1007 CHARLOTTE, NC 28201-1007	RETURN DUE ON OR BEFORE 06/16/07	
56-0205520 Employer Identification No.	4900-R Business Code	12 20090024-9 File Number

PART I

COMPUTATION OF INCOME TAX LIABILITY

1. Federal ordinary income (loss) Per Federal Form 1120, 1120A or 1120S
2. Net Adjustment from line 12, Schedule A and B
3. Total Net Income As Reconciled (line 1 plus or minus line 2)
4. If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3
5. LESS: Distribution to shareholders of S corporation or less S.C. N.O.L. carryover, if applicable
6. South Carolina Net Income subject to tax (line 4 less line 5)
7. TAX. Multiply amount on line 6 by .05 (5.0%)
8. Non-Refundable credits from line 5, Schedule C
9. Balance of tax (line 7 less line 8) enter the difference but not less than zero.
10. Payments: (a) Tax Withheld (see instructions) 0 (b) Paid by Declaration 0
(c) Paid with Tentative Return 0 (d) Credit from line 22b 0
11. Total Payments (add lines 10a through 10d) **TAX PAID AS LAST FILED.**
12. Balance of Tax Due (line 9 less line 11)
13. Interest Due 0 Penalty Due 0 (See instructions for penalty and interest.)
14. TOTAL INCOME TAX, Interest and Penalty Due (add lines 12 and 13)
15. OVERPAYMENT (line 11 less line 9) 7,227 To be applied as follows:
(a) Estimated Tax 0 (b) License Fee 0 (c) Refunded 7,227
16. Total License Fee Due from Schedule J, line 9, on page 5
17. Payments: (a) Paid with Tentative Return 0 (b) Credit from line 15b 0
18. Total Payments (add line 17 (a) and (b)) **TAX PAID AS LAST FILED.**
19. Balance Of Fee Due (line 16 less line 18)
20. Interest Due 0 Penalty Due 0 (See instructions for penalty and interest.)
21. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 19 and 20)
22. OVERPAYMENT (line 18 less line 16) 0 To be applied as follows:
(a) Estimated Tax 0 (b) Income Tax 0 (c) Refunded 0
23. GRAND TOTAL INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)

For Office Use Only

1.	583,705.573
2.	27,993.963
3.	611,699.536
4.	77,889.519
5.	< 0 >
6.	77,889.519
7.	3,894.476
8.	300.600
9.	3,593.876
11.	3,601.103
12.	0
13.	0
14.	0
16.	5,801.862
18.	5,801.862
19.	0
20.	0
21.	0
23.	0

Make checks payable to: South Carolina Department of Revenue and Taxation.

Please Sign Here	I, the undersigned, principal officer of the corporation for which this return is made, declare that this return including accompanying Annual Report, statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.	<u>6/14/07</u> Date <u>SR-VP TAX</u> Title
Paid Preparer's Use Only	Signature of officer <u>[Signature]</u> Preparer's signature <u>[Signature]</u> Firm's name (or yours if self-employed) and address <u>DuCharme, Mather & Assoc., Inc.</u> <u>296 Concord Road, Billerica, MA 01821</u> Telephone (978)262-0010 FEIN 35-1293472	Date <u>5/25/07</u> Check if self-employed ☐ Preparer's social security no. _____ E.I. No. _____ Zip code _____

SCHEDULE A AND B

ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	49,398,372	
2. Federal Net Operating Loss	2.	0	
3. TAX-EXEMPT MUNICIPAL INTEREST	3.	1,891,228	
4. FEDERAL ENVIRONMENTAL TAX	4.	900,000	
5. Other Additions (attach schedule)	5.	863,965	
6. Total Additions (add lines 1 through 5)	6.	53,053,565	

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.	33,486	
8. SC DEPRECIATION IN EXCESS OF FEDERAL	8.	25,026,116	
9.	9.	0	
10. Other Deductions (attach schedule)	10.	0	
11. Total Deductions (add lines 7 through 10)	11.	25,059,602	
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U.	12.	27,993,963	

SCHEDULE C

NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year	1.	SAME	
2. Add: (a) Drip/Trickle Irrigation System (TC-1)	2a.	AS	
(b) Minority Business (TC-2)	b.	LAST	
(c) Water Resources (TC-3)	c.	FILED	
(d) South Carolina New Jobs Credit (TC-4)	d.		
(e) Scenic Rivers (TC-5)	e.		
(f) Infrastructure Construction or Improvement (TC-6)	f.		
(g) Palmetto Seed Capital (TC-7)	g.		
(h) Corporate Headquarters Income Tax Application (TC-8)	h.		
(i) Child Care Program (TC-9)	i.		
3. Total Credits (add lines 1 and 2(a) through (i))		300,600	
4. Tax (line 7, Part I, SC1120U)	4.	3,894,476	
5. Lesser of line 3 or 4 (enter on line 8, Part I, SC1120U)	5.	300,600	
6. Credit Carryover (line 3 less line 5)	6.	0	

SCHEDULE D

ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation DUKE POWER COMPANY
2. Date of this Report _____ Fed. E.I. No. 56-0205520
3. Incorporated under the Laws of the State of NORTH CAROLINA on 11/27/1963
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 02/24/1963
5. Location of the Registered Office of the Corporation in the State of South Carolina is SAME AS LAST FILED
in the City of _____ Registered Agent at such address is _____
6. Was the name of the Corporation changed during the year? NO Give old name _____
7. Date commenced business in the State of South Carolina was 02/24/1963
8. Location of principal executive office (street address) 400 SOUTH TRYON STREET CHARLOTTE NC
Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of T. COOPER MONROE III
Located at (street address) ST22M/P.O. BOX 1007
10. If filing consolidated, complete and attach Schedule I for each corporation listed in the consolidation.
11. If a professional corporation are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) qualified to practice the professional services engaged in by the corporation? _____
12. The total number of authorized shares of capital stock itemized by class and series, if any, within each class is as follows:
- | Number of Shares | Class | Series |
|------------------|--------|--------|
| 300,000,000 | COMMON | NO PAR |
13. The total number of issued and outstanding shares of capital stock itemized by class and series, if officers in the Corporation are:
(If additional space is necessary, attach separate schedule.)

NAME

BUSINESS ADDRESS AND OFFICE

SAME AS LAST FILED

SCHEDULE E

RESERVED

SCHEDULE F

INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct to S.C. and Other States 4	Net Amounts Allocated Directly to S.C. 4	Payrolls to be Excluded from Payroll Factor 5	Property to be Excluded from Property Factor 6
1. Interest not connected with business	0	0	0	0		
2. Dividends received	200,317	0	200,317	0		
3. Rents	0	0	0	0	0	0
4. Gains/losses on real property	52,584	0	62,584	10,861		
5. Gains/losses on intangible pers. prop.	53,008	0	53,008	0		
6. Investment income directly allocated	0	0	0	0	0	0
7. TOTAL INCOME DIRECTLY ALLOCATED			315,909			
8. INCOME DIRECTLY ALLOCATED TO S.C.				10,861		
9. TOTALS TO APPORTIONMENT FACTORS					0	0

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATIONS

1. Total net income as reconciled. Enter amount from line 3, Part I	1.	611,699,536
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	315,909
3. Total net income subject to apportionment (line 1 less line 2)	3.	611,383,627
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.	77,878,658
5. Add: Income subject to direct allocation to S.C. from Schedule F, line 8	5.	10,861
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.	77,889,519

SCHEDULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
1. Land				
2. Buildings				
3. Machinery and Equipment				
4. Inventories				
5. Other Property				
6. Exclusions	<	>	<	>
7. TOTAL (add lines 1 - 5 subtract line 6)				
		1. Within S.C.	2. Total Everywhere	3. Ratio
8. Avg. of Beginning and Ending Period (add line 7a and b and divide by 2)				
9. Rental or Lease Value				
10. TOTAL Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				%
11. GROSS Payroll				
12. Less: Officers Compensation and Exclusions	<	>	<	>
13. TOTAL Payroll (Col. 1 - Col. 2 and enter ratio in Col. 3)				%
14. TOTAL Sales (Col. 1 + Col. 2 and enter ratio in Col. 3)				%
15. TOTAL of Three Ratios (add Column 3 - lines 10, 13 and 14)				%
16. Arithmetical Average of Three Ratios				%

SCHEDULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Ratio
1. Total Gross Receipts			
2. Less: Exclusion	<	>	
3. Gross Receipts (for ratio)	1,182,784,969	9,285,402,738	
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			12.7381 %

SCHEDULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
1. Total Within South Carolina		
2. Total for System		
3. Ratio (South Carolina ÷ Total System)		%

SCHEDULE I CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name SAME AS LAST FILED S.C.I.D. NO. _____ Fed. E.I. No. _____
2. Date of this report _____
3. Address _____
4. Incorporated under the laws of the State of _____ on _____
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is _____
6. Location of the Registered Office of the Corporation in the State of South Carolina is _____
In the City of _____ and Registered Agent at such address is _____
7. Was the name of the Corporation changed during the year? _____ Give old name _____
8. Date commenced business in the State of South Carolina was _____
9. Location of principal Office (street address) _____
Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
Located at (street address) _____
11. If a professional corporation, are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) qualified to practice the professional service engaged in by the corporation? _____
12. The total number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follows:
- | NUMBER OF SHARES | CLASS | SERIES |
|------------------|-------|--------|
|------------------|-------|--------|

13. The total number of issued and outstanding shares of capital stock itemized by class and series, if any within each class is as follows:
- | NUMBER OF SHARES | CLASS | SERIES |
|------------------|-------|--------|
|------------------|-------|--------|

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	\$ _____
Total paid in Capital Surplus	\$ _____
Total amount of stated Capital	\$ _____

15. The names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation are:
(If additional space is necessary, attach a separate schedule).

NAME	BUSINESS ADDRESS AND OFFICE
AVAILABLE UPON REQUEST	

For additional affiliated corporations duplicate Schedule I as needed.

SCHEDULE J COMPUTATION OF LICENSE FEE — UTILITIES AND ELECTRIC COOPERATIVES

1. Fair Market Value of Property Owned and Used in the Conduct of Business in South Carolina as determined by South Carolina Department of Revenue and Taxation for Property Tax Purposes		1.	
2. Fee Due: Line 1 x .001		2.	
		Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):			
SAME AS LAST FILED		\$	\$
4. Total Operating Revenues		4. \$	\$
5. Other Receipts, (Itemize):		5.	
6. Total Other Receipts		6. \$	\$
7. Total Gross Receipts (Add lines 4 and 6)		7.	
8. Fee Due (Line 7, Column B x .003)		8.	\$
9. Total License Fee Due (Add lines 2 and 8) (Enter here and also on line 16, Part II, Page 1).		9.	\$ 5,801.862

South Carolina Code Section 12-19-100

In lieu of the license fee imposed by Section 12-19-70, there is hereby levied, in addition to any and all other license taxes and fees or taxes of whatever kind, a license fee of one mill upon each dollar of the fair market value of property, as determined by the South Carolina Department of Revenue and Taxation for property tax purposes for the preceding accounting period, owned and used within South Carolina in the conduct of business of every railroad company, express company, street railway company, navigation company, waterworks company, power company, electric cooperative, light company, gas company, telegraph company, telephone company, parlor, dining or sleeping car company, tank car company, refrigerating car company and fruit growers' express car company, and all privately operated car lines. The license fee provided for in this section shall be paid at the time of the filing of the reports required by this chapter.

South Carolina Code Section 12-19-110

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind, there is levied an annual license fee of three mills upon the gross receipts derived from services rendered from regulated business within this state during the calendar year next preceding by every railroad company, express company, street railway company, navigation company, waterworks company, power company, distribution electric cooperative, light company, gas company, telegraph company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating car company, fruit growers express car company, and all other privately operated car lines. However, where a consolidated return pursuant to Section 12-7-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' shall not include gross receipts arising from any transactions between any of the separate members of the consolidated return group. The license fee provided for by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided by this section shall file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

South Carolina Code Section 12-19-120

In no case shall the license fee provided by Sections 12-19-100 and 12-19-110 be less than twenty-five dollars for any one corporation.

The license fees are due on or before the fifteenth day of the third month next after the preceding income year.

The total license fee cannot be less than twenty-five dollars (\$25.00).

INSTRUCTIONS

Refer to SC1120 instructions if Public Utilities 'C' Corporation.

Refer to SC1120S instructions if Public Utilities 'S' Corporation.

**A COPY OF THE RAR WAS
ATTACHED TO THE RETURN
SENT TO THE STATE.**

INSTRUCTIONS FOR FILING
AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1993

to be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of tax	Total Tax \$ Less: payments & credits \$ Balance due (overpayment) \$(8,342,858)
Refund payment	☒ Refunded to you \$8,342,858 ☐ Credited to your estimated tax \$ ☐ \$ refunded and \$ credited
Draw check to N/A	<i>NOTE: Your social security number or employer identification number should be entered on your remittance.</i>
Mail tax return and check if applicable) to	SC DEPT. OF REVENUE COLUMBIA, SC 29214
Return must be mailed on or before	IMMEDIATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	

AMENDED

TAXPAYER ID INFORMATION

FILE # 20090024 - 9

JRN FOR PERIOD ENDING DECEMBER 31, 1993

E.I.# 56-0205520

E DUKE POWER COMPANY

ING ADDRESS MAIL CODE PB05B

CHARLOTTE STATE NC ZIP CODE 28242

Age of Address ☐

A COMPLETE COPY OF FEDERAL RE
BE ATTACHED TO THIS RETURN.

Check if ☐ Consolidated Return

If Final Return, Indicate Whether: Merged

Reorganized ☐ Dissolved ☐ Withdr

County or Counties in SC Where Property is Locate

VARIOUS

City Audit Location S

CHARLOTTE, NC

Telephone Number:

(704) 382-8175

14-0601

Federal ordinary income (loss) per Federal Form 1120, 1120A or 1120S	1.	81
Net Adjustment from line 12, Schedule A and B	2.	
Total Net Income as Reconciled (line 1 plus or minus line 2)	3.	82
If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3.	4.	11
LESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	<
South Carolina Net Income subject to tax (line 4 less line 5)	6.	11
TAX: Multiply amount on line 6 by .05 (5.0%)	7.	
Non-Refundable credits from line 3, Schedule C	8.	
Balance of tax (line 7 less line 8) Enter the difference but not less than zero	9.	
Payments: (a) Tax Withheld (see instructions)	(b) Paid by Declaration	
(c) Paid with Tentative Return	(d) Credit from line 24b	
Total Payments (add lines 10a through 10d)	AS REPORTED	11. 1
Balance of Tax Due (line 9 less line 11)	12.	
Interest Due	Penalty Due	(See instructions for penalty and interest.) 13.
TOTAL INCOME TAX, Interest and Penalty Due (add lines 12 and 13)	14.	
OVERPAYMENT (line 11 less line 9)	To be applied as follows:	
(a) Estimated Tax	(b) License Fee	(c) Refunded
Total License Fee Due from Schedule K, line 9, on page 5	16.	
Section 12-20-105 credit (see instructions)	17.	
Total License Fee Due (subtract line 17 from line 16 but not less than zero)	18.	
Payments: (a) Paid with Tentative Return	(b) Credit from line 15b	
Total Payments (add line 19(a) and (b))	20.	
Balance of Fee Due (line 18 less line 20)	21.	
Interest Due	Penalty Due	(See instructions for penalty and interest.) 22.
TOTAL LICENSE FEE, Interest and Penalty Due (add lines 21 and 22)	23.	
OVERPAYMENT (line 20 less line 18)	To be applied as follows:	
(a) Estimated Tax	(b) Income Tax	(c) Refunded
GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 23)	25.	

Make check payable to: South Carolina Department of Revenue.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including accompanying statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and complete return.

Signature of officer

Date

Title

I authorize the Director of the Department of Revenue or delegate to

Yes ☐ No ☐

Preparer's Printed Name

4. _____
Additions (attach schedule) 5. _____
Additions (add lines 1 through 5) 6. _____

DEDUCTIONS FROM FEDERAL NET INCOME

7. _____
Deductions (attach schedule) 8. _____
Deductions (add lines 7 through 10) 9. _____
Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U 10. _____
11. _____
12. _____

SECTION C NON-REFUNDABLE TAX CREDITS

1. _____
Credits (from Schedule I) 2. _____
Line 7, Part I, SC1120U) 3. _____
of line 1 or 2 (enter on line 8, SC1120U) 4. _____
Carryover (line 1 less line 3) **SEE ATTACHED AUDIT SCHEDULE** 5. _____

SECTION D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

of Corporation DUKE POWER COMPANY
of this report _____ Fed. E.I. No. 56-0205520
incorporated under the Laws of the State of NORTH CAROLINA on 11/27/63
Foreign Corporation, the date qualified to do business in the State of South Carolina is 2/24/64
Address of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD
City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
Has the name of the Corporation changed during the year? NO Give old name _____
When did the Corporation commence business in the State of South Carolina was _____
Address of principal executive office (street address) 84 VILLA ROAD; GREENVILLE, SOUTH CARO.
Nature of principal business in S.C. ELECTRIC UTILITY
Where are the Corporation's books are in the care of CONTROLLER
Address at (street address) 422 SOUTH CHURCH STREET, CHARLOTTE, NC 28242

Is consolidated, complete and attach Schedule J for each corporation listed in the consolidation.
Total number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follows:
NUMBER OF SHARES CLASS SERIES
10,000,000 COMMON NO PAR

Total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class:
NUMBER OF SHARES CLASS SERIES

Names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corporation (if additional space is necessary, attach separate schedule).

NAME	BUSINESS ADDRESS AND OFFICE
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

	Gross Amounts 1	Less: Related Expenses 2	Allocated Direct to SC and Other States 3	Allocated Directly to SC 4	be Excluded from Payroll Factor 5	to fr
not connected with business						
is received	SEE ATTACHED AUDIT SCHEDULE					
esses on real property						
esses on intangible pers. prop.						
ent income directly allocated						
INCOME DIRECTLY ALLOCATED						
E DIRECTLY ALLOCATED TO S.C.						
S TO APPORTIONMENT FACTORS						

LE G COMPUTATION OF TAXABLE INCOME FOR ORGANIZATIONS CLAIMING MULTI-STATE OPERATIONS

Income as reconciled. Enter amount from line 3, Page 1	1.	822
Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	10
Income subject to apportionment (line 1 less line 2)	3.	811
Amount on line 3 by appropriate ratio from Schedule H-1, 2, or 3 and enter result here	4.	104
Income subject to direct allocation to S.C. from Schedule F, line 8	5.	10
C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Page 1	6.	115

LE H-1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everyv	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) En
ty and Equipment				
ries				
roperty				
ons	<	>	<	>
(add lines 1 - 5; subtract line 6)				
	1. Within S.C.		2. Total Everywhere	3.
Beginning and Ending Period (add line 7a and b and divide by 2)				
or Lease Value				
Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
S Payroll				
Officers Compensation and Exclusions	<	>	<	>
Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)				
Sales (same as line 14)				
of Ratios (add Column 3 - lines 10, 13, 14 and 15)				
etical Average of Ratios				

LE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In S.C.	2. Total Everywhere	3.
Gross Receipts			
Exclusion (see instructions)	<	>	
Receipts (for ratio)	1,248,707,048	9,720,215,900	
Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			12.5

LE H-3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	
Within South Carolina		

C Water Resources (TC-3) C _____
 D South Carolina New Jobs Credit (TC-4) D _____
 E Scenic Rivers (TC-5) E _____
 F Infrastructure Construction or Improvement (TC-6) F _____
 G Palmetto Seed Capital (TC-7) G _____
 H Corporate Headquarters Income Tax Application (TC-8) H _____
 I Child Care Program (TC-9) I _____
 J Base Closure/Federal Facility Employment Reduction-Hiring Credit (TC-10) .. J _____
 K Economic Impact Zone Property Investment Credit (TC-11) K _____
 L Credit for Hiring Recipients of Family Independence Payments (TC-12) L _____
 M Additional Family Independence Payments Credit (TC-12-A) M _____
 N Motion Picture Project/Production Facility Credit (TC-13) N _____
 Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) 3. _____

E J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN
AFFILIATED CORPORATION NO. 1

DUKE POWER COMPANY S.C.I.D. No. _____
 of this report Fed. E.I. No. _____
 ss _____
 orated under the laws of the State of NORTH CAROLINA on 11/27/63
 ign Corporation, the date qualified to do business in the State of South Carolina is _____
 on of the Registered Office of the Corporation in the State of South Carolina is _____
 City of GREENVILLE and Registered Agent at such address is _____
 re name of the Corporation changed during the year? NO Give old name _____
 commenced business in the State of South Carolina was 2/24/64
 of principal office (street address) _____
 principal business in S.C. ELECTRIC UTILITY
 orporation's books are in the care of CONTROLLER
 ed at 422 SOUTH CHURCH STREET, CHARLOTTE, NORTH CAROLINA 28242
 ofessional corporation, are all shareholders, one-half of the directors and all officers (other than the secretary a
 ed to practice the professional service engaged in by the corporation? _____
 tal number of authorized shares of capital stock, itemized by class and series, if any, within each class is as follow

NUMBER OF SHARES	CLASS	SERIES
100,000,000	NO PAR	COMMON

tal number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class

NUMBER OF SHARES	CLASS	SERIES

tal amount of stated capital per balance sheet is:
 tal paid in Capital Stock (cannot be a negative amount) \$ _____
 tal paid in Capital Surplus (cannot be a negative amount) \$ _____
 tal amount of Stated Capital (cannot be a negative amount) \$ _____
 ames and business addresses of the directors (or individuals functioning as directors) and principal officers in the Cc
 ditional space is necessary, attach separate schedule).

1E BUSINESS ADDRESS AND OFFICE

	Total System (A)	Intr South (
Operating Revenues, (Itemize):		
	\$	\$
Operating Revenues	4. \$	\$
Receipts, (Itemize):	5.	
Other Receipts	6. \$	\$
Gross Receipts (Add Lines 4 and 6)	7.	
Due (Line 7, Column B x .003)		8. \$
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16, Part II, Page 1)		9. \$

from 2000 Code of Laws as Amended
on 12-20-100 as amended for taxable years beginning after 1995.

place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigati
s company, power company, electric cooperative, light company, gas company, telegraph company, and telephone o
ual report with the department and pay a license fee as follows:

ollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and us
ie conduct of business as determined by the department for property tax purposes for the preceding taxable year;
s for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered fr
ess within this state during the preceding taxable year, except that with regard to electric cooperatives, only distrit
atives are subject to the gross receipts portion of the license fee under this subitem.

Minimum license fee under this section is \$25.

NEW INFORMATION

Carolina has updated income tax laws to conform with the Internal Revenue Code of 1986, as amended through December 31, 1999, includ

17 Section 12-20-105 credit is for amounts paid in cash to provide infrastructure for an eligible project. Effective June 11, 1999, the term
eligible project has been expanded to include industrial shell buildings and the purchase of land for an office, business or industrial park.
re June 30, 1999, notwithstanding the statute of limitations, the time allotted for requesting a corporate refund has been extended from thir
om the date the Internal Revenue Service changes the taxable income.
nature section of the return contains a new area for the preparer's telephone number.

INSTRUCTIONS

uctions - If the company paid cash to provide infrastructure for an eligible project, enter the amount on line 17. Attach a schedule to the re
the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amo
r Infrastructure and to whom and when paid, a description of the infrastructure, and the date the infrastructure was completed or is
f the infrastructure has not been completed as of the date the return is filed, the taxpayer must include a waiver of the statute of limitations
single tax year may not exceed \$300,000. If the credit exceeds tax liability, the excess may be carried forward and deducted in the success
ation see SC Revenue Ruling #96-11.

Instructions if Public Utilities 'C' Corporation.

1120S Instructions if Public Utilities 'S' Corporation.

4/24/10

4/24/10

: 070 000

.....

1
RETURN
JOY

12,344,370 811,535 722,100
798,614
1,881
1,885,488
(1,297,901)
4,073,582

5,870,262 101,083 1,342

DAVIS

14,509,511 (1,481,081) 722,100 4,707,136 2,382,124 1,721,877 8,267,883 7,895,810 845,793 181,813 383,187 576,873 193,164 4,790,538 315,908 10,6

1
14
STIONS

11,396,704 9,273 11,899 17,083 87,106 181,343 1,873 72,468 15,006 26,106 0 24,483 11,222 84,827 10,461 10

1,885,698 4,073,739 87,106 181,343 1,873,725 182,571 16,348 26,106 0 24,483 11,222 84,827 10,461 11

4767

DES00011119

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

Return For
Period Ending 12/31/93-INCOME; 12/31/94-LICENSE

RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD
MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

NAME AND ADDRESS
DUKE POWER COMPANY
MAIL CODE PB05B
CHARLOTTE, NC 28242-0001

RETURN DUE ON OR
BEFORE

MARCH 15, 1994

-0205520

Owner Identification No.

4900-R

Business Code

12 20090024-9

File Number

THIS RETURN

Extension Requested: Yes ☒ No ☐

Type of SC Return: Separate ☒
Consolidated ☐

If Final Return, Indicate Whether: Merg
Reorganized ☐ Dissolved ☐ Will

County in SC Where Property is loc
VARIOUS

Did any of the corporations in this
property presumed abandoned under C
of the South Carolina Code o
☒ yes ☐ no

City Audit Location
CHARLOTTE NORTH

Telephone Number: (704) 382

Federal ordinary income (loss) Per Federal Form 1120, 1120A or 1120S	1.	817,6
Net Adjustment from line 12, Schedule A and B	2.	5,0
Total Net Income As Reconciled (line 1 plus or minus line 2)	3.	822,6
If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	4.	282,0
LESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	<
South Carolina Net Income subject to tax (line 4 less line 5)	6.	282,0
TAX: Multiply amount on line 6 by .05 (5.0%)	7.	14,1
Non-Refundable credits from line 5, Schedule C	8.	4
Balance of tax (line 7 less line 8) enter the difference but not less than zero.	9.	13,6
Payments: (a) Tax Withheld (see instructions)		
(b) Paid by Declaration		
(c) Paid with Tentative Return		
(d) Credit from line 22b		
Total Payments (add lines 10a through 10d)	11.	14,1
Balance of Tax Due (line 9 less line 11)	12.	(4
Interest Due		
Penalty Due (See instructions for penalty and interest.)	13.	
TOTAL INCOME TAX, Interest and Penalty, Due (add lines 12 and 13)	14.	(4
OVERPAYMENT (line 11 less line 9)		
To be applied as follows:		
(a) Estimated Tax		
(b) License Fee		
(c) Refunded		
Total License Fee Due from Schedule 2, line 9, on page 5	16.	6,0
Payments: (a) Paid with Tentative Return		
(b) Credit from line 15b		
Total Payments (add line 17 (a) and (b))	18.	6,0
Balance Of Fee Due (line 16 less line 18)	19.	
Interest Due		
Penalty Due (See instructions for penalty and interest.)	20.	
TOTAL LICENSE FEE, Interest and Penalty Due (add lines 19 and 20)	21.	
OVERPAYMENT (line 18 less line 16)		
To be applied as follows:		
(a) Estimated Tax		
(b) Income Tax		
(c) Refunded		
GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)	23.	(4

Make checks payable to: South Carolina Department of Revenue.

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return including acco Report, statements and schedules has been examined by me and is to the best of my knowledge and belief, a true and comple	Signature of officer		Date	Title
	Preparer's signature		Date	Check if self-employed ☐
Preparer's Only	Firm's name (or yours if self-employed) and address	DELOITTE AND TOUCHE LLP 2500 ONE PPG PLACE		E.I. No. 13-38915 Zip code 15222

4. _____
er Additions (attach schedule) 5. _____
Additions (add lines 1 through 5) SEE ATTACHED AUDIT STATEMENT 6. _____
DEDUCTIONS FROM FEDERAL NET INCOME
rest On Obligations Of The U.S. 7. _____
8. _____
9. _____
er Deductions (attach schedule) 10. _____
al Deductions (add lines 7 through 10) SEE ATTACHED AUDIT STATEMENT 11. _____
Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U. 12. _____

SCHEDULE C NON-REFUNDABLE TAX CREDITS
dit Carryover From Previous Year 1. _____ 0
t:(a) Drip/Trickle Irrigation System (TC-1) 2a. _____ 0
(b) Minority Business (TC-2) b. _____ 0
(c) Water Resources (TC-3) c. _____ 0
(d) South Carolina New Jobs Credit (TC-4) d. 480,000
(e) Scenic Rivers (TC-5) e. _____ 0
(f) Infrastructure Construction or Improvement (TC-6) f. _____ 0
(g) Palmetto Seed Capital (TC-7) g. _____ 0
(h) Corporate Headquarters Income Tax Application (TC-8) h. _____ 0
(i) Child Care Program (TC-9) i. _____ 0
al Credits (add lines 1 and 2(a) through (i) 3. 4
: (line 7, Part I, SC1120U) 4. 14,1
ser of line 3 or 4 (enter on line 8, Part I, SC1120U) 5. 4
dit Carryover (line 3 less line 5) 6. _____

SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS
of Corporation DUKE POWER COMPANY
e of this Report Fed. E.I. No 56-0205520
orporated under the Laws of the State of NORTH CAROLINA on 11/27/1963
oreign Corporation, the date qualified to do business in the State of South Carolina is 2/24/1963
ation of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD
he City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
is the name of the Corporation changed during the year? NO Give old name _____
le commenced business in the State of South Carolina was 1963
ation of principal executive office (street address) 84 VILLA ROAD; GREENVILLE, SOUTH CAR
ture of principal business in S.C. ELECTRIC UTILITY
a Corporation's books are in the care of DAVID L. HAUSER, CONTROLLER
ated at (street address) 422 SOUTH CHURCH STREET; CHARLOTTE, NC 28242-0001
ling consolidated, complete and attach Schedule I for each corporation listed on the consolidation.

professional corporation are all shareholders, one-half of the directors and all officers (other than the secretary and
alified to practice the professional services engaged in by the corporation? _____

a total number of authorized shares of capital stock itemized by class and series, if any, within each class is as fol
Number of Shares Class Series
300,000,000 COMMON NO PAR

a total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as fol
Number of Shares Class Series
204,859,339 COMMON NO PAR

ames and business addresses of the directors (or individuals functioning as directors) and principal officers in the Cor
ditional space is necessary, attach a separate schedule.)

NAME

BUSINESS ADDRESS AND OFFICE

	Gross Amounts 1	Related Expenses 2	to S.C. and Other States 3	Directly to S.C. 4	from Payroll Factor 5	from
Interest not connected with business						
Dividends received						
Losses on real property						
Losses on intangible pers. prop.						
Investment income directly allocated						
TOTAL INCOME DIRECTLY ALLOCATED						
INCOME DIRECTLY ALLOCATED TO S.C.						
FACTORS TO APPORTIONMENT FACTORS						

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATION

1. Total net income as reconciled. Enter amount from line 3, Part I	1.
2. Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.
3. Total net income subject to apportionment (line 1 less line 2)	3.
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.
5. Income subject to direct allocation to S.C. from Schedule F, line 8	5.
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.

SCHEDULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending
Land				
Buildings				
Machinery and Equipment				
Intangible Property				
Intangible Assets				
Intangible Property				
Intangible Assets	<	>	<	>
TOTAL (add lines 1 - 5; subtract line 6)				
		1. Within S.C.	2. Total Everywhere	3. Ratio
Ratio of Beginning and Ending Period (add line 7a and b and divide by 2)				
Ratio of Lease Value				
TOTAL Property Add lines 8 and 9. (Col. 1 + Col. 2 and enter ratio in Col. 3)				
Payroll				
Officers Compensation and Exclusions	<	>	<	>
TOTAL Payroll (Col. 1 + Col. 2 and enter ratio in Col. 3)				
TOTAL Sales (Col. 1 + Col. 2 and enter ratio in Col. 3)				
TOTAL of Three Ratios (add Column 3 - lines 10, 13 and 14)				
Arithmetic Average of Three Ratios				

SCHEDULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3. Ratio
Total Gross Receipts			
Less: Exclusion	<	>	<
Net Receipts (for ratio)			
Ratio of Gross Receipts (line 3, Col. 1 + line 3, Col. 2)			

SCHEDULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount	Ratio
Within South Carolina		
System		
(South Carolina ÷ Total System)		

FILE AS ORIGINALLY FILED RETURN

Due: Line 1 x .001 2. 2.

		Total System (A)	Intra South (
Operating Revenues, (Itemize):			
		\$	\$
Operating Revenues	4.	\$ 4,289,328,325	\$1,227,
Other Receipts, (Itemize):	5.		
Other Receipts	6.	\$	\$
Gross Receipts (Add Lines 4 and 6)	7.		1,227,
Due (Line 7, Column B x .003)	8.	\$	3,
License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16 Part II, Page 1)	9.	\$	6,

Carolina Code Section 12-19-100 (As amended for license tax years beginning after May 10, 1994.)

of the license fee imposed by Section 12-19-70, there is levied, in addition to any other license taxes and fees of any kind, a license fee of one mill upon each dollar of the fair market value of property, as determined by the Department of Revenue for property tax purposes for the preceding accounting period, owned and used within South Carolina by every express company, street railway company, navigation company, waterworks company, power company, electric cooperative, light company, gas company, telegraph company, and telephone company. The license fee provided for by this section shall be paid at the time of the filing of the reports required by this chapter.

Carolina Code Section 12-19-110 (As amended for license tax years beginning after May 10, 1994.)

In addition to the license fee provided by Section 12-19-100 and any and all other license taxes and fees or taxes of whatever kind, there shall be levied an annual license fee of three mills upon the gross receipts derived from services rendered from regulated businesses during the calendar year next preceding by every express company, street railway company, navigation company, power company, distribution electric cooperative, light company, gas company, telegraph company, and telephone company, where a consolidated return pursuant to Section 12-7-1570 is filed, the phrase 'the gross receipts derived from regulated business' does not include gross receipts arising from any transactions between any of the separate companies or corporations of the consolidated return group. The license fee provided for by this section must be paid at the time of filing the reports required by this section. Electric cooperatives subject to the license fee imposed by Section 12-19-100 and distribution electric cooperative companies shall file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

Carolina Code Section 12-19-120

Notwithstanding any other provision of law, the license fee provided by Sections 12-19-100 and 12-19-110 shall not be less than twenty-five dollars for any regulated business.

License fees are due on or before the fifteenth day of the third month next after the preceding income year.

The minimum license fee cannot be less than twenty-five dollars (\$25.00).

INSTRUCTIONS

See SC1120 instructions if Public Utilities 'C' Corporation.

See SC1120S instructions if Public Utilities 'S' Corporation.

SOUTH CAROLINA LICENSE TAX FOR UTILITIES

	<u>1994</u>
Receipts Reported on Original Return	1,233,955,137
Less: Sales for Resale	
Less: Rents	(938,554)
Less: Water Revenues	(2,461,387)
Less: Forfeited Discounts	(1,792,555)
Less: Bad Debt	
Less: Interdepartmental rents	
Less: Misc. Service Revenue/Other Electric Revenues	(941,327)
Less: Interdepartmental sales	(94,565)
Adjusted Receipts	<u>1,227,726,749</u>

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY	YORK	19 87	19 88	19 89	19 90	19 91	19 92
MONTH		PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
1	JANUARY	860	871	1,019	1,073	1,323	1,85
2	FEBRUARY	860	894	1,023	1,092	1,371	1,85
3	MARCH	860	898	1,026	1,110	1,419	1,90
4	APRIL	859	911	1,029	1,123	1,456	1,93
5	MAY	859	924	1,032	1,147	1,514	1,95
6	JUNE	859	937	1,036	1,165	1,562	1,97
7	JULY	859	950	1,039	1,183	1,610	1,99
8	AUGUST	859	963	1,042	1,202	1,658	2,01
9	SEPTEMBER	859	977	1,045	1,220	1,706	2,03
10	OCTOBER	858	990	1,049	1,238	1,753	2,05
11	NOVEMBER	858	1,003	1,052	1,257	1,801	2,07
12	DECEMBER	858	1,016	1,055	1,275	1,849	2,09
TOTAL EMPLOYEES		5,151	11,323	12,446	14,090	19,031	23,76
DIVIDED BY: NUMBER OF MONTHS IN OPERATION		6	12	12	12	12	12
MONTHLY AVERAGE OF FULL TIME EMPLOYEES		858.42	943.58	1,037.13	1,174.17	1,585.92	1,980.5
LESS: PREVIOUS YEAR AVERAGE			858.42	943.58	1,037.13	1,174.17	1,585.92
AVERAGE INCREASE IN FULL TIME EMPLOYEES			85	93	137	411	39

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
YEAR 1 INCREASE	85	85	85	91
YEAR 2 INCREASE		93	93	91
YEAR 3 INCREASE			137	137
YEAR 4 INCREASE				411
YEAR 5 INCREASE				
YEAR 6 INCREASE				
NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	85	179	315	721
AMOUNT OF CREDIT PER EMPLOYEE	300	300	300	300
ELIGIBLE CREDIT (multiply line 12 by line 13)	25,500	53,400	94,500	217,800
UNUSED NEW JOBS CREDIT CARRYOVER	0	0	0	0
TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	25,500	53,400	94,500	217,800

(ATTACH TO RETURN)

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY	OCONEE	19 89	19 90	19 91	19 92	19 93	19
MONTH		PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
1	JANUARY	1,431	1,449	1,693	1,747	2,062	
2	FEBRUARY	1,430	1,471	1,695	1,776	2,053	
3	MARCH	1,430	1,493	1,698	1,806	2,043	
4	APRIL	1,430	1,515	1,700	1,835	2,033	
5	MAY	1,429	1,537	1,702	1,865	2,024	
6	JUNE	1,429	1,559	1,704	1,895	2,014	
7	JULY	1,429	1,581	1,706	1,924	2,004	
8	AUGUST	1,428	1,603	1,708	1,954	1,995	
9	SEPTEMBER	1,428	1,625	1,711	1,983	1,985	
10	OCTOBER	1,428	1,647	1,713	2,013	1,975	
11	NOVEMBER	1,427	1,669	1,715	2,042	1,966	
12	DECEMBER	1,427	1,691	1,717	2,072	1,955	
TOTAL EMPLOYEES		17,145	18,940	20,451	22,912	24,110	
DIVIDED BY: NUMBER OF MONTHS IN OPERATION		12	12	12	12	12	
MONTHLY AVERAGE OF FULL TIME EMPLOYEES		1,428.83	1,570.00	1,705.08	1,909.29	2,009.17	
LESS: PREVIOUS YEAR AVERAGE			1,428.83	1,570.00	1,705.08	1,909.29	
AVERAGE INCREASE IN FULL TIME EMPLOYEES			141	135	204	99	

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5
YEAR 1 INCREASE	141	141	141	
YEAR 2 INCREASE		135	135	
YEAR 3 INCREASE			204	
YEAR 4 INCREASE				
YEAR 5 INCREASE				
YEAR 6 INCREASE				
NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	141	276	480	
AMOUNT OF CREDIT PER EMPLOYEE	300	300	300	
ELIGIBLE CREDIT (multiply line 12 by line 13)	42,300	82,800	144,000	
UNUSED NEW JOBS CREDIT CARRYOVER	0	0	0	
TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	42,300	82,800	144,000	