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S.C. Supreme Court

THE STATE OF SOUTH CAROLINA
In The 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 XI

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South Carolina Department of Revenue
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IMPUTATION OF NET INCOME & TAX	1993
COME PER US1120	792,623,257
1986-1994 audit adjustments	25,005,931
ADJUSTMENTS PER EXHIBIT 1 SCH 1	0
STED FED NET INCOME	817,629,188
DJUSTMENTS PER SCH 6	5,016,602
E ADJUSTED INCOME	822,645,790
DJUSTMENTS PER SCH 7	(10,953,458)
RTIONABLE INCOME AS ADJUSTED	811,692,332
ATIO PER RETURN OR SCH A	33.4032%
ME APPORTIONED TO SC	271,131,213
CABLE TO SC PER SCH 7	10,878,721
L SC NET INCOME	282,009,934
ONTRIBUTIONS	
ET INCOME	282,009,934
OL	
AXABLE NET INCOME	282,009,934
RATE	5.0000%
E	14,100,497
REVIOUSLY PAID	13,689,473
ERPAYMENT <OVERPAYMENT>	411,024

.20 SCH A & B ADJUSTMENTS	1993
ENDED ADJ. PER EXIBIT 1 SCH 2	0
120 SCH A & B (NET) PER RETURN	5,552,665
JDIT ADJUSTMENTS:	
MPT US INTEREST	0
ITRIBUTIONS	0
EREST INCOME	0
ET RETIREMENT	0
P CONTRIBUTION (BLK. BOOK)	0
L TAX CREDIT	0
RECIATION ADJUSTMENT	0
RECIATION ADJUSTMENT-LARRY	0
ADJUSTMENT	0
RECTED ALLOCATED GAIN/LOSS	0
IRONMENTAL TAX	0
DEND ALLOCATION	(536,063)
P (WRONG YEAR)	0
P-BLACK BOOK	0
TERN FUEL, INC REIMBURSEMENT	0
ATED EXPENSES PER SCH	0
L	5,016,602

CATED ITEMS	1993
/HERE ALLOCATIONS PER EX. 1	
YWHERE ALLOCATIONS PER RETURN	10,883,256
JDIT ADJUSTMENTS:	
EREST APPORTIONED ON SC AUDIT	
N/LOSS INTANG. PERS. PROP.	
L PROPERTY-CATAWBA-EX 4	70,202
ALLOWED ON SC AUDIT-EXH 9	
YWHERE ALLOCATIONS AS ADJUSTED	10,953,458
LOCATIONS PER EX. 1 SCH 3	
LOCATIONS PER RETURN	10,808,519
JDIT ADJUSTMENTS:	
PROPERTY-CATAWBA-EXH 4	70,202
RECTED GAIN/LOSS ALLOCATIONS	
LLOCATIONS AS ADJUSTED	10,878,721

SC-1120

RN FOR DEC 31, 1993 INCOME
C EADING DEC 31, 1994 LICENSE
RN DUE MAR 15, 1994 12

E NO. 2C0SCC24-5
, CODE 4900-R
CYER ID NO. 56C2C552C 23

POWER COMPANY
S CHURCH ST
LOTTE NC 28242

H DAY OF THE 3RD
TAXABLE YEAR

URN DUE ON OR
BEFORE

A COPY OF FEDERAL FORM 11
1120S AND SUPPORTING S
MUST BE ATTACHED AND MA
THIS RETURN

Extension Requested: Yes X No
Type of SC Return: Separate X
Consolidated

If Final Return, Indicate Whether: Merg
Reorganized ☐ Dissolved ☐ Withd

County in SC Where Property is locate

Did any of the corporations in this R
property presumed abandoned unde
Title 27 of the South Carolina Code o
yes no

City CHARLOTTE Audit Location

Telephone Number: 704-382

For Office Use Only

deral ordinary Income (loss) Per Federal Form 1120, 1120A or 1120S	1.	792,623,
t Adjustment from line 12, Schedule A and B	2.	5,552,
tal Net Income As Reconciled (line 1 plus or minus line 2)	3.	798,175,
Multi-state Corporation, enter amount from line 8, Sch. G; otherwise, enter amount from line 3	4.	273,789,
SS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	<
uth Carolina Net Income subject to tax (line 4 less line 5)	6.	273,789,
X: Multiply amount on line 6 by .05 (5.0%)	7.	13,689,
n-Refundable credits from line 5, Schedule C	8.	-0
lance of tax (line 7 less line 8) enter the difference but not less than zero.	9.	13,689,
nents: (a) Tax Withheld (see instructions) _____ (b) Paid by Declaration 12,836,167 (c) Paid with Tentative Return 1,580,640 (d) Credit from line 22b _____		
tal Payments (add lines 10a through 10d)	11.	14,416,
lance of Tax Due (line 9 less line 11)	12.	-0-
erest Due _____ Penalty Due _____ (See instructions for penalty and interest.)	13.	
TAL INCOME TAX, Interest and Penalty, Due (add lines 12 and 13)	14.	-0-
ERPAYMENT (line 11 less line 9) 727,334 To be applied as follows: Estimated Tax 727,334 (b) License Fee _____ (c) Refunded _____		

tal License Fee Due from Schedule J, line 9, on page 5	16.	6,019,3
yments: (a) Paid with Tentative Return 6,019,360 (b) Credit from line 15b _____		
tal Payments (add line 17 (a) and (b))	18.	6,019,3
lance Of Fee Due (line 16 less line 18)	19.	-0-
erest Due _____ Penalty Due _____ (See instructions for penalty and interest.)	20.	
TAL LICENSE FEE, Interest and Penalty Due (add lines 19 and 20)	21.	
ERPAYMENT (line 18 less line 16) _____ To be applied as follows: Estimated Tax _____ (b) Income Tax _____ (c) Refunded _____		
AND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)	23.	-0-

Make checks payable to: South Carolina Department of Revenue and Taxation

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

Signature of officer: Richard O. Shorm Date: 9/6/94 Title: Senior Vice President

Preparer's signature: James W. Sharpe Date: 9-10-94 Check if self-employed ☐ Preparer's soci 248 80

Firm's name (or [illegible] LYBRAND L.L.P. E.I. No.

DES00011130

STATE OF SOUTH CAROLINA

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

E NO.

-9

20

NO.

Return for the Period Ending
December 31, 1993

Return extended to September 15, 1994

Date 3/15/94

POWER COMPANY

th Church Street

tte, NC 28242

d mailing address

Complete all blank areas.

1. Tentative Tax Based on Net Income	14,416,807
2. LESS: Estimated Tax Payments	12,836,167
3. Tentative Tax Due ▶	1,580,640
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) ▶	6,019,360
5. Balance Remitted	7,600,000

ıral Net Operating Loss	2.	
'ax Exempt Interest	3.	2,972,389
Federal Environmental Tax	4.	1,106,833
Additions (attach schedule)	5.	
ditions (add lines 1 through 5)	6.	65,288

DEDUCTIONS FROM FEDERAL NET INCOME

est On Obligations Of The U.S.	7.	16,096
SC Depreciation in Excess of Federal	8.	56,895,766
SC Losses in Excess of Federal Losses	9.	2,823,615
ır Deductions (attach schedule)	10.	
l Deductions (add lines 7 through 10)	11.	59,735,4
Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U	12.	5,555,6

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)		-0-
ine 7, Part I, SC1120U)	4.	13,689,4
f line 3 or 4 (enter on line 8, Part I, SC1120U)	5.	-0-
arryover (line 3 less line 5)	6.	-0-

EDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

of Corporation Duke Power Company

of this Report December 31, 1993 Fed. E.I. No. 56-0205520

orated under the Laws of the State of North Carolina on November 27, 1963

ign Corporation, the date qualified to do business in the State of South Carolina is February 24, 1963

ion 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 1963

ion of principal executive office (street address) 844 Villa Road, Greenville, SC

e of principal business in S.C. Electric Utility

orporation's books are in the care of Jeff Boyer, Controller

ed at (street address) 422 South Church Street, Charlotte, NC 28242-0001

g consolidated, complete and attach Schedule I for each corporation listed in the consolidation.

ofessional corporation are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer) ictice the professional services 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 follows:

Number of Shares	Class	Series
3,000,000,000	Common	No Par

al number of issued and outstanding shares of capital stock itemized by class and series, If officers in the Corporation are: nal space is necessary, attach separate schedule.)

Number of Shares	Class	Series
204,859,339	Common	No Par

NAME	BUSINESS ADDRESS AND OFFICE
	All officers can be reached in care c

	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	to fr
rest not connected with business						
dends received						
ts						
ns/losses on real property -	10,574,467		10,574,467	11,307,515		
ns/losses on intangible pers. prop.	308,789		308,789	574		
stment income directly allocated						
TAL INCOME DIRECTLY ALLOCATED			11,883,256			
OME DIRECTLY ALLOCATED TO S.C.				10,808,519		
TALS TO APPORTIONMENT FACTORS						

DULE G COMPUTATION OF TAXABLE INCOME FOR CORPORATIONS CLAIMING MULTI-STATE OPERATIO

al net income as reconciled. Enter amount from line 3, Part I	1.	798,175,9
s: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	10,883,2
al net income subject to apportionment (line 1 less line 2)	3.	787,292,6
tiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.	262,980,9
l: Income subject to direct allocation to S.C. from Schedule F, line 8	5.	10,808,5
al S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.	273,789,4

DULE H - 1 COMPUTATION OF THREE FACTOR APPORTIONMENT RATIO

	1. Property Within South Carolina		2. Total Property Everywhe	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Endi
d				
ngs				
ery and Equipment				
entories	See Schedule Attached			
er Property				
lusions	< >	< >	< >	<
TAL (add lines 1 - 5; subtract line 6)				

	1. Within S.C.	2. Total Everywhere	3.
. of Beginning and Ending Period (add line 7a and b and divide by 2)	5,411,698,475	14,225,595,271	
ital or Lease Value	2,835,280	1 [illegible]	
TAL Property Add lines 8 and 9, (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	5,414,533,755	14,414,5[illegible]	37.
OSS Payroll			
ss : Officers Compensation and Exclusions	< >	< >	
TAL Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	271,715,813	802,391,425	33.
TAL Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	1,24[illegible]	4,33[illegible]	2[illegible]
TAL of Three Ratios (add Column 3 - lines 10, 13 and 14)			1[illegible]
thmetical Average of Three Ratios			33.

EDULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In South Carolina	2. Total Everywhere	3.
tal Gross Receipts			
ss: Exclusion	< >	<	
oss Receipts (for ratio)			
tio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			

EDULE H - 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

	Amount
al Within South Carolina	
tal for System	
[illegible] (South Carolina ÷ Total System)	

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

te of this report _____

dress _____

rporated under the laws of the State of _____ on _____

ign Corporation, the date qualified to do business in the State of South Carolina is _____

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

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

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

te commenced business in the State of South Carolina was _____

cation of principal Office (street address) _____

ture of principal business in S.C. Not Applicable

e Corporation's books are in the care of _____

cated at (street address) _____

Professional corporation, are all shareholders, one-half of the directors and all officers (other than the secretary and treasurer

ictice the professional service 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

e total number of issued and outstanding shares of capital stock itemized by class and series, if any, within each class is as fc

NUMBER OF SHARES	CLASS	SERIES

e total amount of stated capital per balance sheet is:

tal paid in Capital Stock..... $ _____

otal paid in Capital Surplus ..... $ _____

Total amount of stated Capital ..... $ _____

e names and business addresses of the directors (or individuals functioning as directors) and principal officers in the Corpor

additional space is necessary, attach a separate schedule).

NAME	BUSINESS ADDRESS AND OFFICE

For additional affiliated corporations duplicate Schedule I as needed.

by South Carolina Department of Revenue and Taxation for Property Tax Purposes	1.		2,
Fee Due: Line 1 x .001	2.		

		Total System (A)	S
Operating Revenues. (Itemize):			
		$	$
Schedule Attached			
Total Operating Revenues	4.	$4,289,328,325	$ 1,
Other Receipts. (Itemize):	5.		
Total Other Receipts	6.	$ 4,289,328,325	$1,
Total Gross Receipts (Add Lines 4 and 6)	7.	[redacted]	1,
Fee Due (Line 7, Column B x .003)	8.		$
Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16 Part II, Page 1)	9.		$

ıth Carolina Code Section 12-19-100

eu of the license fee imposed by Section 12-19-70, there is hereby levied, in addition to any and all other license ta. ;s of whatever kind, a license fee of one mill upon each dollar of the fair market value of property, as determine olina Department of Revenue and Taxation for property tax purposes for the preceding accounting period, ow South Carolina in the conduct of business of every railroad company, express company, street railway compa any, waterworks company, power company, electric cooperative, light company, gas company, telegra phone company, parlor, dining or sleeping car company, tank car company, refrigerating car company and ress car company, and all privately operated car lines. The license fee provided for in this section shall be paid at g of the reports required by this chapter.

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 of v e is levied an annual license fee of three mills upon the gross receipts derived from services rendered from regul. in this state during the calendar year next preceding by every railroad company, express company, street railv gation company, waterworks company, power company, distribution electric cooperative, light company, g graph company, telephone company, parlor, dining, or sleeping car company, tank car company, refrigerating growers express car company, and all other privately operated car lines. However, where a consolidated retur ion 12-7-1570 is filed, the phrase 'the gross receipts derived from services rendered from regulated business' sh s receipts arising from any transactions between any of the separate members of the consolidated return group. T ided for by this section shall be paid at the time of filing the reports required by this chapter. Electric cooperatives se fee imposed by Section 12-19-100 and distribution electric cooperative subject to the license fee provided b file reports pursuant to the provisions of Sections 12-19-20 and 12-19-130.

h Carolina Code Section 12-19-120

o case shall the license fee provided by Sections 12-19-100 and 12-19-110 be less than twenty-five dollars oration.

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

tal license fee cannot be less than twenty-five dollars ($25.00).

INSTRUCTIONS

to SC1120 instructions if Public Utilities 'C' Corporation.

1993 South Carolina Income Tax Return

Statement of Regulated Gross Receipts

	Total	South Carolina	Other
Electric Revenues	$4,281,039,166	$1,231,493,750	$3,049,545,416
Water Revenues	8,289,159	2,461,387	5,827,772
Bus Revenues	0	0	0
Total Regulated Gross Receipts	$4,289,328,325	$1,233,955,137	$3,055,373,188

Function	Federal Tax Depreciation	S.C. Tax Depreciation	I in (d
Furniture & Fixtures	$ 16,150,375	$ 16,150,375	$
EDP Equipment	13,559,808	13,559,808	
Dispatch and Other Computers	2,820,690	2,820,690	
Data Handling Equipment	133,189	133,189	
Other General Plant	9,895,976	9,895,976	
Hydro	67,414,238	67,689,029	(2
Hydro - Structures	1,755,588	1,755,588	
Nuclear	67,037,689	118,165,314	(51,1
Nuclear Fuel	149,556,751	149,556,749	
Nuclear - Structures	4,443,644	4,443,644	
Steam	44,550,188	45,969,027	(1,4
Other Production	1,129,838	1,233,102	(1
Other Production - Structures	258	258	
Steam - Structures	385,821	385,821	
Transmission	41,943,865	42,882,393	(9
Distribution	154,767,414	157,758,927	(2,9
Easements, Relocations & First Clearing	2,704,772	2,704,772	
Leased Structures	359,172	359,172	
Water	1,547,050	1,588,950	(
Structures	12,099,358	12,098,666	
Vehicle	4,034,962	4,034,962	
	$596,290,646	$653,186,412	$(56,8

Deloitte & Touche

TAXPAYER DUKE POWER COMPANY

INSTRUCTIONS FOR FILING

AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1994

To be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of Tax	Total Tax $ Less: payments & credits $ Balance due (overpayment) $(5,510,252)
Overpayment	☒ Refunded to you $5,510,252 ☐ 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	



MISCSTATELTRS

STATE OF SOUTH CAROLINA
PUBLIC UTILITY TAX RETURN
Return is due on or before the 15th day of the 3rd month following the close of the taxable year.

Mail this return to:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC 1120U
(Rev 9/21/00) 3097

PLACE PEEL-OFF LABEL HERE

AS AMENDED TAXPAYER ID INFORMATION

S.C. FILE # 20090024 - 9

RETURN FOR PERIOD ENDING DECEMBER 31, 1994

FED E.I.# 56-0205520

NAME DUKE POWER COMPANY
MAILING ADDRESS MAIL CODE PB05B
CITY CHARLOTTE STATE NC ZIP CODE 28242

Change of Address ☐

A COMPLETE COPY OF FEDERAL RETURN MUST 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: CHARLOTTE, NC

State

Telephone Number:
(704) 382-8175

14-0601

PART I COMPUTATION OF INCOME TAX LIABILITY

1.	Federal ordinary income (loss) per Federal Form 1120, 1120A or 1120S	1.	621,732,766
2.	Net Adjustment from line 12, Schedule A and B	2.	17,812,524
3.	Total Net Income as Reconciled (line 1 plus or minus line 2)	3.	639,545,290
4.	If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3.	4.	98,617,912
5.	LESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	< 0 >
6.	South Carolina Net Income subject to tax (line 4 less line 5)	6.	98,617,912
7.	TAX: Multiply amount on line 6 by .05 (5.0%)	7.	4,930,895
8.	Non-Refundable credits from line 3, Schedule C	8.	
9.	Balance of tax (line 7 less line 8) Enter the difference but not less than zero	9.	4,930,895
10.	Payments: (a) Tax Withheld (see instructions) _____ (b) Paid by Declaration _____ (c) Paid with Tentative Return _____ (d) Credit from line 24b _____		
11.	Total Payments (add lines 10a through 10d) AS REPORTED	11.	10,441,148
12.	Balance of Tax Due (line 9 less line 11)	12.	(5,510,252)
13.	Interest Due _____ Penalty Due _____ (See instructions for penalty and interest.)	13.	
14.	TOTAL INCOME TAX, Interest and Penalty Due (add lines 12 and 13)	14.	
15.	OVERPAYMENT (line 11 less line 9) _____ To be applied as follows: (a) Estimated Tax _____ (b) License Fee _____ (c) Refunded		5,510,252

PART II COMPUTATION OF LICENSE FEE

16.	Total License Fee Due from Schedule K, line 9, on page 5	16.	
17.	Section 12-20-105 credit (see instructions)	17.	
18.	Total License Fee Due (subtract line 17 from line 16 but not less than zero)	18.	
19.	Payments: (a) Paid with Tentative Return _____ (b) Credit from line 15b _____		
20.	Total Payments (add line 19(a) and (b))	20.	
21.	Balance of Fee Due (line 18 less line 20)	21.	
22.	Interest Due _____ Penalty Due _____ (See instructions for penalty and interest.)	22.	
23.	TOTAL LICENSE FEE, Interest and Penalty Due (add lines 21 and 22)	23.	
24.	OVERPAYMENT (line 20 less line 18) _____ To be applied as follows: (a) Estimated Tax _____ (b) Income Tax _____ (c) Refunded		
25.	GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 23)	25.	

COPY

Make check payable to: South Carolina Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

Signature of officer _____ Date 12/21/2001 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

Paid Preparer's Use Only

Preparer's signature _____ Date 12/11/2002 Check if self-employed ☐ Preparer's telephone number (412) 338-7200

Firm's name (or yours if self-employed) and address: DELOITTE AND TOUCHE LLP, 2500 ONE PPG PLACE, PITTSBURGH, PA

E.I. No. 13-3891517

ZIP Code 15222

STF SC42731F.1

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income ..... 1.
2. Federal Net Operating Loss ..... 2.
3. _____ 3.
_____ 4.
5. Other Additions (attach schedule) ..... 5.
6. Total Additions (add lines 1 through 5) ..... 6.

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S. ..... 7.
8. _____ 8.
9. _____ 9.
10. Other Deductions (attach schedule) ..... 10.
11. Total Deductions (add lines 7 through 10) ..... PER AUDIT ADJUSTMENTS 11.
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U ..... ATTACHED 12. 17,812,524

SCHEDULE C — NON-REFUNDABLE TAX CREDITS

1. Total Credits (from Schedule I) ..... 1.
2. Tax (line 7, Part I, SC1120U) ..... 2.
3. Lesser of line 1 or 2 (enter on line 8, SC1120U) ..... 3.
4. Credit Carryover (line 1 less line 3) ..... 4.

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 11/27/63
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 2/24/64
5. Location of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD
   In the City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
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 _____
   Location of principal executive office (street address) 84 VILLA ROAD; GREENVILLE, SOUTH CAROLINA
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of CONTROLLER
   Located at (street address) 422 SOUTH CHURCH STREET, CHARLOTTE, NC 28242
10. If filing consolidated, complete and attach Schedule J for each corporation listed in the consolidation.
11. 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

12. 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

13. 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 separate schedule).

NAME	BUSINESS ADDRESS AND OFFICE

AMENDED

STF SC42731F.2

SCHEDULES F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE ORGANIZATIONS

SCHEDULE E RESERVED

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct. to SC 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/losses on real property						
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED			(2,312,429)			
8. INCOME DIRECTLY ALLOCATED TO S.C.				(389,825)		
9. TOTALS TO APPORTIONMENT FACTORS						

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR ORGANIZATIONS CLAIMING MULTI-STATE OPERATIONS

1. Total net income as reconciled. Enter amount from line 3, Page 1	1.	639,545,290
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	(2,312,429)
3. Total net income subject to apportionment (line 1 less line 2)	3.	641,857,719
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2, or 3 and enter result here	4.	99,007,837
5. Add: Income subject to direct allocation to S.C. from Schedule F, line 8	5.	(389,825)
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Page 1	6.	98,617,912

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				
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 Sales (same as line 14)			%
16. TOTAL of Ratios (add Column 3 - lines 10, 13, 14 and 15)			%
17. Arithmetical Average of Ratios			%

SCHEDULE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In S.C.	2. Total Everywhere	3. Ratio
1. Total Gross Receipts			
2. Less: Exclusion (see instructions)	< >	< >	
3. Gross Receipts (for ratio)	1,236,817,084	8,018,173,939	
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			15.4252 %

SCHEDULE H-3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

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

SCHEDULE I 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 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE POWER COMPANY S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. _____
3. Address _____
4. Incorporated under the laws of the State of NORTH CAROLINA on 11/27/63
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 GREENVILLE and Registered Agent at such address is _____
7. Was the name of the Corporation changed during the year? NO Give old name _____
8. Date commenced business in the State of South Carolina was 2/24/64
9. Location of principal office (street address) _____
   Nature of principal business in S.C. ELECTRIC UTILITY
10. The Corporation's books are in the care of CONTROLLER
    Located at 422 SOUTH CHURCH STREET, CHARLOTTE, NORTH CAROLINA 28242
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
300,000,000	NO PAR	COMMON

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 (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) ..... $ _____
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 separate schedule).

NAME	BUSINESS ADDRESS AND OFFICE

For additional affiliated corporations duplicate Schedule J as needed.

STF SC42731F.4

AMENDED

SCHEDULE K 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 for Property Tax Purposes	1.	
2. Fee Due: Line 1 × .001	2.	

		Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):			
		$	$
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 × .003)	8.		$
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16, Part II, Page 1)	9.		$

Excerpts from 2000 Code of Laws as Amended
Code Section 12-20-100 as amended for taxable years beginning after 1995.

(A) In the place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigation company, waterworks 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:

(1) one dollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and used within this state in the conduct of business as determined by the department for property tax purposes for the preceding taxable year; and (2) three dollars for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered from regulated business within this state during the preceding taxable year, except that with regard to electric cooperatives, only distribution electric cooperatives are subject to the gross receipts portion of the license fee under this subitem.

(B) The minimum license fee under this section is $25.

NEW INFORMATION

1. South Carolina has updated income tax laws to conform with the Internal Revenue Code of 1986, as amended through December 31, 1999, including the effective dates.
2. The line 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 "infrastructure" for an eligible project has been expanded to include industrial shell buildings and the purchase of land for an office, business or industrial park.
3. Effective June 30, 1999, notwithstanding the statute of limitations, the time allotted for requesting a corporate refund has been extended from thirty days to ninety days from the date the Internal Revenue Service changes the taxable income.
4. The signature section of the return contains a new area for the preparer's telephone number.

INSTRUCTIONS

Line 17 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 setting forth the name of the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amounts in cash that were 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 maximum credit for a 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 tax year. For more information see SC Revenue Ruling #96-11.

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

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

DUKE POWER COMPANY
FED S. [illegible]
PERIOD 1978-1993

AUDITORS: SOUTHERLAND/[illegible]
DATE: [illegible]

SC COMPUTATION OF NET INCOME & TAX

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
NET INCOME PER US 1120	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
[illegible]									[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
RAR ADJUSTMENTS PER EXHIBIT I SCH [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0	0	0	0	0	0	0	0	0
ADJUSTED FED NET INCOME	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
SC ADJUSTMENTS PER SCH B	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
STATE ADJUSTED INCOME	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
SC ADJUSTMENTS PER SCH [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
APPORTIONABLE INCOME AS ADJUSTED	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
SC RATIO PER RETURN OR SCH A	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
INCOME APPORTIONED TO SC	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
ALLOCABLE TO SC PER SCH [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
TOTAL SC NET INCOME	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
SC CONTRIBUTIONS	[illegible]	[illegible]			[illegible]												
SC NET INCOME	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
SC NOL							[illegible]										
SC TAXABLE NET INCOME	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
TAX RATE	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
TAX DUE	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
TAX PREVIOUSLY PAID	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	
UNDERPAYMENT/(OVERPAYMENT)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

4793

AMENDED

DES00011144

AMENDED

4794

DES00011145

AMENDED

4795

DES0011146

AS AMENDED

STATE OF SOUTH CAROLINA
PUBLIC UTILITY TAX RETURN

SC1120U
(Rev. 10/94) 3097

Mail This Return To:
SC DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

Return For
Period Ending 12/31/94-INCOME; 12/31/95-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, 1120 A or 1120S AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN

Extension Requested: Yes X No ____

Type of SC Return: Separate X
Consolidated ____

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

NAME AND ADDRESS
DUKE POWER COMPANY
MAIL CODE PB05B
CHARLOTTE NC 28242-0001

RETURN DUE ON OR BEFORE
3/15/1995

County in SC Where Property is located:
VARIOUS

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?
X yes ____ no

56-0205520 Employer Identification No.
4911 Business Code
20090024-9 File Number

City CHARLOTTE Audit Location State NC

Telephone Number: (704) 382-8175

For Office Use Only

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal ordinary income (loss) Per Federal Form 1120, 1120A or 1120S	▶	1.	631,783,561
2. Net Adjustment from line 12, Schedule A and B		2.	7,761,729
3. Total Net Income As Reconciled (line 1 plus or minus line 2)	▶	3.	639,545,290
4. If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	▶	4.	208,822,957
5. LESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable		5.	<0>
6. South Carolina Net Income subject to tax (line 4 less line 5)	▶	6.	208,822,957
7. TAX: Multiply amount on line 6 by .05 (5.0%)		7.	10,441,148
8. Non-Refundable credits from line 5, Schedule C	▶	8.	422,400
9. Balance of tax (line 7 less line 8) enter the difference but not less than zero.		9.	10,018,748
10. Payments: (a) Tax Withheld (see instructions) ____ (b) Paid by Declaration ____ (c) Paid with Tentative Return ____ (d) Credit from line 22b ____			
11. Total Payments (add lines 10a through 10d)		11.	10,441,148
12. Balance of Tax Due (line 9 less line 11)	▶	12.	(422,400)
13. Interest Due ____ Penalty Due ____ (See instructions for penalty and interest.)	▶	13.	0
14. TOTAL INCOME TAX, Interest and Penalty, Due (add lines 12 and 13)		14.	(422,400)
15. OVERPAYMENT (line 11 less line 9) ____ To be applied as follows: (a) Estimated Tax ▶ ____ (b) License Fee ▶ ____ (c) Refunded ▶			422,400

PART II COMPUTATION OF LICENSE FEE

16. Total License Fee Due from Schedule J, line 9, on page 5	▶	16.	5,577,023
17. Payments: (a) Paid with Tentative Return ____ (b) Credit from line 15b ____			
18. Total Payments (add line 17 (a) and (b))		18.	6,048,591
19. Balance Of Fee Due (line 16 less line 18)	▶	19.	(471,568)
20. Interest Due ____ Penalty Due ____ (See instructions for penalty and interest.)	▶	20.	0
21. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 19 and 20)		21.	(471,568)
22. OVERPAYMENT (line 18 less line 16) ____ To be applied as follows: (a) Estimated Tax ▶ ____ (b) Income Tax ▶ ____ (c) Refunded ▶			471,568
23. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)		23.	(893,968)

Make checks payable to: South Carolina Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

▶ Signature of officer ____ Date ____ ▶ Title ____

Paid Preparer's Use Only

Preparer's signature ▶ ____ Date ____ Check if self-employed ▶ ☐ Preparer's social security no. ____

Firm's name (or yours if self-employed) and address ▶ DELOITTE AND TOUCHE LLP
2500 ONE PPG PLACE
Pittsburgh, PA 15222

E.I. No. ▶13-3891517
Zip code ▶15222

AS ORIGINALLY FILED

DES00011147

SCHEDULE A AND B ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	47,906,947	
2. Federal Net Operating Loss	2.		
3. INTEREST FROM STATE&LOCAL OBLIGATIONS	3.	855,604	
4.	4.		
5. Other Additions (attach schedule)	5.	1,328,921	
6. Total Additions (add lines 1 through 5)			6. 50,091,472

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.	22,990	
8.	8.		
9.	9.		
10. Other Deductions (attach schedule)	10	42,306,753	
11. Total Deductions (add lines 7 through 10)			11. 42,329,743
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U			12. 7,761,729

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) South Carolina New Jobs Credit (TC-4)	d.	422,400	
(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)			3. 422,400
4. Tax (line 7, Part I, SC1120U)			4. 10,277,346
5. Lesser of line 3 or 4 (enter on line 8, Part I, SC1120U)			5. 422,400
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 9/15/95 Fed. E.I No. 56-0205520
3. Incorporated under the Laws of the State of NC on 5/01/17
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 2/24/63
5. Location of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD in the City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
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 2/24/63
8. Location of principal executive office (street address)
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of JEFFREY BOYER
   Located at (street address) 422 SOUTH CHURCH STREET; CHARLOTTE, NC
10. If filing consolidated, complete and attach Schedule I for each corporation listed on 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	
24,000,000	PREFERRED	

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
204,859,339	COMMON	
12,610,000	PREFERRED	

14. 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

AS ORIGINALLY FILED

SCHEDULES F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

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 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
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains/losses on real property						
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED						
8. INCOME DIRECTLY ALLOCATED TO S.C.						
9. TOTALS TO APPORTIONMENT FACTORS						

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.	
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	(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)			
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			%

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)		%

SAME AS ORIGINALLY FILED RETURN

AS ORIGINALLY FILED

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.	2,369,047,619
2. Fee Due: Line 1 x .001	2.	2,369,048

		Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):			
		$ 4,286,791,093	$1,069,325,135
4. Total Operating Revenues	4.	$ 4,286,791,093	$1,069,325,135
5. Other Receipts, (Itemize):	5.		
6. Total Other Receipts	6.	$	$
7. Total Gross Receipts (Add Lines 4 and 6)	7.		1,069,325,135
8. Fee Due (Line 7, Column B x .003)			8. $ 3,207,975
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16 Part II, Page 1)			9. $ 5,577,023

South Carolina Code Section 12-19-100 (As amended for license tax years beginning after May 10, 1994.)

In lieu of the license fee imposed by Section 12-19-70, there is levied, in addition to any 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 for property tax purposes for the preceding accounting period, owned and used within South Carolina in the conduct of business of 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 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 (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 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 express company, street railway company, navigation company, waterworks company, power company, distribution electric cooperative, light company, gas company, telegraph company, and telephone company. 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' 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 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.

AS ORIGINALLY FILED

DUKE ENERGY CORPORATION
SOUTH CAROLINA LICENSE TAX FOR UTILITIES

	1995
Receipts Reported on Original Return	1,226,514,402
Less: Sales for Resale	(138,274,791)
Less: Rents	(10,850,563)
Less: Water Revenues	(5,676,123)
Less:Forfeited Discounts	(1,848,190)
Less: Bad Debt	
Less: Interdepartmental rents	
Less: Misc. Service Revenue/Other Electric Revenues	
Less: Interdepartmental sales	(539,600)
Adjusted Receipts	1,069,325,135

AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

NEW JOBS CREDIT

Effective for taxable years beginning after 1995.
(ATTACH TO RETURN)

SC SCH. TC 4
(Rev. 9/97)
3117

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY YORK

MONTH	19 88 PRIOR YEAR	19 89 YEAR 1	19 90 YEAR 2	19 91 YEAR 3	19 92 YEAR 4	19 93 YEAR 5	19 94 YEAR 6
1 JANUARY	871	1,019	1,073	1,323	1,869	2,084	1,986
2 FEBRUARY	884	1,023	1,092	1,371	1,890	2,077	1,971
3 MARCH	898	1,026	1,110	1,419	1,910	2,069	1,957
4 APRIL	911	1,029	1,128	1,466	1,930	2,061	1,943
5 MAY	924	1,032	1,147	1,514	1,950	2,054	1,928
6 JUNE	937	1,036	1,165	1,562	1,971	2,046	1,914
7 JULY	950	1,039	1,183	1,610	1,991	2,038	1,900
8 AUGUST	963	1,042	1,202	1,658	2,011	2,031	1,885
9 SEPTEMBER	977	1,045	1,220	1,706	2,031	2,023	1,871
10 OCTOBER	990	1,049	1,238	1,753	2,052	2,015	1,857
11 NOVEMBER	1,003	1,052	1,257	1,801	2,072	2,008	1,842
12 DECEMBER	1,016	1,055	1,275	1,849	2,092	2,000	1,828
LINE 1: TOTAL EMPLOYEES	11,323	12,446	14,090	19,031	23,768	24,506	22,882
LINE 2: DIVIDED BY: NUMBER OF MONTHS IN OPERATION	12	12	12	12	12	12	12
LINE 3: MONTHLY AVERAGE OF FULL TIME EMPLOYEES	943.58	1,037.13	1,174.17	1,585.92	1,980.63	2,042.17	1,906.83
LINE 4: LESS: PREVIOUS YEAR AVERAGE	858.42	943.58	1,037.13	1,174.17	1,585.92	1,980.63	2,042.17
LINE 5: AVERAGE INCREASE IN FULL TIME EMPLOYEES	85	93	137	411	394	61	(135)

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
HISTORY: 1988 INCREASE	85	85	85	85	
LINE 6: YEAR 1 INCREASE	93	93	93	93	93
LINE 7: YEAR 2 INCREASE		137	137	137	137
LINE 8: YEAR 3 INCREASE			411	411	411
LINE 9: YEAR 4 INCREASE				394	320
LINE 10: YEAR 5 INCREASE					0
LINE 11: YEAR 6 INCREASE					
LINE 12: NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	178	315	726	1,120	961
LINE 13: AMOUNT OF CREDIT PER EMPLOYEE	300	300	300	300	300
LINE 14: ELIGIBLE CREDIT (multiply line 12 by line 13)	53,400	94,500	217,800	336,000	288,300
LINE 15: UNUSED NEW JOBS CREDIT CARRYOVER	0	0	0	0	0
LINE 16: TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	53,400	94,500	217,800	336,000	288,300
LINE 17: TAX LIABILITY (from appropriate line of tax return)	9,025,256	8,609,020	10,436,784	14,100,497	10,277,346
LINE 18: MAX. TENTATIVE CREDIT (50% line 17)	4,512,628	4,304,510	5,218,392	7,050,249	5,133,673
LINE 19: ENTER the lesser of line 16 or 18	53,400	94,500	217,800	336,000	288,300

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AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

NEW JOBS CREDIT

Effective for taxable years beginning after 1995.
(ATTACH TO RETURN)

SC SCH. TC 4
(Rev. 9/97)
3117

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 94 19 ____

MONTH	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1 JANUARY	1,431	1,449	1,693	1,747	2,062	1,944	
2 FEBRUARY	1,430	1,471	1,695	1,776	2,053	1,932	
3 MARCH	1,430	1,493	1,698	1,806	2,043	1,920	
4 APRIL	1,430	1,515	1,700	1,835	2,033	1,907	
5 MAY	1,429	1,537	1,702	1,865	2,024	1,895	
6 JUNE	1,429	1,559	1,704	1,895	2,014	1,883	
7 JULY	1,429	1,581	1,706	1,924	2,004	1,871	
8 AUGUST	1,428	1,603	1,708	1,954	1,995	1,859	
9 SEPTEMBER	1,428	1,625	1,711	1,983	1,985	1,847	
10 OCTOBER	1,428	1,647	1,713	2,013	1,975	1,834	
11 NOVEMBER	1,427	1,669	1,715	2,042	1,966	1,822	
12 DECEMBER	1,427	1,691	1,717	2,072	1,956	1,810	
LINE 1: TOTAL EMPLOYEES	17,146	18,840	20,461	22,912	24,110	22,523	
LINE 2: DIVIDED BY: NUMBER OF MONTHS IN OPERATION	12	12	12	12	12	12	
LINE 3: MONTHLY AVERAGE OF FULL TIME EMPLOYEES	1,428.83	1,570.00	1,705.08	1,909.29	2,009.17	1,876.92	
LINE 4: LESS: PREVIOUS YEAR AVERAGE		1,428.83	1,570.00	1,705.08	1,909.29	2,009.17	
LINE 5: AVERAGE INCREASE IN FULL TIME EMPLOYEES		141	135	204	99	(132)	

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
LINE 6: YEAR 1 INCREASE	141	141	141	141	
LINE 7: YEAR 2 INCREASE		135	135	135	
LINE 8: YEAR 3 INCREASE			204	171	
LINE 9: YEAR 4 INCREASE				0	
LINE 10: YEAR 5 INCREASE					
LINE 11: YEAR 6 INCREASE					
LINE 12: NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	141	276	480	447	
LINE 13: AMOUNT OF CREDIT PER EMPLOYEE	300	300	300	300	
LINE 14: ELIGIBLE CREDIT (multiply line 12 by line 13)	42,300	82,800	144,000	134,100	
LINE 15: UNUSED NEW JOBS CREDIT CARRYOVER	0	0	0	0	
LINE 16: TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	42,300	82,800	144,000	134,100	
LINE 17: TAX LIABILITY (from appropriate line of tax return)	8,609,020	10,436,784	14,100,497	10,277,346	
LINE 18: MAX. TENTATIVE CREDIT (50% line 17)	4,304,510	5,218,392	7,050,249	5,138,673	
LINE 19: ENTER the lesser of line 16 or 18	42,300	82,800	144,000	134,100	

STF SC2043SF

AS ORIGINALLY FI...

DES00011153

DUKE POWER COMPANY
FILE #: 20090024
PERIOD: 1978-1993

RECOMPUTATION OF NET INCOME & TAX	1994
NET INCOME PER US1120	
Final 1986-1994 audit adjustments	10,050,795
RAR ADJUSTMENTS PER EXHIBIT 1 SCH 1	0
ADJUSTED FED NET INCOME	
SC ADJUSTMENTS PER SCH 6	
STATE ADJUSTED INCOME	
SC ADJUSTMENTS PER SCH 7	
APPORTIONABLE INCOME AS ADJUSTED	
SC RATIO PER RETURN OR SCH A	32.5949%
INCOME APPORTIONED TO SC	
ALLOCABLE TO SC PER SCH 7	
TOTAL SC NET INCOME	
SC CONTRIBUTIONS	
SC NET INCOME	
SC NOL	
SC TAXABLE NET INCOME	
TAX RATE	
TAX DUE	
TAX PREVIOUSLY PAID	
UNDERPAYMENT <OVERPAYMENT>	163,802

AS ORIGINALLY FILED

AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA
PUBLIC UTILITY TAX RETURN

SC1120U
(Rev. 10/94) 3097

Mail This Return To:
SC DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

Return For
Period Ending December 31, 1994

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, 1120 A o 1120S AND SUPPORTING SCHEDULE: MUST BE ATTACHED AND MADE PART OF 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:
Various

Did any of the corporations in this Return have an property presumed abandoned under Chapter 1 Title 27 of the South Carolina Code of Laws, 1976? X yes ____ no

NAME AND ADDRESS

DUKE POWER COMPANY
422 South Church Street
Charlotet, NC 28242-0001

RETURN DUE ON OR BEFORE
3/15/95

City: Charlotte — Audit Location — State: NC

Telephone Number: (704) 387-8175

56-0205520 Employer Identification No. — Business Code 4911 — File Number 20090024-9

For Office Use Only

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal ordinary income (loss) Per Federal Form: 1120, 1120A or 1120S	1.	621,732,766
2. Net Adjustment from line 12, Schedule A and B	2.	7,761,729
3. Total Net Income As Reconciled (line 1 plus or minus line 2)	3.	629,494,495
4. If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	4.	205,546,910
5. LESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	< >
6. South Carolina Net Income subject to tax (line 4 less line 5)	6.	205,546,910
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7.	10,277,346
8. Non-Refundable credits from line 5, Schedule C	8.	
9. Balance of tax (line 7 less line 8) enter the difference but not less than zero.	9.	10,277,346
10. Payments: (a) Tax Withheld (see instructions) ____ (b) Paid by Declaration 12,702,334 (c) Paid with Tentative Return 100,000 (d) Credit from line 22b ____		
11. Total Payments (add lines 10a through 10d)	11.	12,802,334
12. Balance of Tax Due (line 9 less line 11)	12.	NONE
13. Interest Due ____ Penalty Due ____ (See instructions for penalty and interest.)	13.	
14. TOTAL INCOME TAX, Interest and Penalty, Due (add lines 12 and 13)	14.	
15. OVERPAYMENT (line 11 less line 9) 2,524,988 To be applied as follows: (a) Estimated Tax 2,524,988 (b) License Fee ____ (c) Refunded ____		

PART II COMPUTATION OF LICENSE FEE

16. Total License Fee Due from Schedule J, line 9, on page 5	16.	6,048,591
17. Payments: (a) Paid with Tentative Return 6,048,591 (b) Credit from line 15b ____		
18. Total Payments (add line 17 (a) and (b))	18.	6,048,591
19. Balance Of Fee Due (line 16 less line 18)	19.	NONE
20. 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.	NONE
22. OVERPAYMENT (line 18 less line 16) ____ To be applied as follows: (a) Estimated Tax ____ (b) Income Tax ____ (c) Refunded ____		
23. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)	23.	

Make checks payable to: South Carolina Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

Signature of officer: Rick J. Thomas — Date: 9/15/95 — Title: SVP & CFO

Paid Preparer's Use Only

Preparer's signature ____ Date ____ Check if self-employed ☐ Preparer's social security no ____

Firm's name (or yours if self-employed) and address ____ E.I. No. ____ Zip code ____

AS ORIGINALLY FILED

DUKE 03/14/95 16:18:27 V2.02
DUKE POWER COMPANY 56-0205520

STATE OF SOUTH CAROLINA SC1120-T
Rev. 7/93i 2096

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

Return for the Period Ending 12/31/94

SC FILE NO. 20090024-9

FED ID NO. 56-0205520

Return extended to 09/15/95

Signature [signature] Date 3/14/95

DUKE POWER COMPANY
422 SOUTH CHURCH STREET
CHARLOTTE, NC 28242-0001
Corporate name and mailing address

Complete all blank areas.

1.	Tentative Tax Based on Net Income	12,802,334.
2.	LESS: Estimated Tax Payments	12,702,334.
3.	Tentative Tax Due ▶	100,000.
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) ▶	6,048,591.
5.	Balance Remitted	6,148,591.

Corporation Taxation Columbia, SC 29214-0006

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AS ORIGINALLY FILED

454581 2.000

SCHEDULE A AND B ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1. 47,906,947	
2. Federal Net Operating Loss	2.	
3. Interest From State & Local Obligations	3. 855,604	
4.	4.	
5. Other Additions (attach schedule) See Statement 1	5. 1,328,921	
6. Total Additions (add lines 1 through 5)		6. 50,091,472

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7. 22,990	
8.	8.	
9.	9.	
10. Other Deductions (attach schedule) See Statement 1	10. 42,306,753	
11. Total Deductions (add lines 7 through 10)		11. 42,329,743
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U		12. 7,761,729

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) 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))		3.
4. Tax (line 7, Part I, SC1120U)		4.
5. Lesser of line 3 or 4 (enter on line 8, Part I, SC1120U)		5.
6. Credit Carryover (line 3 less line 5)		6.

SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation DUKE POWER COMPANY
2. Date of this Report 9/15/95 Fed. E.I. No. 56-0205520
3. Incorporated under the Laws of the State of NC on 5/01/17
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 2/24/63
5. Location of the Registered Office of the Corporation in the State of South Carolina is 84 Villa Road
   In the City of Greenville Registered Agent at such address is John F. Lomax
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 2/24/63
8. Location of principal executive office (street address) See Statement 1
   Nature of principal business in S.C. Electric Utility
9. The Corporation's books are in the care of Jeffrey Boyer
   Located at (street address) 422 S. Church Street, Charlotte, NC
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	–
1,500,000	Preference Stock	–
12,500,000	Preferred Stock	–
10,000,000	Preferred Stock A	–

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
204,859,339	Common	–
7,650,000	Preferred Stock A	–
4,960,000	Preferred Stock	–

14. 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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE
SEE STATEMENT 1	

AS ORIGINALLY FILED

SCHEDULES F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

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 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
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains/losses on real property	(2,312,429)		(2,312,429)	(389,925)		
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED			(2,312,429)			
8. INCOME DIRECTLY ALLOCATED TO S.C.				(389,925)		
9. TOTALS TO APPORTIONMENT FACTORS						

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.	629,494,495
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	(2,312,429)
3. Total net income subject to apportionment (line 1 less line 2)	3.	631,806,924
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.	205,936,835
5. Add: Income subject to direct allocation to S.C. from Schedule F, line 8	5.	(389,925)
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.	205,546,910

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	2,248,964	2,261,712	8,704,438	10,555,771
5. Other Property	4,955,878,839	5,130,438,526	13,607,016,611	14,129,138,762
6. Exclusions	< >	< >	< >	< >
7. TOTAL (add lines 1 - 5; subtract line 6)	4,958,127,803	5,132,700,238	13,615,721,049	14,139,694,533
		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)		5,045,414,021	13,877,707,791	
9. Rental or Lease Value		2,155,880	37,124,320	
10. TOTAL Property (Add lines 8 and 9. (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)		5,047,569,901	13,914,832,111	36.2747 %
11. GROSS Payroll		285,374,079	875,033,011	
12. Less : Officers Compensation and Exclusions		< 496,287 >	< 9,161,063>	
13. TOTAL Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)		284,877,792	865,871,948	32.9007 %
14. TOTAL Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)		1,236,817,084	4,323,173,919	28.6093 %
15. TOTAL of Three Ratios (add Column 3 - lines 10, 13 and 14)				97.7847 %
16. Arithmetical Average of Three Ratios				32.5949 %

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)			
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			%

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)		%

AS ORIGINALLY FILED

SCHEDULE I CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name _____ 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 t
    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

For additional affiliated corporations duplicate Schedule I as needed.

AS ORIGINALLY FILED

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 for Property Tax Purposes	1.	2,369,047,61[illegible]
2. Fee Due: Line 1 x .001	2.	2,369,04[illegible]

		Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues. (Itemize):			
Electric		$ 4,278,525,013	$ 1,220,838,279
Water		8,266,080	5,676,123
4. Total Operating Revenues	4.	$ 4,286,791,093	$ 1,226,514,402
5. Other Receipts. (Itemize):	5.		
6. Total Other Receipts	6.	$	$
7. Total Gross Receipts (Add Lines 4 and 5)	7.		1,226,514,402
8. Fee Due (Line 7. Column B x .003)	8.		$ 3,679,543
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16 Part II. Page 1)	9.		$ 6,048,591

South Carolina Code Section 12-19-100 (As amended for license tax years beginning after May 10, 1994.)

In lieu of the license fee imposed by Section 12-19-70, there is levied, in addition to any 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 for property tax purposes for the preceding accounting period, owned and used within South Carolina in the conduct of business of 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 in this section must be paid at the time of the filing of the reports required by this chapter.

South 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 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 express company, street railway company, navigation company, waterworks company, power company, distribution electric cooperative, light company, gas company, telegraph company, and telephone company. 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' 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 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.

AS ORIGINALLY FILED

South Carolina SC1120, Page 2 Detail

Sch D, Line 8 - Location of Principal Office

84 VILLA RD
GREENVILLE,SC

Sch D, Line 9 - Location of Books

422 SOUTH CHURCH STREET
CHARLOTTE, NC 28242

Sch A, Line 5 - Other additions

ENVIRONMENTAL TAX	1,328,921.
Total	1,328,921.

Sch B, Line 10 - Other deductions

SC EXCESS DEPRECIATION OVER FEDERAL	42,306,753.
Total	42,306,753.

Sch D, Line 15 - Directors and Principal Officers in the Corporation

Name	Business Address	Office
William H. Grigg	422 S. Church Street Charlotte, NC 28242	CEO
Richard B. Priory	422 S. Church Street Charlotte, NC 28242	President
William A. Coley	422 S. Church Street Charlotte, NC 28242	President
Steve C. Griffith, Jr.	422 S. Church Street Charlotte, NC 28242	VChairman
Richard Osborne	422 S. Church Street Charlotte, NC 28242	Sr VP
Donald Denton, Jr.	422 S. Church Street Charlotte, NC 28242	Sr. VP
Michael Tuckman	422 S. Church Street Charlotte, NC 28242	Sr. VP
Fred E. West, Jr	422 S. Church Street Charlotte, NC 28242	VP

Continued on next page

South Carolina SC1120, Page 2 Detail

Sch D, Line 15 - Directors and Principal Officers in the Corporation (Cont'd)

Excell Ferrell, III	422 S. Church Street Charlotte, NC 28242	VP
William R Stimart	422 S. Church Street Charlotte, NC 28242	VP
Robert S. Lilien	422 S. Church Street Charlotte, NC 28242	VP
Jimmy R. Hicks	422 S. Church Street Charlotte, NC 28242	VP
John F. Lomax	422 S. Church Street Charlotte, NC 28242	VP
Maurice McIntosh	422 S. Church Street Charlotte, NC 28242	VP
T. C. McMeekin	422 S. Church Street Charlotte, NC 28242	VP
James E. Grogan	422 S. Church Street Charlotte, NC 28242	VP
James Hampton	422 S. Church Street Charlotte, NC 28242	VP
James D. Hinton	422 S. Church Street Charlotte, NC 28242	VP
David L. Rehn	422 S. Church Street Charlotte, NC 28242	VP
David L. Hauser	422 S. Church Street Charlotte, NC 28242	VP
J. W. Hillhouse, Jr.	422 S. Church Street Charlotte, NC 28242	VP
John P. Holland	422 S. Church Street Charlotte, NC 28242	VP
Ronald L. Gibson	422 S. Church Street Charlotte, NC 28242	VP
William F. Reinke	422 S. Church Street Charlotte, NC 28242	VP
Donald E. Hatley	422 S. Church Street Charlotte, NC 28242	VP
Christopher Rolfe	422 S. Church Street Charlotte, NC 28242	VP
Sharon A. Decker	422 S. Church Street Charlotte, NC 28242	VP
Barbara B. Orr	422 S. Church Street Charlotte, NC 28242	VP
F. Alfred Jenkins	422 S. Church Street Charlotte, NC 28242	VP
David H. Maner	422 S. Church Street Charlotte, NC 28242	VP
James R. Bavis	422 S. Church Street Charlotte, NC 28242	VP
William Robertson, Jr.	422 S. Church Street Charlotte, NC 28242	VP

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AS ORIGINALLY FILED

South Carolina SC1120, Page 2 Detail

Sch D, Line 15 - Directors and Principal Officers in the Corporation (Cont'd)

Ellen T. Ruff	422 S. Church Street Charlotte, NC 28242	Secretary
Sue A. Becht	422 S. Church Street Charlotte, NC 28242	Treasurer
William S. Lee	422 S. Church Street Charlotte, NC 28242	CEO
William H. Grigg	422 S. Church Street Charlotte, NC 28242	Director
Steve C. Griffith, Jr.	422 S. Church Street Charlotte, NC 28242	Director
William A. Coley	422 S. Church Street Charlotte, NC 28242	Director
Richard B. Priory	422 S. Church Street Charlotte, NC 28242	Director
G. Alex Bernhardt	422 S. Church Street Charlotte, NC 28242	Director
Crandall C. Bowles	422 S. Church Street Charlotte, NC 28242	Director
Robert J. Brown	422 S. Church Street Charlotte, NC 28242	Director
Paul H. Henson	422 S. Church Street Charlotte, NC 28242	Director
George Dean Johnson, Jr.	422 S. Church Street Charlotte, NC 28242	Director
James V. Johnson	422 S. Church Street Charlotte, NC 28242	Director
W. W. Johnson	422 S. Church Street Charlotte, NC 28242	Director
Dr. Max Lennon	422 S. Church Street Charlotte, NC 28242	Director
James G. Martin	422 S. Church Street Charlotte, NC 28242	Director
Buck Mickel	422 S. Church Street Charlotte, NC 28242	Director
Russell M. Robinson, II	422 S. Church Street Charlotte, NC 28242	Director

AS ORIGINALLY FILED

South Carolina Footnote:

DUKE POWER COMPANY

ADR ELECTION

Taxpayer elects to compute depreciation on the Class Life Asset Depreciation Range system for the Tax Year 1994 in accordance with Section 1.167(a)-11 of the regulations.

REPAIR ALLOWANCE ELECTION

Taxpayer elects repair allowance for GLC 49.14 in accordance with Section 167(a)-11(f)(2)(v) of the regulations.

CLASS LIFE ELECTION

Taxpayer elects to compute depreciation on the Class Life System for the Tax Year 1994 in accordance with Section 1.167(a)-12 of the regulations.

South Carolina Footnote:

ELECTION UNDER SECTION 468A

These elections are made for the Taxable year 1994.

Separate elections are made to cover the following nuclear decommissioning funds:

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
Oconee Nuclear Station - Unit 1 Seneca, S.C.	Duke Power Company master Decommissiong Trust for Oconee Nuclear Station - Unit 1	56-6373358

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of the regulation 1.468A-2 for a prior taxable year were $ 3,826,503.

The amount of cash payments deemed made to the nuclear decommissioning fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 850,334.

The cost of service amount for the taxable year is $10,481,000.
A schedule of ruling amounts is attached.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
Oconee Nuclear Station - Unit 2 Seneca, SC	Duke Power Company Master Decommissioning Trust for Oconee Nuclear Station - Unit 2	56-6474465

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AS ORIGINALLY FILED

South Carolina Footnote: (Cont'd)

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of regulation 1.468A-2 for prior taxable year were $ 4,100,247.

The amount of cash payments deemed made to the nuclear decommissiong fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 911,334.

The cost of service amount for the taxable year is $10,091,000. a schedule of ruling amounts is attached.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
Oconee Nuclear Station - Unit 3 Seneca, SC	Duke Power Company Master Decommissioning Trust for Oconee Nuclear Station, Unit 3	56-6373364

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of the regulation 1.468A-2 for a prior taxable year were $ 5,681,250.

The amount of cash payments deemed made to the nuclear decommissioning fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 1,262,334.

The cost of service amount for the taxable year is $13,531,000. A schedule of ruling amounts is attached.

AS ORIGINALLY FILED

South Carolina Footnote:

DUKE POWER COMPANY

Election Under Section 468A

These elections are made for the Taxable year 1994. Separate elections are made to cover the following nuclear decommissioning funds:

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
McGuire Nuclear Station - Unit 1 Cornelius, NC	Duke Power Company Master Decommissioning Trust for McGuire Nuclear Station, Unit 1	56-6373380

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were $ 5,631,750.

The amount of cash payments deemed made to the nuclear decommissioning fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 1,251,334.

The cost of service amount for the taxable year is $8,943,000.
A schedule of ruling amounts is attached.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
McGuire Nuclear Station Unit 2 Cornelius, NC	Duke Power Company Master Decommissioning Trust for McGuire Nuclear Station, Unit 2	56-6373361

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were $ 6,659,253.

Continued on next page

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South Carolina Footnote: (Cont'd)

The amount of cash payments deemed made to the nuclear decommissioning fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 1,495,666.

The cost of service amount for the taxable year is $9,286,000. A schedule of ruling amounts is attached.

AS ORIGINALLY FI...

South Carolina Footnote:

DUKE POWER COMPANY

Election Under Section 468A

These elections are made for the taxable year 1994.
Separate elections are made to cover the following nuclear decommissioning funds:

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
Catawba Nuclear Station Unit 1 Clover, SC	Duke Power Company Master Decommissioning Trust for Catawba Nuclear Station, Unit 1	56-6373362

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were $ 870,003.

The amount of cash payments deemed made to the nuclear decommissioning fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 193,334.

The cost of service amount for the taxable year is $1,198,000.
A schedule of ruling amounts is attached.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
Catawba Nuclear Station Unit 2 Clover, SC	Duke Power Company Master Decommissioning Trust for Catawba Nuclear Station, Unit 2	56-8373383

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were $ 927,000.

Continued on next page

South Carolina Footnote: (Cont'd)

The amount of cash payments deemed made to the nuclear decommissioning fund under paragraph (C)(1) of regulation 468A-2 for the taxable year are $ 211,666.

The cost of service amount for the taxable year is $1,270,000. A schedule of ruling amounts is attached.

South Carolina Footnote:

DUKE POWER COMPANY

Taxpayer elects the nonrecognition provision of Section 1033 for the following property sold under threat of condemnation in 1994.

PURCHASER	PROPERTY	DATE SOLD	SALES PRICE	GAIN
S.C. Dept. of Transportation	Land	12/94	$331,000	$148,134
Unknown	Emission Allowances	03/94	$407,815	$307,815

DUKE 09/13/95 15:00:41 V2.05 ** Initial return ** 6
DUKE POWER COMPANY 56-0205520

Form 1120 — Department of the Treasury, Internal Revenue Service

U.S. Corporation Income Tax Return

For calendar year 1994 or tax year beginning _____, 1994, ending _____, 19___

OMB No. 1545-0123

1994

► Instructions are separate. See page 1 for Paperwork Reduction Act Notice.

A Check if a: (1) Consolidated return (attach Form 851) ☐ (2) Personal holding co. (attach Sch. PH) ☐ (3) Personal service corp. (as defined in temp. Regs. sec. 1.441-4T—see instructions) ☐

Name: DUKE POWER COMPANY

Number, street, and room or suite no. (If a P.O. box, see page 7 of instructions.): 422 SOUTH CHURCH STREET

City or town, state, and ZIP code: CHARLOTTE, NC 28242-0001

B Employer identification number: 56-0205520

C Date incorporated: 05/01/1917

D Total assets (see Specific Instructions): 13,625,876,517.

E Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Change in address

Income	1a	Gross receipts or sales: 4,413,411,146.	b Less returns and allowances: 120,936.	c Bal ► 1c	4,413,290,210.
	2	Cost of goods sold (Schedule A, line 8)		2	1,656,124,495.
	3	Gross profit. Subtract line 2 from line 1c		3	2,757,165,715.
	4	Dividends (Schedule C, line 19)		4	95,501.
	5	Interest	See. Statement. 1.	5	2,067,050.
	6	Gross rents		6	114,798.
	7	Gross royalties		7	
	8	Capital gain net income (attach Schedule D (Form 1120))		8	1,450,220.
	9	Net gain or (loss) from Form 4797, Part II, line 20 (attach Form 4797)		9	2,407,292.
	10	Other income (see instructions - attach schedule)	See. Statement. 1.	10	1,831,425.
	11	Total income. Add lines 3 through 10 ►		11	2,765,132,001.
Deductions (See instructions for limitations on deductions.)	12	Compensation of officers (Schedule E, line 4)		12	9,161,063.
	13	Salaries and wages (less employment credits)		13	225,322,436.
	14	Repairs and maintenance	See. Statement. 1.	14	441,460,222.
	15	Bad debts		15	8,288,128.
	16	Rents	See. Statement. 2.	16	6,298,955.
	17	Taxes and licenses	See. Statement. 2.	17	273,073,845.
	18	Interest	See. Statement. 2.	18	242,109,602.
	19	Charitable contributions (see instructions for 10% limitation)	See. Statement. 3.	19	698,030.
	20	Depreciation (attach Form 4562)	20: 601,959,150.		
	21	Less depreciation claimed on Schedule A and elsewhere on return	21a:	21b	601,959,150.
	22	Depletion		22	
	23	Advertising	See. Statement. 3.	23	6,817,825.
	24	Pension, profit-sharing, etc., plans	See. Statement. 3.	24	95,252,684.
	25	Employee benefit programs	See. Statement. 3.	25	37,754,616.
	26	Other deductions (attach schedule)	See. Statement. 3.	26	195,135,828.
	27	Total deductions. Add lines 12 through 26 ►		27	2,143,332,384.
	28	Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11		28	621,799,617.
	29	Less: a Net operating loss deduction (see instructions)	29a:	29e	
		b Special deductions (Schedule C, line 20)	29b: 66,851.		66,851.
	30	Taxable income. Subtract line 29c from line 28		30	621,732,766.
	31	Total tax (Schedule J, line 10)		31	NONE
Tax and Payments	32	Payments: a 1993 overpayment credited to 1994	32a: 8,066,768.		
		b 1994 estimated tax payments	32b: 271,000,000.		
		c Less 1994 refund applied for on Form 4466	32c: ( )	d Bal ► 32d	
		e Tax deposited with Form 7004		32e	
		f Credit from regulated investment companies (attach Form 2439)		32f	
		g Credit for Federal tax on fuels (attach Form 4136). See instructions		32g	
				32h	
	33	Estimated tax penalty (see instructions). Check if Form 2220 is attached ► ☐		33	
	34	Tax due. If line 32h is smaller than the total of lines 31 and 33, enter amount owed		34	
	35	Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid		35	NONE
	36	Enter amount of line 35 you want: Credited to 1995 estimated tax ►	Refunded ►	36	NONE

Please Sign Here: Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer | Date | Title

Paid Preparer's Use Only: Preparer's signature | Date | Check if self-employed ☐ | Preparer's social security no.

Firm's name (or yours if self-employed and address) | E.I. No. ► | ZIP code ►

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Schedule A Cost of Goods Sold (See instructions)

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule) See Statement 4	5	1,656,124,495.
6	Total. Add lines 1 through 5	6	1,656,124,496.
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	1,656,124,495.

9a Check all methods used for valuing closing inventory:
- ☐ Cost ☐ Lower of cost or market as described in Regulations section 1.471-4
- ☐ Writedown of subnormal goods as described in Regulations section 1.471-2(c)
- ☐ Other (Specify method used and attach explanation.) ▶

b Check if the LIFO inventory method was adopted this tax year for any goods (If checked, attach Form 970) ▶ ☐

c If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9c

d Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? ☒ Yes ☐ No

e Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation ☐ Yes ☒ No

Schedule C Dividends and Special Deductions (See instructions.)

		(a) Dividends received	(b) %	(c) Special deductions (a) × (b)
1	Dividends from less-than-20%-owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock) Stmt. 4	95,501.	70	66,851.
2	Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock)		80	
3	Dividends on debt-financed stock of domestic and foreign corporations (section 246A)		See instrs.	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction		70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction		80	
8	Dividends from wholly-owned foreign subsidiaries subject to the 100% deduction (section 245(b))		100	
9	Total. Add lines 1 through 8. See instructions for limitation			66,851.
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1))		100	
12	Dividends from affiliated group members subject to the 100% deduction (section 243(a)(3))		100	
13	Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 11			
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)			
15	Foreign dividend gross-up (section 78)			
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 246(d))			
17	Other dividends			
18	Deduction for dividends paid on certain preferred stock of public utilities (see instructions)			
19	Total dividends. Add lines 1 through 17. Enter here and on line 4, page 1. ▶	95,501.		

20 Total special deductions. Add lines 9, 10, 11, 12, and 13. Enter here and on line 29b, page 1 ▶ 66,851.

Schedule E Compensation of Officers (See instructions for line 12, page 1.)

Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1, Form 1120) are $500,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned (d) Common	(e) Preferred	(f) Amount of compensation
1		%	%	%	
See Statement 5		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
2 Total compensation of officers					9,161,063.
3 Compensation of officers claimed on Schedule A and elsewhere on return					
4 Subtract line 3 from line 2. Enter the result here and on line 12, page 1					9,161,063.

Schedule J Tax Computation (See instructions.)

1	Check if the corporation is a member of a controlled group (see sections 1561 and 1563) ▶ ☐			
2a	If the box on line 1 is checked, enter the corporation's share of the $50,000, $25,000, and $9,925,000 taxable income brackets (in that order): (1) (2) (3)			
b	Enter the corporation's share of: (1) Additional 5% tax (not more than $11,750) (2) Additional 3% tax (not more than $100,000)			
3	Income tax. Check this box if the corporation is a qualified personal service corporation as defined in section 448(d)(2) (see instructions on page 15) ▶ ☐		3	NONE
4a	Foreign tax credit (attach Form 1118)	4a		
b	Possessions tax credit (attach Form 5735)	4b		
c	Orphan drug credit (attach Form 6765)	4c		
d	Check: ☐ Nonconventional source fuel credit ☒ QEV credit (attach Form 8834)	4d	11,011.	
e	General business credit. Enter here and check which forms are attached: ☐ 3800 ☐ 3468 ☐ 5884 ☐ 6478 ☒ 6765 ☐ 8586 ☐ 8830 ☐ 8826 ☐ 8835 ☐ 8844 ☐ 8845 ☐ 8846 ☐ 8847	4e		
f	Credit for prior year minimum tax (attach Form 8827)	4f		
5	Total credits. Add lines 4a through 4f		5	11,011.
6	Subtract line 5 from line 3		6	NONE
7	Personal holding company tax (attach Schedule PH (Form 1120))		7	
8	Recapture taxes. Check if from: ☐ Form 4255 ☐ Form 8611		8	
9a	Alternative minimum tax (attach Form 4626)		9a	
b	Environmental tax (attach Form 4626)		9b	
10	Total tax. Add lines 6 through 9b. Enter here and on line 31, page 1		10	NONE

Schedule K Other Information (See pages 17 and 18 of instructions.)

		Yes	No
1	Check method of accounting: a ☐ Cash b ☒ Accrual c ☐ Other (specify) ▶		
2	Refer to page 19 of the instructions and state the principal:		
a	Business activity code no. ▶ 4911		
b	Business activity ▶ ELECTRIC UTILITY		
c	Product or service ▶ ELECTRICITY		
3	Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name and identifying number, (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.	X	
4	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter employer identification number and name of the parent corporation ▶		X
5	Did any individual, partnership, corporation, estate or trust at the end of the tax year own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.) Enter percentage owned ▶		X
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See secs. 301 and 316.) If "Yes," file Form 5452. If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.		X
7	Was the corporation a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.) If "Yes," attach Form 5471 for each such corporation. Enter number of Forms 5471 attached ▶		X
8	At any time during the 1994 calendar year, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," the corporation may have to file Form TD F 90-22.1. If "Yes," enter name of foreign country ▶ Stmt 7		X
9	Was the corporation the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the corporation has any beneficial interest in it? If "Yes," the corporation may have to file Forms 926, 3520, or 3520-A		X
10	Did one foreign person at any time during the tax year own, directly or indirectly, at least 25% of: (a) the total voting power of all classes of stock of the corporation entitled to vote, or (b) the total value of all classes of stock of the corporation? If "Yes," a Enter percentage owned ▶ b Enter owner's country ▶ c The corporation may have to file Form 5472. Enter number of Forms 5472 attached ▶		X
11	Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ ☐ If so, the corporation may have to file Form 8281.		
12	Enter the amount of tax-exempt interest received or accrued during the tax year ▶ 881,473.		
13	If there were 35 or fewer shareholders at the end of the tax year, enter the number ▶		
14	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ▶ ☐		
15	Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) ▶		

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Form 1120 (1994) Page 4

Schedule L Balance Sheets

Assets	Beginning of tax year (a)	(b)	End of tax year (c)	(d)
1 Cash	Stmt 18	15,578,180.	[illegible]	15,608,269.
2a Trade notes and accounts receivable	556,107,544.	Stmt 8	563,600,805.	
b Less allowance for bad debts	(5,391,882.)	659,715,662.	(6,637,267.)	556,963,538.
3 Inventories	Stmt 3	284,704,347.		319,159,093.
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach schedule)	Stmt 4	87,166,854.		88,283,346.
7 Loans to stockholders				
8 Mortgage and real estate loans				
9 Other investments (attach schedule)	Stmt 8	460,449,013.		507,982,401.
10a Buildings and other depreciable assets	15,557,734,520.		14,549,289,445.	
b Less accumulated depreciation	(6,466,848,437.)	9,090,886,083.	(5,162,424,464.)	9,386,855,981.
11a Depletable assets				
b Less accumulated depletion	( )		( )	
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization	( )		( )	
14 Other assets (attach schedule)	Stmt 9	2,611,216,250.		2,747,023,889.
15 Total assets		13,089,714,189.		13,625,876,517.
Liabilities and Stockholders' Equity				
16 Accounts payable	Stmt 9	337,416,068.		323,244,708.
17 Mtges, notes, bonds payable in less than 1 year				
18 Other current liabilities (attach schedule)	Stmt 3	394,129,437.		313,047,325.
19 Loans from stockholders				
20 Mtges, notes, bonds payable in 1 year or more				
21 Other liabilities (attach schedule)	Stmt 9	7,237,935,075.		7,665,755,248.
22 Capital stock: a Preferred stock	782,600,000. Stmt. 10.		781,000,000.	
b Common stock	1,926,909,219. Stmt. 10.	2,709,409,219.	1,926,909,219.	2,707,909,219.
23 Paid-in or capital surplus				
24 Retained earnings--Appropriated (attach schedule)				
25 Retained earnings - Unappropriated		2,410,824,390.		2,605,920,019.
26 Less cost of treasury stock		( )		( )
27 Total liabilities and stockholders' equity		13,089,714,189.		13,625,876,517.

Note: You are not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (d) of Schedule L are less than $25,000.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return (See instructions)

1 Net income (loss) per books	638,875,732.	7 Income recorded on books this year not included on this return (itemize):	
2 Federal income tax	225,090,287.	Tax-exempt interest $	881,473.
3 Excess of capital losses over capital gains		See Statement 12	188,178,278.
4 Income subject to tax not recorded on books this year (itemize):		8 Deductions on this return not charged against book income this year (itemize):	
See Statement 11	72,075,535.	a Depreciation $	231,972,719.
5 Expenses recorded on books this year not deducted on this return (itemize):		b Contributions carryover $	
a Depreciation $		See Statement 12	424,803,963.
b Contributions carryover $		9 Add lines 7 and 8	845,836,433.
c Travel and entertainment $ 3,535,733.		10 Income (line 28, page 1)--line 6 less line 9	621,799,617.
See Statement 11	528,058,763.		
6 Add lines 1 through 5	1,467,636,050.		

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1 Balance at beginning of year	2,410,824,390.	5 Distributions: a Cash	443,093,947.
2 Net income (loss) per books	638,875,732.	b Stock	
3 Other increases (itemize):		c Property	
See Statement 13	153,151.	6 Other decreases (itemize):	
		See Statement 13	839,307.
4 Add lines 1, 2, and 3	3,049,853,273.	7 Add lines 5 and 6	443,933,254.
		8 Balance at end of year (line 4 less line 7)	2,605,920,019.

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DUKE POWER COMPANY 56-0205520

Form **4136**

Department of the Treasury
Internal Revenue Service (99)

Credit for Federal Tax Paid on Fuels
(And Credit for Purchase of Diesel-Powered Highway Vehicles)

▶ Attach this form to your income tax return.

OMB No. 1545-0162

1994

Attachment Sequence No. **23**

Name (as shown on your income tax return)	Social security or employer identification number
DUKE POWER COMPANY	56-0205520

Part I Diesel-Powered Highway Vehicle Credit

		(a) Number of vehicles	(b) Credit per vehicle	(c) Credit (col. (a) x col. (b))	CRN
1 Diesel-powered cars	1		$102.00		
2 Diesel-powered light trucks and vans	2		198.00		
3 Total diesel-powered highway vehicle credit. Add lines 1 and 2, column (c) ▶	3				318

Part II Fuel Tax Credit

Caution: If you claimed any fuel tax refunds on Form 8849, Claim for Refund of Excise Taxes, Form 843, Claim for Refund and Request for Abatement, or Schedule C (Form 720), Adjustments and Claims, you cannot claim those amounts as credits on Form 4136.

4 Nontaxable Use of Gasoline (See instructions)

	Rate	Gallons	Amount of credit	CRN
a Off-highway business use	$.184	32,657.00	6,009.	301
b Use on a farm for farming purposes	.184			
c Other nontaxable use (specify) ▶	.184			

5 Nontaxable Use of Gasohol (See instructions.)

	Rate	Gallons	Amount of credit	CRN
a Gasohol containing at least 10% alcohol	$.13			312
b Gasohol containing at least 7.7% alcohol but less than 10% alcohol	.1424			
c Gasohol containing at least 5.7% alcohol but less than 7.7% alcohol	.1532			

6 Nontaxable Use of Undyed Diesel Fuel (except for use on a farm for farming purposes or for the exclusive use of a state or local government) and Sales by Registered Ultimate Vendors of Diesel Fuel (See instructions.)

Lines 6a, b, and c: Claimant bought undyed diesel fuel, certifies that the diesel fuel did not contain visible evidence of dye, and used that diesel fuel for a nontaxable use.

	Rate	Gallons	Amount of credit	CRN
a Heating oil	$.244			
b Off-highway business use	.244	194,104.00		
c Other nontaxable use (specify) ▶	.244			
Line 6d: Claimant sold undyed diesel fuel (a) to a state or local government for its exclusive use or (b) for use by the buyer on a farm for farming purposes. Claimant is a registered ultimate vendor, sold the fuel at a tax-excluded price, certifies that the diesel fuel did not contain visible evidence of dye, and obtained the required certificate from the buyer, and has no reason to believe any of the information in the certificate is false.			47,361.	303
d Registered ultimate vendors	.244			

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7 Nontaxable Use of Other Fuels

	Rate	Gallons	Amount of Credit	CRN
a Special motor fuel (other than LPG)	$.184			304
b Liquified petroleum gas (LPG)	.183			
c LPG used in intercity or local buses	.109			
d Compressed natural gas (credit rate per thousand cubic feet)	.4854	MCF		

8 Gasoline Used in Aviation

	Rate	Gallons	Amount of credit	CRN
a Used in foreign trade, on a farm, or in certain helicopters	$.184			307
b Used in commercial aviation (other than foreign trade)	.183			

9 Aviation Fuel (other than gasoline)

	Rate	Gallons	Amount of credit	CRN
a Used in foreign trade, on a farm, or in certain helicopters	$.219			310
b Used in commercial aviation (other than foreign trade)	.218			

10 Gasohol Blenders (See instructions.)

Claimant bought gasoline taxed at the full rate ($.184) and blended it with alcohol to make gasohol. The gasohol was used or sold for use in a trade or business.

Percentage of alcohol in the gasohol	Rate	Gallons of gasoline	Amount of credit	CRN
a At least 10% alcohol	$.0396			302
b At least 7.7% alcohol but less than 10% alcohol	.0298			
c At least 5.7% alcohol but less than 7.7% alcohol	.0216			

11. Train and Intercity and Local Bus Use of Undyed Diesel Fuel (See instructions.)

Claimant bought undyed diesel fuel, certifies that the diesel fuel did not contain visible evidence of dye, and used the diesel fuel in an engine that propels a diesel-powered train or an automobile bus.

	Rate	Gallons	Amount of credit	CRN
a Diesel-powered trains	$.175			305
b Certain intercity and local buses	.17			

12 Total fuel tax credit. Add lines 4–11 ▶	12	$	53,370.

Part III Total Income Tax Credit

13 Total income tax credit claimed (add lines 3 and 12). Enter here and on Form 1040, line 59 (also check box b on line 59); Form 1120, line 32g; Form 1120-A, line 28g; Form 1120S, line 23c; Form 1041, line 24g; or the proper line of other returns ▶	13	$	53,370.

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SCHEDULE D (Form 1120)
Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

To be filed with Forms 1120, 1120-A, 1120-IC-DISC, 1120-F, 1120-FSC, 1120-H, 1120-L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, 990-C, and certain Forms 990-T

OMB No. 1545-0123

1994

Name: DUKE POWER COMPANY

Employer identification number: 56-0205520

Part I 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) Gain or (loss) ((d) less (e))
1	See Statement 14					415,718.

2	Short-term capital gain from installment sales from Form 6252, line 26 or 37	2	
3	Short-term gain or (loss) from like-kind exchanges from Form 8824	3	
4	Unused capital loss carryover (attach computation)	4	( )
5	Net short-term capital gain or (loss). (Combine lines 1 through 4.)	5	415,718.

Part II Long-Term Capital Gains and Losses - Assets Held More Than 1 Year

6	See Statement 14					652,286.

7	Enter gain from Form 4797, line 8 or 10	7	382,216.
8	Long-term capital gain from installment sales from Form 6252, line 26 or 37	8	
9	Long-term gain or (loss) from like-kind exchanges from Form 8824	9	
10	Net long-term capital gain or (loss). (Combine lines 6 through 9.)	10	1,034,502.

Part III Summary of Parts I and II

11	Enter excess of net short-term capital gain (line 5) over net long-term capital loss (line 10)	11	415,718.
12	Net capital gain. Enter excess of net long-term capital gain (line 10) over net short-term capital loss (line 5)	12	1,034,502.
13	Add lines 11 and 12. Enter here and on Form 1120, page 1, line 8, or the proper line on other returns	13	1,450,220.
	Note: If losses exceed gains, see instructions on capital losses for explanation of capital loss carrybacks.		

For Paperwork Reduction Act Notice, see page 1 of the Instructions for Forms 1120 and 1120-A. Schedule D (Form 1120) 1994

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Form **4562** — Department of the Treasury, Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

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

OMB No. 1545-0172 — **1994** — Attachment Sequence No. 67

Name(s) shown on return: DUKE POWER COMPANY

Identifying number: 56-0205520

Business or activity to which this form relates

General Depreciation and Amortization

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "Listed Property," complete Part V before you complete Part I)

1	Maximum dollar limitation (If an enterprise zone business, 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. If zero or less, enter -0-	4
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions.)	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 smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from 1993 (see instructions)	10	
11	Taxable income limitation. Enter the smaller of taxable income (not less than zero) 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 1995. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1994 Tax Year (Do Not Include Listed Property)

	(a) Classification of property	(b) Month and year placed in service	(c) Basis (or depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
	Section A - General Depreciation System (GDS) (see instructions)						
14a	3-year property						
b	5-year property		194,614,422.	5.000	HY	DDB	38,922,884.
c	7-year property		25,333,722.	7.000	HY	DDB	3,619,100.
d	10-year property						
e	15-year property		35,554,333.	15.000	HY	150DB	1,777,717.
f	20-year property		398,721,920.	20.000	HY	150DB	14,952,072.
g	Residential rental property			27.5 yrs.	MM	S/L	
				27.5 yrs.	MM	S/L	
h	Nonresidential real property		28,793,433.	39 yrs.	MM	S/L	337,091.
					MM	S/L	
	Section B - Alternative Depreciation System (ADS) (see instructions)						
15a	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 1994 (see instructions)	16	324,136,158.
17	Property subject to section 168(f)(1) election (see instructions)	17	
18	ACRS and other depreciation (see instructions)	18	215,386,752.

Part IV Summary

19	Listed property. Enter amount from line 25	19	2,827,376.
20	Total. Add deductions on line 12, lines 14 and 15 in column (g), and lines 16 through 19. Enter here and on the appropriate lines of your return. (Partnerships and S corporations - see instructions)	20	601,959,150.
21	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs (see instructions)	21	

For Paperwork Reduction Act Notice, see page 1 of the separate instructions. Form 4562 (1994)

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Part V Listed Property - Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement

For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 22a, 22b; columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See instructions for limitations for automobiles.)

22a Do you have evidence to support the business/investment use claimed? X Yes No 22b If "Yes," is the evidence written? X Yes No

(a) Type of 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) Elected section 179 cost
23 Property used more than 50% in a qualified business use (see instructions):								
		%						
		%						
		%						
24 Property used 50% or less in a qualified business use (see instructions):								
		%				S/L -		
		%				S/L -		
		%				S/L -		
25 Add amounts in column (h). Enter the total here and on line 19, page 1							25	2827376
26 Add amounts in column (i). Enter the total here and on line 7, page 1							26	

Section B - Information on 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 for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
27 Total business/investment miles driven during the year (DO NOT include commuting miles)												
28 Total commuting miles driven during the year												
29 Total other personal (noncommuting) miles driven												
30 Total miles driven during the year. Add lines 27 through 29												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
31 Was the vehicle available for personal use during off-duty hours?												
32 Was the vehicle used primarily by a more than 5% owner or related person?												
33 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 must always be completed for vehicles used by sole proprietors, partners, or other more than 5% owners or related persons.

	Yes	No
34 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
35 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.)		
36 Do you treat all use of vehicles by employees as personal use?		
37 Do you provide more than five vehicles to your employees and retain the information received from your employees concerning the use of the vehicles?		
38 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 VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
39 Amortization of costs that begins during your 1994 tax year:					
40 Amortization of costs that began before 1994				40	
41 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return				41	

Form **4626**

Department of the Treasury
Internal Revenue Service

Alternative Minimum Tax - Corporations
(Including environmental tax)

▶ See separate instructions.
▶ Attach to the corporation's tax return.

OMB No. 1545-0175

1994

Name: DUKE POWER COMPANY

Employer identification number: 56-0205520

1	Taxable income or (loss) before net operating loss deduction. (Important: See instructions if the corporation is subject to the environmental tax.)			1	621,732,766.
2	Adjustments and preferences:				
a	Depreciation of post-1986 property	2a	52,797,221.		
b	Amortization of certified pollution control facilities	2b			
c	Amortization of mining exploration and development costs	2c			
d	Amortization of circulation expenditures (personal holding companies only)	2d			
e	Adjusted gain or loss	2e	-1,541,553.		
f	Long-term contracts	2f			
g	Installment sales	2g			
h	Merchant marine capital construction funds	2h			
i	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	2i			
j	Tax shelter farm activities (personal service corporations only)	2j			
k	Passive activities (closely held corporations and personal service corporations only)	2k			
l	Loss limitations	2l			
m	Depletion	2m			
n	Tax-exempt interest from specified private activity bonds	2n	384,075.		
o	Charitable contributions	2o			
p	Intangible drilling costs	2p			
q	Reserves for losses on bad debts of financial institutions	2q			
r	Accelerated depreciation of real property (pre-1987)	2r	381,135.		
s	Accelerated depreciation of leased personal property (pre-1987) (personal holding companies only)	2s			
t	Other adjustments	2t			
u	Combine lines 2a through 2t			2u	52,020,878.
3	Preadjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2u			3	673,753,644.
4	Adjusted current earnings (ACE) adjustment:				
a	Enter the corporation's ACE from line 10 of the worksheet on page 8 of the instructions	4a	790,724,022.		
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative number (see instructions for examples)	4b	116,970,378.		
c	Multiply line 4b by 75% and enter the result as a positive number	4c	87,727,784.		
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see instructions). Note: You must enter an amount on line 4d (even if line 4b is positive)	4d	604,681,063.		
e	ACE adjustment: • If you entered a positive number or zero on line 4b, enter the amount from line 4c here as a positive amount. • If you entered a negative number on line 4b, enter the smaller of line 4c or line 4d here as a negative amount. See Statement 15			4e	87,727,784.
5	Combine lines 3 and 4e. If zero or less, stop here (the corporation does not owe alternative minimum tax)			5	761,481,428.
6	Alternative tax net operating loss deduction. (See instructions)			6	
7	Alternative minimum taxable income. Subtract line 6 from line 5			7	761,481,428.

For Paperwork Reduction Act Notice, see separate instructions. Form 4626 (1994)

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8	Enter the amount from line 7 (alternative minimum taxable income)		8	761,481,428.
9	Exemption phase-out computation (If line 8 is $310,000 or more, skip lines 9a and 9b and enter -0- on line 9c):			
a	Subtract $150,000 from line 8 (If you are completing this line for a member of a controlled group, see instructions). If zero or less, enter -0-	9a		
b	Multiply line 9a by 25%	9b		
c	Exemption. Subtract line 9b from $40,000 (If you are completing this line for a member of a controlled group, see instructions). If zero or less, enter -0-		9c	NONE
10	Subtract line 9c from line 8. If zero or less, enter -0-		10	761,481,428.
11	Multiply line 10 by 20%		11	152,296,286.
12	Alternative minimum tax foreign tax credit. See instructions for limitations		12	
13	Tentative minimum tax. Subtract line 12 from line 11		13	152,296,286.
14	Regular tax liability before all credits except the foreign tax credit and possessions tax credit		14	NONE
15	Alternative minimum tax. Subtract line 14 from line 13. Enter the result on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 3a). If zero or less, enter -0-		15	
16	Environmental tax. Subtract $2,000,000 from line 5 (figured without the corporation's environmental tax deduction). Multiply the excess, if any, by 0.12% (.0012). Enter the result here and on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 3a). If you are completing this line for a member of a controlled group, see the instructions		16	

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Adjusted Current Earnings Worksheet

▶ See ACE Worksheet Instructions (which begin on page 51.

1	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626			1	673,753,644.
2	ACE depreciation adjustment:				
a	AMT depreciation		2a 499,470,379.		
b	ACE depreciation:				
	(1) Post-1993 property	2b(1)			
	(2) Post-1989, pre-1994 property	2b(2)			
	(3) Pre-1990 MACRS property	2b(3)			
	(4) Pre-1990 original ACRS property	2b(4)			
	(5) Property described in sections 168(f)(1) through (4)	2b(5)			
	(6) Other property	2b(6)			
	(7) Total ACE depreciation. Add lines 2b(1) through 2b(6)		2b(7) 386,828,573.		
c	ACE depreciation adjustment. Subtract line 2b(7) from line 2a			2c	112,641,806.
3	Inclusion in ACE of items included in earnings and profits (E&P):				
a	Tax-exempt interest income		3a 497,398.		
b	Death benefits from life insurance contracts		3b 168,333.		
c	All other distributions from life insurance contracts (including surrenders)		3c		
d	Inside buildup of undistributed income in life insurance contracts		3d 7,301,822.		
e	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)		3e		
f	Total increase to ACE due to inclusion in ACE of items included in E&P. Add lines 3a through 3e			3f	7,967,553.
4	Disallowance of items not deductible from E&P:				
a	Certain dividends received		4a 66,851.		
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247		4b		
c	Dividends paid to an ESOP that are deductible under section 404(k)		4c 385,916.		
d	Nonpatronage dividends that are paid and deductible under section 1382(c)		4d		
e	Other items (see Regulations section 1.56(g)-1(d)(3)(i) and (ii) for a partial list)		4e		
f	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e			4f	452,767.
5	Other adjustments based on rules for computing E&P:				
a	Intangible drilling costs		5a		
b	Circulation expenditures		5b		
c	Organizational expenditures		5c		
d	LIFO inventory adjustments		5d		
e	Installment sales		5e		
f	Total other E&P adjustments. Combine lines 5a through 5e			5f	
6	Disallowance of loss on exchange of debt pools			6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts			7	
8	Depletion			8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property			9	Stmt. 16. -4,091,748.
10	Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626			10	790,724,022.

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Form **4797**

Department of the Treasury Internal Revenue Service (99)

Sales of Business Property

(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

OMB No. 1545-0184

1994

Attachment Sequence No. 27

Name(s) shown on return: DUKE POWER COMPANY

Identifying number: 56-0205520

1 Enter here the gross proceeds from the sale or exchange of real estate reported to you for 1994 on Form(s) 1099-S (or a substitute statement) that you will be including on line 2, 11, or 22 1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Property Held More Than 1 Year

(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 (If minus, the sum of (d) and (e))	(h) GAIN (If plus, (d) minus (f))
2 Stmt 17							382,216.

3 Gain, if any, from Form 4684, line 39	3		
4 Section 1231 gain from installment sales from Form 6252, line 26 or 37	4		
5 Section 1231 gain or (loss) from like-kind exchanges from Form 8824	5		NONE
6 Gain, if any, from line 34, from other than casualty or theft	6		
7 Add lines 2 through 6 in columns (g) and (h)	7	( )	382,216.
8 Combine columns (g) and (h) of line 7. Enter gain or (loss) here, and on the appropriate line as follows:	8		382,216.

Partnerships— Enter the gain or (loss) on Form 1065, Schedule K, line 6. Skip lines 9, 10, 12, and 13 below.
S corporations— Report the gain or (loss) following the instructions for Form 1120S, Schedule K, lines 5 and 6. Skip lines 9, 10, 12, and 13 below, unless line 8 is a gain and the S corporation is subject to the capital gains tax.
All others— 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 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 9, 10, and 13 below.

9 Nonrecaptured net section 1231 losses from prior years (see instructions)	9	
10 Subtract line 9 from line 8. If zero or less, enter -0-. Also enter on the appropriate line as follows (see instructions):	10	

S corporations— Enter this amount (if more than zero) on Schedule D (Form 1120S), line 13, and skip lines 12 and 13 below.
All others— 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 line 13 below, and enter the amount from line 10 as a long-term capital gain on Schedule D.

Part II Ordinary Gains and Losses

11 Ordinary gains and losses not included on lines 12 through 18 (include property held 1 year or less):

Stmt 18							2,407,292.

12 Loss, if any, from line 8	12		
13 Gain, if any, from line 8, or amount from line 9 if applicable	13		
14 Gain, if any, from line 33	14		
15 Net gain or (loss) from Form 4684, lines 31 and 38a	15		
16 Ordinary gain from installment sales from Form 6252, line 25 or 36	16		
17 Ordinary gain or (loss) from like-kind exchanges from Form 8824	17		
18 Recapture of section 179 expense deduction for partners and S corporation shareholders from property dispositions by partnerships and S corporations (see instructions)	18		
19 Add lines 11 through 18 in columns (g) and (h)	19	( )	2,407,292.
20 Combine columns (g) and (h) of line 19. Enter gain or (loss) here, and on the appropriate line as follows:	20		2,407,292.

a For all except individual returns: Enter the gain or (loss) from line 20 on the return being filed.
b For individual returns:
(1) If the loss on line 12 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here and on line 22 of Schedule A (Form 1040). Identify as from "Form 4797, line 20b(1)." See instructions . . . . . 20b(1)
(2) Redetermine the gain or (loss) on line 20, excluding the loss, if any, on line 20b(1). Enter here and on Form 1040, line 14 . . 20b(2)

For Paperwork Reduction Act Notice, see page 1 of separate instructions. Form 4797 (1994)

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Form 4797 (1994) Page 2

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

21 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A		
B		
C		
D		

	Relate lines 21A through 21D to these columns ▶		Property A	Property B	Property C	Property D
22	Gross sales price (Note: See line 1 before completing.)	22				
23	Cost or other basis plus expense of sale	23				
24	Depreciation (or depletion) allowed or allowable	24				
25	Adjusted basis. Subtract line 24 from line 23	25				
26	Total gain. Subtract line 25 from line 22	26				
27	If section 1245 property:					
a	Depreciation allowed or allowable from line 24	27a				
b	Enter the smaller of line 26 or 27a	27b				
28	If section 1250 property: If straight line depreciation was used, enter -0- on line 28g, except for a corporation subject to section 291.					
a	Additional depreciation after 1975 (see instructions)	28a				
b	Applicable percentage multiplied by the smaller of line 26 or line 28a (see instructions)	28b				
c	Subtract line 28a from line 26. If residential rental property or line 26 is not more than line 28a, skip lines 28d and 28e	28c				
d	Additional depreciation after 1969 and before 1976	28d				
e	Enter the smaller of line 28c or 28d	28e				
f	Section 291 amount (corporations only)	28f				
g	Add lines 28b, 28e, and 28f	28g				
29	If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership.					
a	Soil, water, and land clearing expenses	29a				
b	Line 29a multiplied by applicable percentage (see instructions)	29b				
c	Enter the smaller of line 26 or 29b	29c				
30	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)	30a				
b	Enter the smaller of line 26 or 30a	30b				
31	If section 1255 property:					
a	Applicable percentage of payments excluded from income under section 126 (see instructions)	31a				
b	Enter the smaller of line 26 or 31a	31b				

Summary of Part III Gains. Complete property columns A through D, through line 31b before going to line 32.

32	Total gains for all properties. Add columns A through D, line 26	32	
33	Add columns A through D, lines 27b, 28g, 29c, 30b, and 31b. Enter here and on line 14	33	
34	Subtract line 33 from line 32. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	34	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less See instructions.

			(a) Section 179	(b) Section 280F(b)(2)
35	Section 179 expense deduction or depreciation allowable in prior years	35		
36	Recomputed depreciation. See instructions	36		
37	Recapture amount. Subtract line 36 from line 35. See the instructions for where to report	37		

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Form **6765**
Department of the Treasury
Internal Revenue Service

Credit for Increasing Research Activities
(or for claiming the orphan drug credit)
▶ See separate instructions.
▶ Attach to your return.

OMB No. 1545-0619
1994
Attachment Sequence No. 81

Name(s) shown on return: DUKE POWER COMPANY
Identifying number: 56-0205520

Part I Current Year Orphan Drug Credit (For costs incurred after December 31, 1994, see instructions.)

1	Qualified clinical testing expenses paid or incurred (do not include any amounts claimed as current year research expenses on line 18 below)	1		
2	Current year credit. Multiply line 1 by 50% (.50) (see instructions)		2	
3	Flow-through orphan drug credit(s) from a partnership, S corporation, estate, or trust		3	
4	Total current year orphan drug credit. Add lines 2 and 3		4	

Part II Tax Liability Limitation for the Orphan Drug and Research Credits

5a	Individuals. Enter amount from Form 1040, line 40			
b	Corporations. Enter amount from Form 1120, Schedule J, line 3 (Form 1120-A filers claiming the research credit, enter amount from Form 1120-A, Part I, line 1)		5	
c	Other filers. Enter regular tax before credits from your return (see instructions)			
6	Credits that reduce regular tax before the orphan drug credit:			
a	Credit for child and dependent care expenses (Form 2441, line 10)	6a		
b	Credit for the elderly or the disabled (Schedule R (Form 1040), line 21)	6b		
c	Mortgage interest credit (Form 8396, line 11)	6c		
d	Foreign tax credit (Form 1116, line 32, or Form 1118, Sch. B, line 12)	6d		
e	Possessions tax credit (Form 5735)	6e		
f	Add lines 6a through 6e		6f	
7	Net regular tax. Subtract line 6f from line 5		7	
8	Tentative minimum tax (see instructions):			
a	Individuals. Enter amount from Form 6251, line 26			
b	Corporations. Enter amount from Form 4626, line 13		8	
c	Estates and trusts. Enter amount from Form 1041, Schedule H, line 37			
9	Excess of net regular tax over tentative minimum tax. Subtract line 8 from line 7		9	
10	Orphan drug credit allowed for the current year. Enter here and on the appropriate line of your return the smaller of line 4 or line 9		10	

Part III Current Year Credit for Increasing Research Activities (For costs incurred after June 30, 1995, see instructions.)

11	Basic research payments paid or incurred to qualified organizations	11	
12	Qualified organization base period amount	12	
13	Subtract line 12 from line 11. If less than zero, enter -0-	13	
	Qualified research expenses paid or incurred (lines 14–17):		
14	Wages for qualified services (do not include wages used in figuring the jobs credit)	14	
15	Cost of supplies	15	
16	Rental or lease costs of computers	16	
17	Enter 65% (.65) of contract research expenses	17	
18	Total qualified research expenses. Add lines 14 through 17	18	
19	Enter fixed-base percentage, but not more than 16% (see instructions)	19	%
20	Enter average annual gross receipts (see instructions)	20	
21	Base amount. Multiply line 20 by the percentage on line 19	21	
22	Subtract line 21 from line 18	22	
23	Multiply line 18 by 50% (.50)	23	
24	Enter smaller of line 22 or line 23	24	
25	Add lines 13 and 24	25	
26	Current year credit. Regular credit – If you do not elect the reduced credit under section 280C(c), multiply line 25 by 20% (.20), enter the result, and see the instructions for the schedule that must be attached. Sec. 280C Reduced credit – If you elect the reduced credit, multiply line 25 by 13% (.13) and enter the result. Also, write "Sec. 280C" in the margin to the right of the entry space	26	
27	Flow-through research credit(s) from a partnership, S corporation, estate, or trust	27	
28	Total current year credit for increasing research activities. Add lines 26 and 27. Enter here and see Claiming the Credit on page 2 to see if you have to complete Part IV or file Form 3800	28	1,000.

Part IV Tax Liability Limitation for the Research Credit

29	Net regular tax for research credit:			
a	Net regular tax from line 7		29a	
b	Orphan drug credit from line 10	29b		
c	Credit for fuel from nonconventional source	29c		
d	Qualified electric vehicle credit (Form 8834, line 19)	29d		
e	Add lines 29b through 29d		29e	
f	Net regular tax. Subtract line 29e from line 29a		29f	
30	Net income tax:			
a	Individuals. Add line 29f above and line 28 of Form 6251			
b	Corporations. Add line 29f above and line 15 of Form 4626		30	
c	Estates and trusts. Add line 29f above and line 39 of Form 1041, Schedule H			
31	If line 29f is more than $25,000, enter 25% (.25) of the excess (see instructions)		31	
32	Subtract line 8 or line 31, whichever is greater, from line 30. If less than zero, enter -0-		32	
33	Corporations. Enter here and on the appropriate line of your return the smaller of line 28 or line 32. This is your General Business Credit for 1994		33	
34	Individuals, estates, and trusts. Enter here and on the appropriate line of your return the smaller of line 28 or the amount from the formula in the instructions for line 34 but do not enter more than line 32. This is your General Business Credit for 1994		34	

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DUKE POWER COMPANY 56-0205520

Form 8275 (Rev. May 1994)

Disclosure Statement

Do not use this form to disclose items or positions that are contrary to Treasury regulations. Instead, use Form 8275-R, Regulation Disclosure Statement. See separate instructions.

▶ Attach to your return.

OMB No. 1545-0889 Expires 5-31-95

Attachment Sequence No. 92

Department of the Treasury Internal Revenue Service

Name(s) shown on return: DUKE POWER COMPANY

Identifying number shown on return: 56-0205520

Part I General Information (See instructions.)

(a) Rev. Rul., Rev. Proc., etc.	(b) Item or Group of Items	(c) Detailed Description of Items	(d) Form or Schedule	(e) Line No.	(f) Amount
1	Lawsuit	Defective Steam Generator Lawsuit Settlement	1020	10	
2					
3					

Part II Detailed Explanation (See instructions.)

1 See Attached Schedule 8275-1

2

3

Part III Information About Pass-Through Entity. To be completed by partners, shareholders, beneficiaries, or residual interest holders.

Note: A pass-through entity is a partnership, an S corporation, an estate, a trust, a regulated investment company, a real estate investment trust, or a real estate mortgage investment conduit (REMIC).

Complete this part only if you are making adequate disclosure with respect to a pass-through item.

1 Name, address, and ZIP code of pass-through entity	2 Identifying number of pass-through entity
	3 Tax year of pass-through entity to
	4 Internal Revenue Service Center where the pass-through entity filed its return

For Paperwork Reduction Act Notice, see separate instructions. Form 8275 (Rev. 5-94)

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DUKE POWER COMPANY 56-0205520

Form **8824**

Department of the Treasury
Internal Revenue Service

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1994

Attachment Sequence No. 49

Name(s) shown on tax return | Identifying number

DUKE POWER COMPANY | 56-0205520

Part 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.

1 Description of like-kind property given up ▶ LAND

2 Description of like-kind property received ▶ LAND AND BUILDING

3 Date like-kind property given up was originally acquired (month, day, year)	3	VAR
4 Date you actually transferred your property to other party (month, day, year)	4	02/04/94
5 Date the like-kind property you received was identified (month, day, year). See instructions	5	03/01/94
6 Date you actually received the like-kind property from other party (month, day, year)	6	07/20/94

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a ☐ Yes, in this tax year b ☐ Yes, in a prior tax year c ☒ No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? ☐ Yes ☐ No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? ☐ Yes ☐ No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must be reported on your return this tax year, unless one of the exceptions on line 11 applies. See Related Party Exchanges in the instructions.

11 If one of the exceptions below applies to the disposition, check the applicable box:

a ☐ The disposition was after the death of either of the related parties.

b ☐ The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c ☐ 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.

Part III 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.

12 Fair market value (FMV) of other property given up	12		
13 Adjusted basis of other property given up	13		
14 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	
15 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	
16 FMV of like-kind property you received		16	390,640.
17 Add lines 15 and 16		17	390,640.
18 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	246,356.
19 Realized gain or (loss). Subtract line 18 from line 17		19	144,284.
20 Enter the smaller of line 15 or line 19, but not less than zero		20	
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	
22 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	NONE
23 Recognized gain. Add lines 21 and 22		23	NONE
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	144,284.
25 Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	246,356.

For Paperwork Reduction Act Notice, see separate instructions. Form 8824 (1994)

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DUKE POWER COMPANY 56-0205520

Form **8824**

Department of the Treasury
Internal Revenue Service

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1994

Attachment Sequence No. 49

Name(s) shown on tax return | Identifying number

DUKE POWER COMPANY | 56-0205520

Part 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.

1 Description of like-kind property given up ▶ LAND

2 Description of like-kind property received ▶ LAND & BUILDING

3 Date like-kind property given up was originally acquired (month, day, year)	3	VAR
4 Date you actually transferred your property to other party (month, day, year)	4	12/29/94
5 Date the like-kind property you received was identified (month, day, year). See instructions	5	11/16/94
6 Date you actually received the like-kind property from other party (month, day, year)	6	06/23/95

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a ☐ Yes, in this tax year b ☐ Yes, in a prior tax year c ☒ No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? ☐ Yes ☐ No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? ☐ Yes ☐ No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must be reported on your return this tax year, unless one of the exceptions on line 11 applies. See Related Party Exchanges in the instructions.

11 If one of the exceptions below applies to the disposition, check the applicable box:

a ☐ The disposition was after the death of either of the related parties.

b ☐ The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c ☐ 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.

Part III 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.

12 Fair market value (FMV) of other property given up	12		
13 Adjusted basis of other property given up	13		
14 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	
15 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	
16 FMV of like-kind property you received		16	1,650,000.
17 Add lines 15 and 16		17	1,650,000.
18 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	461,905.
19 Realized gain or (loss). Subtract line 18 from line 17		19	1,188,095.
20 Enter the smaller of line 15 or line 19, but not less than zero		20	
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	
22 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	NONE
23 Recognized gain. Add lines 21 and 22		23	NONE
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	1,188,095.
25 Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	461,905.

For Paperwork Reduction Act Notice, see separate instructions. Form 8824 (1994)

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DUKE POWER COMPANY 56-0205520

Form **8824**

Department of the Treasury
Internal Revenue Service

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1994

Attachment Sequence No. 49

Name(s) shown on tax return | Identifying number

DUKE POWER COMPANY | 56-0205520

Part 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.

1 Description of like-kind property given up ▶ LAND AND BUILDING

2 Description of like-kind property received ▶ LAND

3 Date like-kind property given up was originally acquired (month, day, year)	3	11/07/63
4 Date you actually transferred your property to other party (month, day, year)	4	07/07/94
5 Date the like-kind property you received was identified (month, day, year). See instructions	5	07/07/94
6 Date you actually received the like-kind property from other party (month, day, year)	6	07/18/94

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a ☐ Yes, in this tax year b ☐ Yes, in a prior tax year c ☒ No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? ☐ Yes ☐ No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? ☐ Yes ☐ No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must be reported on your return this tax year, unless one of the exceptions on line 11 applies. See Related Party Exchanges in the instructions.

11 If one of the exceptions below applies to the disposition, check the applicable box:

a ☐ The disposition was after the death of either of the related parties.

b ☐ The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c ☐ 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.

Part III 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.

12 Fair market value (FMV) of other property given up	12		
13 Adjusted basis of other property given up	13		
14 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	
15 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	
16 FMV of like-kind property you received		16	600,000.
17 Add lines 15 and 16		17	600,000.
18 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	401,480.
19 Realized gain or (loss). Subtract line 18 from line 17		19	198,520.
20 Enter the smaller of line 15 or line 19, but not less than zero		20	
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	
22 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	NONE
23 Recognized gain. Add lines 21 and 22		23	NONE
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	198,520.
25 Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	401,480.

For Paperwork Reduction Act Notice, see separate instructions. Form 8824 (1994)

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Line 5 - Interest income

INTEREST INCOME	2,067,050.
Total	2,067,050.

Line 10 - Other Income

REGULATORY DEFERRALS	147.
MISCELLANEOUS INCOME	75,923.
IRC 481 ADJ FOR INVENTORY & CAPITAL SPARE PARTS	1,755,355.
Total	1,831,425.

Line 14 - Repairs

REPAIRS	441,460,222.
Total	441,460,222.

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Line 16 - Rents

RENTS	6,298,955.
Total	6,298,955.

Line 17 - Taxes and licenses

NC PROPERTY	45,438,674.
NC CITY LICENSE	23,573.
NC CITY CHAIN STORE	6,030.
NC FRANCHISE	85,521,602.
NC INTANGIBLES	36,791.
NC INDUSTRIAL COMMISSION	390,893.
NC UNEMPLOYMENT	54,700.
SC PROPERTY	30,678,220.
SC CITY, BUS, CHAIN STORE LICENSE	55,371.
SC FRANCHISE	6,077,510.
SC KILOWATT HOUR	4,495,963.
SC PUBLIC SERVICE	1,198,034.
SC GREENWOOD	1,130.
SC INDUSTRIAL COMMISSION	368,082.
SC UNEMPLOYMENT	405,691.
FED. HIGHWAY USE	58,114.
FED. UNEMPLOYMENT	755,462.
OTHER TAXES	-53,673.
FED. MFG VEHICLE EXCISE TAX	42,009.
NC INCOME TAX PAID UNDER AUDIT	145,345.
FED. SOCIAL SECURITY	48,283,801.
NC INCOME	38,248,830.
SC INCOME	11,255,786.
GA INCOME TAXES	40,515.
STATE & LOCAL INCOME TAXES	-49,544,716.
STATE & LOCAL INCOME TAXES	-415.
Accrued State Taxes for Georgia	26,804.
Accrued State Taxes for North Carolina	37,457,452.
Accrued State Taxes for South Carolina	10,277,346.
Environmental tax	1,328,921.
Total	273,073,845.

Line 18: Interest deduction

INTEREST	242,109,602.
Total	242,109,602.

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Current year contributions	
CONTRIBUTIONS	698,030.
Total	698,030.
Line 23 - Advertising	
ADVERTISING	6,817,825.
Total	6,817,825.
Line 24 - Pension, profit-sharing plans	
PENSION PLAN	95,252,684.
Total	95,252,684.
Line 25 - Employee benefit programs	
OTHER EMPLOYEE BENEFIT PROGRAMS	37,754,616.
Total	37,754,616.
Line 26 - Other deductions	
ELECTRIC	-137,029,983.
GENERAL & ADMINISTRATIVE	100,791,103.
WATER	383,627.
MERCHANDISING	9,651,171.
MISCELLANEOUS	221,339,910.
Total	195,135,828.

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Sch A, Line 5 - Other costs

PURCHASE POWER	782,011,160.
STEAM	66,588,289.
NUCLEAR	156,795,812.
HYDRO	16,221,498.
COMBUSTION TURBINE	943,371.
TRANSMISSION	16,004,213.
DISTRIBUTION	47,232,971.
WATER	1,810,292.
FUEL	542,865,773.
MERCHANDISE	29,980,726.
COGS - OTHER	-4,329,610.
Total other COGS / COOP	1,656,124,495.

Sch C, Line 1 - Dividends subject to 70% deduction

PARTNERSHIP DIVIDEND INC	6,420.
DIVIDEND INC - NO DECOMM.	89,081.
Total	95,501.

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Sch E - Compensation of officers

Name	Street address	City, state, and zip	Title	Soc sec #	%Dev	%Com	%Pref	Compensation Amount	Expense Account
William H. Grigg	422 South Church Street	Charlotte, NC 28242-0001	CEO	242-44-5627				698,502.	
William S. Lee	422 South Church Street	Charlotte, NC 28242-0001	CEO	240-36-5316				807,169.	
Richard B. Priory	422 South Church Street	Charlotte, NC 28242-0001	Pres	136-36-8703				375,660.	
William A. Coley	422 South Church Street	Charlotte, NC 28242-0001	Pres	240-62-5431				347,671.	
Steve C. Griffith, Jr.	422 South Church Street	Charlotte, NC 28242-0001	VChr	248-58-8700				354,655.	
Richard Osborne	422 South Church Street	Charlotte, NC 28242-0001	SrVP	244-74-9841				240,312.	
Donald Denton, Jr.	422 South Church Street	Charlotte, NC 28243-0001	SrVP	151-26-5779				250,754.	
Fred E. West, Jr.	422 South Church Street	Charlotte, NC 28242-0001	VP	247-58-4492				228,591.	
Michael Tuckman	422 South Church Street	Charlotte, NC 28242-0001	SrVP	264-68-2377				267,353.	
Ewell Ferrell, III	422 South Church Street	Charlotte, NC 28242-0001	VP	240-68-5155				211,945.	
William R. Stimart	422 South Church Street	Charlotte, NC 28242-0001	VP	238-24-9601				198,417.	
Robert S. Lillen	422 South Church Street	Charlotte, NC 28242-0001	VP	239-72-6358				212,782.	
Jimmy R. Hicks	422 South Church Street	Charlotte, NC 28242-0001	VP	560-62-6349				203,259.	
John F. Lucas	422 South Church Street	Charlotte, NC 28242-0001	VP	250-50-3678				213,026.	
Ruth G. Shaw	422 South Church Street	Charlotte, NC 28242-0001	SrVP	244-82-2006				238,431.	
Ellen T. Ruff	422 South Church Street	Charlotte, NC 28242-0001	Secy	046-42-3578				172,841.	
Maurice McIntosh	422 South Church Street	Charlotte, NC 28242-0001	VP	244-58-8877				182,306.	
T. C. McCraskin	422 South Church Street	Charlotte, NC 28242-0001	VP	570-60-0799				169,103.	
James E. Gregan	422 South Church Street	Charlotte, NC 28242-0001	VP	251-46-0092				172,132.	
James Hampton	422 South Church Street	Charlotte, NC 28242-0001	VP	251-52-1775				150,188.	
James D. Hinton	422 South Church Street	Charlotte, NC 28242-0001	VP	237-88-5640				152,717.	
David L. Rehn	422 South Church Street	Charlotte, NC 28242-0001	VP	246-84-1400				137,605.	
David L. Hauser	422 South Church Street	Charlotte, NC 28242-0001	VP	245-88-5095				140,807.	
J. V. Hillhouse, Jr.	422 South Church Street	Charlotte, NC 28242-0001	VP	248-66-4496				155,292.	
John P. Holland	422 South Church Street	Charlotte, NC 28242-0001	VP	239-50-2250				219,493.	
Ronald L. Gibson	422 South Church Street	Charlotte, NC 28242-0001	VP	250-46-3262				156,243.	

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Sch E - Compensation of officers (Cont'd)

William F. Reinke	422 South Church Street	Charlotte, NC 28242-0001	VP	397-34-1515	152,270.
Donald E. Hatley	422 South Church Street	Charlotte, NC 28242-0001	VP	243-68-4576	132,514.
Christopher Rolfe	422 South Church Street	Charlotte, NC 28242-0001	VP	225-68-2957	129,357.
Sharon A. Decker	422 South Church Street	Charlotte, NC 28242-0001	VP	244-08-0240	142,213.
Barbara B. Orr	422 South Church Street	Charlotte, NC 28242-0001	VP	242-92-1674	133,153.
F. Alfred Jenkins	422 South Church Street	Charlotte, NC 28242-0001	VP	238-68-3926	144,072.
David H. Hauer	422 South Church Street	Charlotte, NC 28242-0001	VP	213-48-3445	127,634.
James R. Davis	422 South Church Street	Charlotte, NC 28242-0001	VP	288-32-7395	288,382.
Sherwood L. Love	422 South Church Street	Charlotte, NC 28242-0001	ATAE	224-64-2401	106,797.
Sue A. Becht	422 South Church Street	Charlotte, NC 28242-0001	Trea	463-78-9548	102,512.
William Robertson, Jr.	422 South Church Street	Charlotte, NC 28242-0001	VP	238-48-0538	416,262.
Virginia H. Britton	422 South Church Street	Charlotte, NC 28242-0001	ACon	245-64-3249	87,345.
Jeffrey L. Boyer	422 South Church Street	Charlotte, NC 28242-0001	Ctlr	246-98-8382	74,066.
Robert T. Lucas, III	422 South Church Street	Charlotte, NC 28242-0001	ASec	246-78-1342	67,277.
Phyllis T. Simpson	422 South Church Street	Charlotte, NC 28242-0001	ASec	243-62-5852	70,523.
William L. Foust	422 South Church Street	Charlotte, NC 28242-0001	Pres	245-56-0307	210,417.
Carolyn Duncan	422 South Church Street	Charlotte, NC 28242-0001	ASec	245-52-9531	121,074.
					3,151,083.

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Form 1120, Page 3 Detail

Schedule K, Line 8

The corporation has an interest in, or signature or other authority over a financial account in the following countries:

TO BE LISTED

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Sch L, line 14 - Other assets	Beginning	Ending
DEFERRED TAXES	493,666,074.	512,446,012.
EXTRAORDINARY PROPERTY LOSSES	1,565,327.	
UNAMORTIZED DISCOUNTS ON DEBT	6,526,802.	6,159,706.
PRELIMINARY SURVEY & INVESTIGATION	1,381,243.	1,344,395.
UNAMORTIZED LOSS ON REACQUIRED DEBT	191,436,672.	180,146,757.
CLEARING	1,507,499.	1,619,209.
OTHER	843,028,887.	1,000,355,807.
REGULATORY ASSETS	1,072,103,746.	1,044,952,003.
Total	2,611,216,250.	2,747,023,889.

Sch L, line 16 - Accounts payable		
ACCOUNTS PAYABLE	337,416,068.	333,244,706.
Total	337,416,068.	333,244,706.

Sch L, line 18 - Other current liabilities		
SHORT-TERM OBLIGATIONS	25,374,793.	98,537,732.
CUSTOMER DEPOSITS	15,322,017.	15,769,670.
TAXES ACCRUED	82,823,691.	22,961,055.
INTERST ACCRUED	68,867,560.	72,017,069.
OTHER	199,049,182.	101,248,838.
DIVIDENDS	2,692,194.	2,512,961.
Total	394,129,437.	313,047,325.

Sch L, line 21 - Other liabilities		
LONG-TERM OBLIGATIONS	3,749,664,621.	3,985,878,847.
FEDERAL INVESTMENT TAX CREDIT	282,505,046.	271,254,193.
OTHER DEFERRED CREDITS	397,821,736.	417,463,051.
RESERVE FOR INJURIES & DAMAGES	17,576,497.	47,569,565.
DEFERRED TAXES	2,701,374,507.	2,832,389,083.
PROPERTY INSURANCE RESERVE	64,531,921.	74,537,446.
MISCELLANEOUS OPERATING RESERVES	24,460,747.	36,663,063.
Total	7,237,935,075.	7,665,755,248.

Form 1120, Page 4 detail

	Beginning	Ending
Sch L, line 22A - Preferred capital stock		
PREFERRED & PREFERENCE STOCK	782,500,000.	781,000,000.
Total	782,500,000.	781,000,000.
Sch L, line 22b - Common capital stock		
COMMON STOCK EARNINGS	1,926,909,219.	1,926,909,219.
Total	1,926,909,219.	1,926,909,219.

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Form 1120, Page 4 detail

	Beginning	Ending
Sch L, line 1 - Cash		
CASH	15,576,180.	15,608,269.
Total	15,576,180.	15,608,269.
Sch L, line 2 - Trade notes and accounts receivable		
ACCOUNTS AND NOTES RECEIVABLE	566,107,544.	563,600,805.
Total	566,107,544.	563,600,805.
Sch L, line 3 - Inventories		
INVENTORIES	284,704,347.	313,159,093.
Total	284,704,347.	313,159,093.
Sch L, line 6 - Other current assets		
LOAN ASSISTANCE	5,022,480.	5,488,829.
PREPAYMENTS	62,062,169.	92,712,510.
INTEREST RECEIVABLE	82,005.	82,007.
Total	67,166,654.	98,283,346.
Sch L, line 9 - Other investments		
GT&W	300.	-35,883.
CLAIBORNE ENERGY SERVICES, INC.	500,000.	500,000.
DUKE ENGINEERING & SERVICES	15,087,456.	17,758,741.
NANTAHALA POWER	47,709,692.	53,340,984.
WATEREE POWER	1,000.	1,000.
MILL POWER	4,283,202.	7,600,865.
CRESCENT LAND & TIMBER	133,530,165.	156,468,671.
EASTOVER LAND AND MINING	4,451,841.	3,941,006.
WESTERN FUEL	500.	500.
CHURCH STREET CAPITAL CORP	153,320,081.	172,256,585.
STONEWALL STREET GROUP, INC	112,978,300.	105,984,315.
ACCTS. PAYABLE,ASSOC. COM PANIES	-18,486,046.	-18,238,208.
CASH SURRENDER VALUE	4,164,916.	5,185,054.
OTHER	2,907,606.	2,739,642.
DUKENET COMMUNICATIONS, IN C		479,129.
Total	460,449,013.	507,982,401.

Form 1120, Page 4 Detail

Sch M-1, line 4 - Taxable income not recorded on books this year

Gain or loss on disposition of assets	2,259,158.
LOAN ASSISTANCE RESERVE	463,743.
PARTNERSHIP ITEMS PER K-1 PALMETTO SEED CAPITAL	186.
PARTNERSHIP ITEMS PER K-1 NC ENTERPRISE FUND, LP	76,695.
DECOMMISSIONING FUND NON-QUALIFIED	1,175,470.
CONTRIBUTIONS IN AID OF CONSTRUCTION	352,769.
IRC 481 ADJUSTMENT FOR FUEL CLAUSE REVENUES	9,997,650.
IRC 481 ADJ UNDER IRC 461 FOR FUEL CLAUSE REVENUES	17,169,310.
IRC 481 ADJUSTMENT FOR INVENT & CAP. SPARE PARTS	1,755,355.
UNBILLED REVENUES	10,439,771.
REVERSAL OF PRIOR YR CATA WBA BILLING TRUE-UP	2,616,016.
CURRENT YEAR CATAWBA BILL ING TRUE-UP	9,149,167.
INTEREST ON FEDERAL INCOM E TAX REFUND	1,697,291.
UNBILLED FUEL CLAUSE REVE NUES FOR 1994	8,719,690.
TRANSMISSION LINE LOSS RE SERVE	2,375,206.
NANTAHALA ENERGY BANK	3,828,058.
Total	72,075,535.

Sch M-1, line 5 - Expenses on books not deducted in return

State taxes	1,783,114.
Bad debts	245,389.
Amortization	39,723,331.
PENALTIES	195,113.
BOOK PROVISION FOR DEFERRED INCOME TAXES	110,353,743.
NUCLEAR FUEL BURN-UP EXPENSE PER BOOKS	167,390,152.
BOOK RESERVE FOR NUCLEAR DECOMMISSIONING COSTS	57,784,553.
CAPITALIZED INTEREST ON NON-TRANSITION PROPERTY	17,779,384.
CAPITALIZED PROPERTY TAX ON NON-TRANSITION PROP.	1,198,190.
REVERSAL OF BOOK RESERVE FOR CATAWBA SETTLEMENT #3	14,456,375.
INJURIES & DAMAGES	33,465,777.
ADMITTED LIABILITIES	107,044.
EXEC. LIFE INSURANCE EXP	2,593,309.
NON-EMPLOYEE DSOP PLAN	101,540.
DEFERRED COMP. INTEREST EMPLOYEE DIRECTORS	752,563.
EXECUTIVE 15 PLAN EXPENSE	669,395.
EXEC. 15 PLAN INTEREST	190,949.
DEFERRED COMP. EXPENSE NON-EMPLOYEE DIRECTORS	173,000.
DEFERRED COMP. INTEREST NON-EMPLOYEE DIRECTORS	500,769.
SSP EXPENSE	4,800,158.
OPEB EXPENSE PER BOOKS	38,947,349.
VACATION BANKING ACCRUAL	2,913,649.
NUCLEAR INSURANCE RESERVE	10,005,525.
SPENT FUEL CANISTERS	372,963.
UNALLOWABLE CIVIC AND POLITICAL EXPENSES	590,675.
DEPOSITS ON NFL TICKETS	299,188.

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Sch M-1, line 5 - Expenses on books not deducted in return (Cont'd)

FUEL TAX CREDIT	53,370.
SC PROPERTY TAXES - SEC. 481 ADJUSTMENT	14,899,748.
CAPITALIZED FRINGE BENEFI TS	246,871.
EXECUTIVE SOCP DEFERRAL	4,626,533.
UNALLOWABLE DK FOUNDATION CONTRIBUTION	839,044.
Total	528,058,763.

Sch M-1, line 7 - Income on books not included in this return

AFUDC INTEREST INCOME	40,685,936.
EQUITY EARNINGS OF SUBS	47,436,924.
RETURN ON PURCHASED CAPACITY LEVELIZATION	65,336,761.
EXEC. LIFE INSURANCE GAIN	168,333.
RETURN ON COSTS DEFERRED FOR REGULATORY PURPOSES	4,150,958.
RETURN ON DEFERRED EMISSI ON ALLOWANCES	682,625.
FASB REQUIRED IMPUTED INT EREST - WESTINGHOUSE	3,009,483.
REVERSE DEFERRAL OF PURCH ASED CAPACITY REDUCTION	4,178,145.
REVERSE BOOK RESERVES CON SIDERED IN 1995 CATAWBA	22,529,113.
Total	188,178,278.

Sch M-1, line 8 - Deductions in return not charged against book

Amortization	1,013,128.
FRANCHISE TERMINATION EXP FOR GREENSBORO TRANSIT	81,351.
AMOUNTS PAID ON TAX OPERATING LEASES	1,369,284.
COST OF REMOVAL	11,868,708.
CONTRIBUTIONS TO NUCLEAR DECOMM. QUALIFIED FUND	33,872,000.
ESOP DIVIDEND DISTRIB.	385,916.
CATAWBA SETTLEMENT #3	11,500,000.
INTEREST ON EXECUTIVE LIFE INSURANCE POLICIES	9,895,132.
PAYOUTS - DEFERRED COMP. EMPLOYEE DIRECTORS	500,958.
PAYOUTS -- EXEC. 15 PLAN	76,402.
PAYOUTS - DEFERRED COMP. NON-EMPLOYEE DIRECTORS	610,545.
PAYOUTS - SDCP	2,341,995.
PAYOUTS - SSP	2,430,460.
TAX OVER BOOK PENSION EXP	31,744,669.
TAX OPEB EXPENSE	32,153,399.
REPAIR ALLOWANCE FOR PRE-ACRS ASSETS	10,781,653.
INTEREST EXPENSE ON LIABILITY FOR DOE CLEANUP	3,208,386.
TAX INVENTORY SPARE PARTS USED IN REPAIR WORK	480,309.
CUSTOMER BILLING CREDITS DEFERRED FOR REGULATORY	19,086,351.
PURCHASE CAPACITY LEVELIZ ATION DEFERRAL	203,588,368.
DOE DISPOSAL COST REFUND	5,559,280.
DEFERRED COMP. EXPENSE - EMPLOYEE DIRECTORS	519,207.

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Sch M-1, line 8 - Deductions in return not charged against book (Cont'd)

COAL INVENTORY ADJUSTMENT	6,451,427.
INVESTMENT TAX CREDIT	11,250,853.
NC INTANGIBLES TAX	35,217.
ADMITTED LIABILITIES	2,552,472.
TAX OVER BOOK EXPENSE FOR SDCP	120,364.
SELF DEVELOPED SOFTWARE C APITALIZED FOR BOOK	20,805,237.
NC INCOME TAX PAID UNDER AUDIT	145,345.
NATURE CONSERVANCY CONTRI BUTION	375,000.
NC FRANCHISE TAX	547.
Total	424,803,963.

Sch M-2 line 3 - Other increases

TAX BENEFIT OF ESOP DIVIDEND	153,151.
Total	153,151.

Sch M-2, line 6 - Other decreases

CAPITAL STOCK TRANSACTIONS CALL PREMIUM ON RETIRED PREFERED	839,307.
Total	839,307.

Schedule D Detail

Line 1 - Short-term Capital Gain(Loss)

Property	Date Acq	Date Sld	Sales Price	Cost	Gain(loss)
Decommissioning Fund Trust Earnings	various	1994			418,061.
Palmetto Partnership per K-1	various	1994			-2,343.
Total					415,718.

Line 6 - Long-term Capital Gain(Loss)

Property	Date Acq	Date Sld	Sales Price	Cost	Gain(loss)
BONDS					-1,755.
Decommissioning Trust Fund Earnings	Various	1994			592,386.
Palmetto Partnership per K-1	Various	1994			-2,464.
North Carolina Enterprise Fund K-1					64,119.
Total					652,286.

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Form 4626 Detail

Line 4 - ACE Carryover

	1990	1991	1992	1993	1994
ACE				1,033,025,287.	790,724,022.
AMTI				901,435,757.	673,753,644.
ACE over AMTI				131,589,530.	116,970,378.
AMTI over ACE					
75% ACE preference				98,692,148.	87,727,784.
75% ACE reduction					
Carryover created	191,122,418.	150,982,423.	163,884,074.	98,692,148.	87,727,784.
Prior yr carryover (Reduction allowed)		191,122,418.	342,104,841.	505,988,915.	604,681,063.
Carryover used (Reduction claimed)					
Carryover remaining	191,122,418.	342,104,841.	505,988,915.	604,681,063.	692,408,847.

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ACE Worksheet Detail

Line 9 - Basis Adjustment

	Gain	Loss	
AMT			
Section 1231	382,216.		
Ordinary	2,407,292.		
Part III			
Total AMT	2,789,508.		
ACE			
Section 1231	382,216.		
Ordinary			
Part III			
Total ACE	382,216.		
Total difference	-2,407,292.		
Basis adjustment			-4,091,748.

Form 4797, Page 1 Detail Part I

(A) Description of Property	(B) Date Acquired	(C) Date Sold	(D) Gross Sales Price	(E) Deprec. Allowed	(F) Cost or Other Basis Plus Improv and Sale Expense	(G) Loss	(H) Gain
	VARIOUS	12/31/94	1,270,790.		888,574.		382,216.
Part I 4797 Gain or Loss							382,216.

4857

AS OBIG...

DES0001208

Form 4797, Page 1 Detail Part II

(A) Description of Property	(B) Date Acquired	(C) Date Sold	(D) Gross Sales Price	(E) Deprec. Allowed	(F) Cost or Other Basis Plus Improv and Sale Expense	(G) Loss	(H) Gain
Part II Ordinary Gains and Losses							2,407,282.

AS ORIGINALLY FILED

Federal Footnote:

DUKE POWER COMPANY

ADR ELECTION

Taxpayer elects to compute depreciation on the Class Life Asset Depreciation Range system for the Tax Year 1994 in accordance with Section 1.167(a)-11 of the regulations.

REPAIR ALLOWANCE ELECTION

Taxpayer elects repair allowance for GLC 49.14 in accordance with Section 167(a)-11(f)(2)(v) of the regulations.

CLASS LIFE ELECTION

Taxpayer elects to compute depreciation on the Class Life System for the Tax Year 1994 in accordance with Section 1.167(a)-12 of the regulations.

Federal Footnote:

ELECTION UNDER SECTION 468A

These elections are made for the Taxable year 1994.

Separate elections are made to cover the following nuclear decommissioning funds:

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
Oconee Nuclear Station - Unit 1 Seneca, S.C.	Duke Power Company master Decommissiong Trust for Oconee Nuclear Station - Unit 1	56-6373358

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of the regulation 1.468A-2 for a prior taxable year were $ 3,826,503.

The amount of cash payments deemed made to the nuclear decommissioning fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 850,334.

The cost of service amount for the taxable year is $10,481,000.
A schedule of ruling amounts is attached.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
Oconee Nuclear Station - Unit 2 Seneca, SC	Duke Power Company Master Decommissioning Trust for Oconee Nuclear Station - Unit 2	56-6474465

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash

Continued on next page

AS ORIGINALLY FILED

Federal Footnote: (Cont'd)

payments under paragraph (C)(1) of regulation 1.468A-2 for prior taxable year were $ 4,100,247.

The amount of cash payments deemed made to the nuclear decommissiong fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 911,334.

The cost of service amount for the taxable year is $10,091,000. a schedule of ruling amounts is attached.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
Oconee Nuclear Station - Unit 3 Seneca, SC	Duke Power Company Master Decommissioning Trust for Oconee Nuclear Station, Unit 3	56-6373364

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of the regulation 1.468A-2 for a prior taxable year were $ 5,681,250.

The amount of cash payments deemed made to the nuclear decommissioning fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 1,262,334.

The cost of service amount for the taxable year is $13,531,000. A schedule of ruling amounts is attached.

Federal Footnote:

DUKE POWER COMPANY

Election Under Section 468A

These elections are made for the Taxable year 1994. Separate elections are made to cover the following nuclear decommissioning funds:

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
McGuire Nuclear Station - Unit 1 Cornelius, NC	Duke Power Company Master Decommissioning Trust for McGuire Nuclear Station, Unit 1	56-6373380

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were $ 5,631,750.

The amount of cash payments deemed made to the nuclear decommissioning fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 1,251,334.

The cost of service amount for the taxable year is $8,943,000. A schedule of ruling amounts is attached.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
McGuire Nuclear Station Unit 2 Cornelius, NC	Duke Power Company Master Decommissioning Trust for McGuire Nuclear Station, Unit 2	56-6373361

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were $ 6,659,253.

The amount of cash payments deemed made to the nuclear decommissioning

Continued on next page

AS ORIGINALLY FILED

Federal Footnote: (Cont'd)

fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 1,495,666..

The cost of service amount for the taxable year is $9,286,000. A schedule of ruling amounts is attached.

Federal Footnote:

DUKE POWER COMPANY

Election Under Section 468A

These elections are made for the taxable year 1994.
Separate elections are made to cover the following nuclear decommissioning funds:

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
Catawba Nuclear Station Unit 1 Clover, SC	Duke Power Company Master Decommissioning Trust for Catawba Nuclear Station, Unit 1	56-6373362

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were $ 870,003.

The amount of cash payments deemed made to the nuclear decommissioning fund under paragraph (C)(1) of regulation 1.468A-2 for the taxable year are $ 193,334.

The cost of service amount for the taxable year is $1,198,000.
A schedule of ruling amounts is attached.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
Catawba Nuclear Station - Unit 2 Clover, SC	Duke Power Company Master Decommissioning Trust for Catawba Nuclear Station, Unit 2	56-8373383

The amount of actual cash payments made to the nuclear decommissioning fund during the taxable year that were not treated as deemed cash payments under paragraph (C)(1) of regulation 1.468A-2 for a prior taxable year were $ 927,000.

The amount of cash payments deemed made to the nuclear decommissioning

Continued on next page

AS ORIGINALLY FILED

Federal Footnote: (Cont'd)

fund under paragraph (C)(1) of regulation 468A-2 for the taxable year are $ 211,666.

The cost of service amount for the taxable year is $1,270,000. A schedule of ruling amounts is attached.

Federal Footnote:

DUKE POWER COMPANY

Taxpayer elects the nonrecognition provision of Section 1033 for the following property sold under threat of condemnation in 1994.

PURCHASER	PROPERTY	DATE SOLD	SALES PRICE	GAIN
S.C. Dept. of Transportation	Land	12/94	$331,000	$148,134
Unknown	Emission Allowances	03/94	$407,815	$307,815

Deloitte & Touche

TAXPAYER DUKE POWER COMPANY

INSTRUCTIONS FOR FILING

AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1995

To be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of Tax	Total Tax $ Less: payments & credits $ Balance due (overpayment) $(6,344,512)
Overpayment	☒ Refunded to you $6,344,512. ☐ 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	IMMEIDATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	

PETITIONER'S EXHIBIT

MISCSTATELTRS

DES00013557

STATE OF SOUTH CAROLINA
PUBLIC UTILITY TAX RETURN
Return is due on or before the 15th day of the 3rd month following the close of the taxable year.

Mail this return to:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC 1120U
(Rev 9/21/00) 3097

AS AMENDED

PLACE PEEL-OFF LABEL HERE

TAXPAYER ID INFORMATION

S.C. FILE # 20090024 - 9

RETURN FOR PERIOD ENDING DECEMBER 31, 1995

FED E.I.# 56-0205520

NAME DUKE POWER COMPANY
MAILING ADDRESS MAIL CODE PB05B
CITY CHARLOTTE STATE NC ZIP CODE 28242

Change of Address ☐

A COMPLETE COPY OF FEDERAL RETURN MUST 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: CHARLOTTE, NC

Telephone Number:
(704) 382-8175

14-0601

PART I COMPUTATION OF INCOME TAX LIABILITY

1.	Federal ordinary income (loss) per Federal Form 1120, 1120A or 1120S	1.	984,707,531
2.	Net Adjustment from line 12, Schedule A and B	2.	72,570,495
3.	Total Net Income as Reconciled (line 1 plus or minus line 2)	3.	1,057,278,026
4.	If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	4.	208,974,059
5.	LESS: Distribution to shareholders of S corporation or less S.C. N.O.L. carryover, if applicable	5.	< 0 >
6.	South Carolina Net Income subject to tax (line 4 less line 5)	6.	208,974,059
7.	TAX: Multiply amount on line 6 by .05 (5.0%)	7.	10,448,702
8.	Non-Refundable credits from line 3, Schedule C	8.	
9.	Balance of tax (line 7 less line 8) Enter the difference but not less than zero	9.	10,448,702
10.	Payments: (a) Tax Withheld (see instructions) _____ (b) Paid by Declaration _____ (c) Paid with Tentative Return _____ (d) Credit from line 24b _____		
11.	Total Payments (add lines 10a through 10d) AS REPORTED	11.	16,793,214
12.	Balance of Tax Due (line 9 less line 11)	12.	(6,344,512)
13.	Interest Due _____ Penalty Due _____ (See instructions for penalty and interest.)	13.	
14.	TOTAL INCOME TAX, Interest and Penalty Due (add lines 12 and 13)	14.	
15.	OVERPAYMENT (line 11 less line 9) _____ To be applied as follows: (a) Estimated Tax _____ (b) License Fee _____ (c) Refunded		6,344,512

COPY

PART II COMPUTATION OF LICENSE FEE

16.	Total License Fee Due from Schedule K, line 9, on page 5	16.	
17.	Section 12-20-105 credit (see instructions)	17.	
18.	Total License Fee Due (subtract line 17 from line 16 but not less than zero)	18.	
19.	Payments: (a) Paid with Tentative Return _____ (b) Credit from line 15b _____		
20.	Total Payments (add line 19(a) and (b))	20.	
21.	Balance of Fee Due (line 18 less line 20)	21.	
22.	Interest Due _____ Penalty Due _____ (See instructions for penalty and interest.)	22.	
23.	TOTAL LICENSE FEE, Interest and Penalty Due (add lines 21 and 22)	23.	
24.	OVERPAYMENT (line 20 less line 18) _____ To be applied as follows: (a) Estimated Tax _____ (b) Income Tax _____ (c) Refunded		
25.	GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 23)	25.	

Make check payable to: South Carolina Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

Signature of officer _____ Date 12/12/2002 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

Paid Preparer's Use Only

Preparer's signature _____ Date 12/11/2002 Check if self-employed ☐ Preparer's telephone number 172-60-8283

Firm's name (or yours if self-employed) and address: DELOITTE AND TOUCHE LLP
2500 ONE PPG PLACE, PITTSBURGH, PA

E.I. No. 13-3891517 ZIP Code 15222

STF SC427731F.1

DES00013558

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	75,316,966	
2. Federal Net Operating Loss	2.		
3. INTEREST FROM STATE & LOCAL OBLIGATIONS	3.	2,264,482	
	4.		
5. Other Additions (attach schedule)	5.	970,729	
6. Total Additions (add lines 1 through 5)			6. 78,552,177

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.	232,091	
8.	8.		
9. DEPRECIATION & AMORTIZATION	9.	5,359,256	
10. Other Deductions (attach schedule)	10.	390,335	
11. Total Deductions (add lines 7 through 10)			11. 5,981,682
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U			12. 72,570,495

SCHEDULE C — NON-REFUNDABLE TAX CREDITS

1. Total Credits (from Schedule I) ..... 1.
2. Tax (line 7, Part I, SC1120U) ..... 2.
3. Lesser of line 1 or 2 (enter on line 8, SC1120U) ..... 3.
4. Credit Carryover (line 1 less line 3) ..... 4.

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 11/27/63
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 2/24/64
5. Location of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD
   In the City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
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 _____
   Location of principal executive office (street address) 84 VILLA ROAD; GREENVILLE, SOUTH CAROLINA
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of CONTROLLER
   Located at (street address) 422 SOUTH CHURCH STREET, CHARLOTTE, NC 28242
10. If filing consolidated, complete and attach Schedule J for each corporation listed in the consolidation.
11. 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

12. 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

13. 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 separate schedule).

NAME	BUSINESS ADDRESS AND OFFICE

AMENDED

STF SC42731F.2

DES00013559

SCHEDULES F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE ORGANIZATIONS

SCHEDULE E RESERVED

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct. to SC 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	97,541		97,541			
2. Dividends received	409,788		409,788			
3. Rents						
4. Gains/losses on real property	(3,595,055)		(3,595,055)	(470,484)		
5. Gains/losses on intangible pers. prop.	279,374		279,374	1,157		
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED			(2,808,352)			
8. INCOME DIRECTLY ALLOCATED TO S.C.				(469,327)		
9. TOTALS TO APPORTIONMENT FACTORS						

SCHEDULE G COMPUTATION OF TAXABLE INCOME FOR ORGANIZATIONS CLAIMING MULTI-STATE OPERATIONS

1. Total net income as reconciled. Enter amount from line 3, Page 1	1.	1,057,278,026
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	(2,808,352)
3. Total net income subject to apportionment (line 1 less line 2)	3.	1,060,086,378
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2, or 3 and enter result here	4.	209,443,386
5. Add: Income subject to direct allocation to S.C. from Schedule F, line 8	5.	(469,327)
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Page 1	6.	208,974,059

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				
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 Sales (same as line 14)			%
16. TOTAL of Ratios (add Column 3 - lines 10, 13, 14 and 15)			%
17. Arithmetical Average of Ratios			%

SCHEDULE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

	1. In S.C.	2. Total Everywhere	3. Ratio
1. Total Gross Receipts			
2. Less: Exclusion (see instructions)	< >	< >	
3. Gross Receipts (for ratio)	1,284,701,382	6,502,454,929	
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			19.7572 %

SCHEDULE H-3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

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

AMENDED

SCHEDULE I 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 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE POWER COMPANY S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. _____
3. Address _____
4. Incorporated under the laws of the State of NORTH CAROLINA on 11/27/63
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 GREENVILLE and Registered Agent at such address is _____
7. Was the name of the Corporation changed during the year? NO Give old name _____
8. Date commenced business in the State of South Carolina was 2/24/64
9. Location of principal office (street address) _____
   Nature of principal business in S.C. ELECTRIC UTILITY
10. The Corporation's books are in the care of CONTROLLER
    Located at 422 SOUTH CHURCH STREET, CHARLOTTE, NORTH CAROLINA 28242
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
300,000,000	NO PAR	COMMON

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 (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) ..... $ _____
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 separate schedule).

NAME	BUSINESS ADDRESS AND OFFICE

For additional affiliated corporations duplicate Schedule J as needed.

STP SC42731F.4

AMENDED

DES00013561

SCHEDULE K 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 for Property Tax Purposes	1.	
Fee Due: Line 1 × .001	2.	

		Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):			
		$	$
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 × .003)	8.		$
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16, Part II, Page 1)	9.		$

Excerpts from 2000 Code of Laws as Amended

Code Section 12-20-100 as amended for taxable years beginning after 1995.

(A) In the place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigation company, waterworks 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:

(1) one dollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and used within this state in the conduct of business as determined by the department for property tax purposes for the preceding taxable year; and (2) three dollars for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered from regulated business within this state during the preceding taxable year, except that with regard to electric cooperatives, only distribution electric cooperatives are subject to the gross receipts portion of the license fee under this subitem.

(B) The minimum license fee under this section is $25.

NEW INFORMATION

1. South Carolina has updated income tax laws to conform with the Internal Revenue Code of 1986, as amended through December 31, 1999, including the effective dates.
2. The line 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 "infrastructure" for an eligible project has been expanded to include industrial shell buildings and the purchase of land for an office, business or industrial park.
3. Effective June 30, 1999, notwithstanding the statute of limitations, the time allotted for requesting a corporate refund has been extended from thirty days to ninety days from the date the Internal Revenue Service changes the taxable income.
4. The signature section of the return contains a new area for the preparer's telephone number.

INSTRUCTIONS

Line 17 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 setting forth the name of the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amounts in cash that were 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 maximum credit for a 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 tax year. For more information see SC Revenue Ruling #96-11.

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

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

AMENDED

DES00013562

AS AMENDED

STATE OF SOUTH CAROLINA
PUBLIC UTILITY TAX RETURN

SC1120U

(Rev. 10/94) 3097

Mail This Return To:
SC DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

Return For
Period Ending 12/31/95-INCOME; 12/31/96-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, 1120 A or 1120S AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN

Extension Requested: Yes X No ____

Type of SC Return: Separate X
Consolidated ____

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

NAME AND ADDRESS
DUKE POWER COMPANY
MAIL CODE PB05B
CHARLOTTE NC 28242-0001

RETURN DUE ON OR BEFORE
3/15/1996

County in SC Where Property is located:
VARIOUS

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?
X yes ____ no

56-0205520	4911	20090024-9	CHARLOTTE	NC
Employer Identification No.	Business Code	File Number	Audit Location	State

Telephone Number: (704) 382-8175

For Office Use Only

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal ordinary income (loss) Per Federal Form 1120, 1120A or 1120S	1.	984,707,531
2. Net Adjustment from line 12, Schedule A and B	2.	72,570,495
3. Total Net Income As Reconciled (line 1 plus or minus line 2)	3.	1,057,278,026
4. If Multi-state Corporation, enter amount from line 6, Sch. G; otherwise, enter amount from line 3	4.	335,864,278
5. LESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	<0>
6. South Carolina Net Income subject to tax (line 4 less line 5)	6.	335,864,278
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7.	16,793,214
8. Non-Refundable credits from line 5, Schedule C	8.	536,073
9. Balance of tax (line 7 less line 8) enter the difference but not less than zero.	9.	16,257,141
10. Payments: (a) Tax Withheld (see instructions) ____ (b) Paid by Declaration ____ (c) Paid with Tentative Return ____ (d) Credit from line 22b ____		
11. Total Payments (add lines 10a through 10d)	11.	16,793,214
12. Balance of Tax Due (line 9 less line 11)	12.	(536,073)
13. Interest Due ____ Penalty Due ____ (See instructions for penalty and interest.)	13.	0
14. TOTAL INCOME TAX, Interest and Penalty, Due (add lines 12 and 13)	14.	(536,073)
15. OVERPAYMENT (line 11 less line 9) ____ To be applied as follows: (a) Estimated Tax ▶ ____ (b) License Fee ▶ ____ (c) Refunded ▶		536,073

PART II COMPUTATION OF LICENSE FEE

16. Total License Fee Due from Schedule J, line 9, on page 5	16.	5,787,839
17. Payments: (a) Paid with Tentative Return ____ (b) Credit from line 15b ____		
18. Total Payments (add line 17 (a) and (b))	18.	6,192,592
19. Balance Of Fee Due (line 16 less line 18)	19.	(404,753)
20. Interest Due ____ Penalty Due ____ (See instructions for penalty and interest.)	20.	0
21. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 19 and 20)	21.	(404,753)
22. OVERPAYMENT (line 18 less line 16) ____ To be applied as follows: (a) Estimated Tax ▶ ____ (b) Income Tax ▶ ____ (c) Refunded ▶		404,753
23. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)	23.	(940,826)

Make checks payable to: South Carolina Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

▶ Signature of officer ____ Date ____ ▶ Title ____

Paid Preparer's Use Only

Preparer's signature ▶ ____ Date ____ Check if self-employed ▶ ☐ Preparer's social security no. ____

Firm's name (or yours if self-employed) and address ▶ DELOITTE AND TOUCHE LLP
2500 ONE PPG PLACE
Pittsburgh, PA 15222

E.I. No. ▶13-3891517
Zip code ▶15222

AS ORIGINALLY FILED

DES00013563

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	75,316,966	
2. Federal Net Operating Loss	2.		
3. INTEREST FROM STATE&LOCAL OBLIGATIONS	3.	2,264,482	
4.	4.		
5. Other Additions (attach schedule)	5.	970,729	
6. Total Additions (add lines 1 through 5)			6. 78,552,177

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.	232,091	
8.	8.		
9. DEPRECIATION & AMORTIZATION	9.	5,359,256	
10. Other Deductions (attach schedule)	10.	390,335	
11. Total Deductions (add lines 7 through 10)			11. 5,981,682
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U			12. 72,570,495

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) South Carolina New Jobs Credit (TC-4)	d.	330,900	
(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) ECONOMIC IMPACT ZONE CREDIT	i.	205,173	
3. Total Credits (add lines 1 and 2(a) through (i))			3. 536,073
4. Tax (line 7, Part I, SC1120U)			4. 16,793,214
5. Lesser of line 3 or 4 (enter on line 8, Part I, SC1120U)			5. 536,073
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 NC on 5/01/17
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 2/24/63
5. Location of the Registered Office of the Corporation in the State of South Carolina is 84 VILLA ROAD
   In the City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
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 2/24/63
8. Location of principal executive office (street address) _____
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of JEFFREY BOYER
   Located at (street address) 422 SOUTH CHURCH STREET; CHARLOTTE, NC
10. If filing consolidated, complete and attach Schedule I for each corporation listed on 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 any, within each class is as follows:

Number of Shares	Class	Series
204,859,339	COMMON	NO PAR

14. 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

AS ORIGINALLY FILED

DES00013564

SCHEDULES F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

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 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
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains/losses on real property						
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED						
8. INCOME DIRECTLY ALLOCATED TO S.C.						
9. TOTALS TO APPORTIONMENT FACTORS						

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.	
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	(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)			
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			%

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)		%

SAME AS ORIGINALLY FILED RETURN

AS ORIGINALLY FILED

DES00013565

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.	2,381,163,809
2. Fee Due: Line 1 x .001	2.	2,381,164

	Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):		
	$ 4,431,597,935	$1,135,558,311
4. Total Operating Revenues 4.	$ 4,431,597,935	$1,135,558,311
5. Other Receipts, (Itemize): 5.		
6. Total Other Receipts 6.	$	$
7. Total Gross Receipts (Add Lines 4 and 6) 7.		1,135,558,311
8. Fee Due (Line 7, Column B x .003) 8.		$ 3,406,675
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16 Part II, Page 1) 9.		$ 5,787,839

South Carolina Code Section 12-19-100 (As amended for license tax years beginning after May 10, 1994.)

In lieu of the license fee imposed by Section 12-19-70, there is levied, in addition to any 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 for property tax purposes for the preceding accounting period, owned and used within South Carolina in the conduct of business of 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 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 (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 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 express company, street railway company, navigation company, waterworks company, power company, distribution electric cooperative, light company, gas company, telegraph company, and telephone company. 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' 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 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.

AS ORIGINALLY FILED

DES00013566

DUKE ENERGY CORPORATION
SOUTH CAROLINA LICENSE TAX FOR UTILITIES

	1996
Receipts Reported on Original Return	1,270,476,192
Less: Sales for Resale	(113,415,884)
Less: Rents	(13,223,910)
Less: Water Revenues	(5,818,202)
Less:Forfeited Discounts	(1,898,741)
Less: Bad Debt	
Less: Interdepartmental rents	
Less: Misc. Service Revenue/Other Electric Revenues	
Less: Interdepartmental sales	(561,144)
Adjusted Receipts	1,135,558,311

AS ORIGINALLY FILED

DES00013567

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

NEW JOBS CREDIT

Effective for taxable years beginning after 1995.
(ATTACH TO RETURN)

SC SCH. TC 4
(Rev. 9/97)
3117

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY YORK

MONTH	19 89 PRIOR YEAR	19 90 YEAR 1	19 91 YEAR 2	19 92 YEAR 3	19 93 YEAR 4	19 94 YEAR 5	19 95 YEAR 6
1 JANUARY	1,019	1,073	1,323	1,869	2,084	1,986	1,821
2 FEBRUARY	1,023	1,092	1,371	1,890	2,077	1,971	1,814
3 MARCH	1,026	1,110	1,419	1,910	2,069	1,957	1,808
4 APRIL	1,029	1,128	1,466	1,930	2,061	1,943	1,801
5 MAY	1,032	1,147	1,514	1,950	2,054	1,928	1,794
6 JUNE	1,036	1,165	1,562	1,971	2,046	1,914	1,787
7 JULY	1,039	1,183	1,610	1,991	2,038	1,900	1,780
8 AUGUST	1,042	1,202	1,658	2,011	2,031	1,885	1,773
9 SEPTEMBER	1,045	1,220	1,706	2,031	2,023	1,871	1,767
10 OCTOBER	1,049	1,238	1,753	2,052	2,015	1,857	1,760
11 NOVEMBER	1,052	1,257	1,801	2,072	2,008	1,842	1,753
12 DECEMBER	1,055	1,275	1,849	2,092	2,000	1,828	1,746
LINE 1: TOTAL EMPLOYEES	12,446	14,090	19,031	23,768	24,506	22,882	21,403
LINE 2: DIVIDED BY: NUMBER OF MONTHS IN OPERATION	12	12	12	12	12	12	12
LINE 3: MONTHLY AVERAGE OF FULL TIME EMPLOYEES	1,037.13	1,174.17	1,585.92	1,980.63	2,042.17	1,906.83	1,783.58
LINE 4: LESS: PREVIOUS YEAR AVERAGE	943.58	1,037.13	1,174.17	1,585.92	1,980.63	2,042.17	1,906.83
LINE 5: AVERAGE INCREASE IN FULL TIME EMPLOYEES	93	137	411	394	61	(135)	(123)

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
HISTORY: 1988-1989 INCREASE	178	178	178	93	
LINE 6: YEAR 1 INCREASE	137	137	137	137	137
LINE 7: YEAR 2 INCREASE		411	411	411	411
LINE 8: YEAR 3 INCREASE			394	320	197
LINE 9: YEAR 4 INCREASE				0	0
LINE 10: YEAR 5 INCREASE					0
LINE 11: YEAR 6 INCREASE					
LINE 12: NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	315	726	1,120	961	745
LINE 13: AMOUNT OF CREDIT PER EMPLOYEE	300	300	300	300	300
LINE 14: ELIGIBLE CREDIT (multiply line 12 by line 13)	94,500	217,800	336,000	288,300	223,500
LINE 15: UNUSED NEW JOBS CREDIT CARRYOVER	0	0	0	0	0
LINE 16: TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	94,500	217,800	336,000	288,300	223,500
LINE 17: TAX LIABILITY (from appropriate line of tax return)	8,609,020	10,436,784	14,100,497	10,277,346	16,793,214
LINE 18: MAX. TENTATIVE CREDIT (50% line 17)	4,304,510	5,218,392	7,050,249	5,138,673	8,396,607
LINE 19: ENTER the lesser of line 16 or 18	94,500	217,800	336,000	288,300	223,500

AS ORIGINALLY FILED

STF SC20435F

DES00013568

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

NEW JOBS CREDIT

Effective for taxable years beginning after 1995.
(ATTACH TO RETURN)

SC SCH. TC 4
(Rev. 9/97)
3117

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY OCONEE

MONTH	19 89 PRIOR YEAR	19 90 YEAR 1	19 91 YEAR 2	19 92 YEAR 3	19 93 YEAR 4	19 94 YEAR 5	19 95 YEAR 6
1 JANUARY	1,431	1,449	1,693	1,747	2,062	1,944	1,807
2 FEBRUARY	1,430	1,471	1,695	1,776	2,053	1,932	1,803
3 MARCH	1,430	1,493	1,698	1,806	2,043	1,920	1,800
4 APRIL	1,430	1,515	1,700	1,835	2,033	1,907	1,796
5 MAY	1,429	1,537	1,702	1,865	2,024	1,895	1,793
6 JUNE	1,429	1,559	1,704	1,895	2,014	1,883	1,790
7 JULY	1,429	1,581	1,706	1,924	2,004	1,871	1,786
8 AUGUST	1,428	1,603	1,708	1,954	1,995	1,859	1,783
9 SEPTEMBER	1,428	1,625	1,711	1,983	1,985	1,847	1,779
10 OCTOBER	1,428	1,647	1,713	2,013	1,975	1,834	1,776
11 NOVEMBER	1,427	1,669	1,715	2,042	1,966	1,822	1,772
12 DECEMBER	1,427	1,691	1,717	2,072	1,956	1,810	1,769
LINE 1: TOTAL EMPLOYEES	17,146	18,840	20,461	22,912	24,110	22,523	21,454
LINE 2: DIVIDED BY: NUMBER OF MONTHS IN OPERATION	12	12	12	12	12	12	12
LINE 3: MONTHLY AVERAGE OF FULL TIME EMPLOYEES	1,428.83	1,570.00	1,705.08	1,909.29	2,009.17	1,876.92	1,787.79
LINE 4: LESS: PREVIOUS YEAR AVERAGE		1,428.83	1,570.00	1,705.08	1,909.29	2,009.17	1,876.92
LINE 5: AVERAGE INCREASE IN FULL TIME EMPLOYEES		141	135	204	99	(132)	(89)

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
LINE 6: YEAR 1 INCREASE	141	141	141	141	141
LINE 7: YEAR 2 INCREASE		135	135	135	135
LINE 8: YEAR 3 INCREASE			204	171	82
LINE 9: YEAR 4 INCREASE				0	0
LINE 10: YEAR 5 INCREASE					0
LINE 11: YEAR 6 INCREASE					
LINE 12: NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	141	276	480	447	358
LINE 13: AMOUNT OF CREDIT PER EMPLOYEE	300	300	300	300	300
LINE 14: ELIGIBLE CREDIT (multiply line 12 by line 13)	42,300	82,800	144,000	134,100	107,400
LINE 15: UNUSED NEW JOBS CREDIT CARRYOVER	0	0	0	0	0
LINE 16: TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	42,300	82,800	144,000	134,100	107,400
LINE 17: TAX LIABILITY (from appropriate line of tax return)	8,609,020	10,436,784	14,100,497	10,277,346	16,793,214
LINE 18: MAX. TENTATIVE CREDIT (50% line 17)	4,304,510	5,218,392	7,050,249	5,138,673	8,396,607
LINE 19: ENTER the lesser of line 16 or 18	42,300	82,800	144,000	134,100	107,400

STF SC20436F

AS ORIGINALLY ;

DES00013569

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

ECONOMIC IMPACT ZONE PROPERTY INVESTMENT CREDIT

Attach to Forms SC1040, SC1041, SC1120, or SC1120S

SC SCH. TC-11
(7/95)
3326
1995

Name As Shown On Tax Return
DUKE POWER COMPANY

Social Security or Employer ID Number
56-0205520

This schedule must be completed and filed with the income tax return in order to claim an investment tax credit for the cost basis of economic impact zone property. The definitions on the reverse side should be carefully read before completing this schedule, as there are certain requirements that must be met before qualifying for this tax credit.

1. Economic Impact Zone Property (Qualifying Types)		Cost Basis
a. Manufacturing	1a.	
b. Production	1b.	
c. Manufacturing or Production Control Software	1c.	
d. Extraction	1d.	
e. Furnishing Transportation	1e.	
f. Furnishing Communications	1f.	
g. Furnishing Electrical Energy	1g.	4,103,452
h. Furnishing Gas	1h.	
i. Furnishing Water	1i.	
j. Furnishing Sewage Disposal Services	1j.	
2. Total Cost Basis of Qualifying Property	2.	4,103,452
3. Credit - Multiply line 2 by 5%	3.	205,173

AS ORIGINALLY FILED

STF SC2D472F

DES00013570

AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA
PUBLIC UTILITY TAX RETURN

SC1120U
(Rev. 10/94) 3097

SC-1120U
RETURN FOR DEC 31, 1995 INCOME
PERIOD ENDING DEC 31, 1996 LICENSE
RETURN DUE MAR 15, 1996 12

FILE NO. 2C05CC24-9
BUS. CODE 4900-C
EMPLOYER ID NO. 560205520 23

DUKE POWER COMPANY
422 S CHURCH ST
CHARLOTTE NC 28242

H DAY OF THE 3RD
TAXABLE YEAR

URN DUE ON OR
BEFORE

A COPY OF FEDERAL FORM 1120, 1120 A or 1120S AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF 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: various
Did any of the corporations in this Return have any property presumed abandoned under Chapter 16, Title 27 of the South Carolina Code of Laws, 1976? X yes ____ no.
City: Charlotte, NC Audit Location State
Telephone Number: 704-382-8175

Employer Identification No. | Business Code | File Number

For Office Use Only

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal ordinary income (loss) For Federal Form 1120, 1120A or 1120S	1.	984,707,531
2. Net Adjustment from line 12, Schedule A and B	2.	72,570,495
3. Total Net Income As Reconciled (line 1 plus or minus line 2)	3.	1,057,278,026
4. If Multi-state Corporation, enter amount from line 5, Sch. G; otherwise, enter amount from line 3	4.	335,864,278
5. LESS: Distribution to shareholders of S corporation or less S.C.-N.O.L. carryover, if applicable	5.	< >
6. South Carolina Net Income subject to tax (line 4 less line 5)	6.	335,864,278
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7.	16,793,214
8. Non-Refundable credits from line 5, Schedule C	8.	
9. Balance of tax (line 7 less line 8) enter the difference but not less than zero.	9.	16,793,214
10. Payments: (a) Tax Withheld (see instructions) ____ (b) Paid by Declaration 20,024,988		
(c) Paid with Tentative Return 3,350,000 (d) Credit from line 22b ____		
11. Total Payments (add lines 10a through 10d)	11.	23,374,988
12. Balance of Tax Due (line 9 less line 11)	12.	none
13. Interest Due ____ Penalty Due ____ (See instructions for penalty and interest.)	13.	
14. TOTAL INCOME TAX, Interest and Penalty, Due (add lines 12 and 13)	14.	none
15. OVERPAYMENT (line 11 less line 9) 6,581,774 To be applied as follows:		
(a) Estimated Tax ▶ 389,182 (b) License Fee ▶ 6,192,592 (c) Refunded ▶		

PART II COMPUTATION OF LICENSE FEE

16. Total License Fee Due from Schedule J, line 9, on page 5	16.	6,192,592
17. Payments: (a) Paid with Tentative Return ____ (b) Credit from line 15b 6,192,592		
18. Total Payments (add line 17 (a) and (b))	18.	6,192,592
19. Balance Of Fee Due (line 16 less line 18)	19.	none
20. 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.	none
22. OVERPAYMENT (line 18 less line 16) ____ To be applied as follows:		
(a) Estimated Tax ▶ ____ (b) Income Tax ▶ ____ (c) Refunded ▶ ____		
23. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 14 and 21)	23.	

Make checks payable to: South Carolina Department of Revenue.

Please Sign Here: I, the undersigned, a 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.

Signature of officer [signature] Date 9/16/96 ▶ Title ____

Paid Preparer's Use Only

Preparer's signature [signature] Date 9/14/96 Check if self-employed ▶ ☐ Preparer's social security no 248 80 7194

Firm's name (or yours if self-employed) and address ▶ COOPERS & LYBRAND LLP, ATLANTA GA E.I. No. ▶ 13 5218870 Zip code ▶ 30309

AS ORIGINALLY FILED

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4881

STATE OF SOUTH CAROLINA

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

Return for the Period Ending 12/31/95

Complete all blank areas.

SC1120T (Rev. 7/93) 3096

FILE NO. 090024-9

56-0205520
FED EI NO.

Return extended to 09/16/95

Signature Carol W. Winston Date 3/14/96
Asst. Secretary

DUKE POWER COMPANY
422 SOUTH CHURCH STREET
CHARLOTTE, NC 28242-0001

1. Tentative Tax Based on Net Income 17,182,396.
2. LESS: Estimated Tax Payments 20,024,988.
3. Tentative Tax Due ▶
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) ▶ 6,192,592.
5. Balance Remitted 3,350,000.

Corporation Tentative Columbia, SC 29214-0006

Cut Here

AS ORIGINALLY FILED

554501 3.000

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SCHEDULE A AND B ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1. 75,316,966		
2. Federal Net Operating Loss	2.		
3. INTEREST FROM STATE & LOCAL OBLIG.	3. 2,264,482		
4.	4.		
5. Other Additions (attach schedule) SEE STATEMENT 1	5. 970,729		
6. Total Additions (add lines 1 through 5)		6. 78,552,177	

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7. 232,091		
8.	8.		
9. DEPRECIATION & AMORIZATION ADJ.	9. 5,359,256		
10. Other Deductions (attach schedule) SEE STATEMENT 1	10. 390,335		
11. Total Deductions (add lines 7 through 10)		11. 5,981,682	
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120U		12. 72,570,495	

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) 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))		3.
4. Tax (line 7, Part I, SC1120U)		4.
5. Lesser of line 3 or 4 (enter on line 8, Part I, SC1120U)		5.
6. Credit Carryover (line 3 less line 5)		6.

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 05/01/17
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 02/24/63
5. 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 E LOMAX
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 02/24/63
8. Location of principal executive office (street address) SEE STATEMENT 1
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of JEFFERY BOYER
   Located at (street address) SEE STATEMENT 1
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? NO
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 any, within each class is as follows:

Number of Shares	Class	Series
204,859,339	COMMON	NO PAR

14. 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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE
SEE STATEMENT 1,2 and 3	

AS ORIGINALLY [illegible]

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SCHEDULES F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

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 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
1. Interest not connected with business	97,541		97,541			
2. Dividends received	409,788		409,788			
3. Rents						
4. Gains/losses on real property	(3,595,055)		(3,595,055)	(470,484)		
5. Gains/losses on intangible pers. prop.	279,374		279,374	1,157		
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED			(2,808,352)			
8. INCOME DIRECTLY ALLOCATED TO S.C.				(469,327)		
9. TOTALS TO APPORTIONMENT FACTORS						

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.	1,057,278,026
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	(2,808,352)
3. Total net income subject to apportionment (line 1 less line 2)	3.	1,060,086,378
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.	336,333,605
5. Add: Income subject to direct allocation to S.C. from Schedule F, line 8	5.	(469,327)
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.	335,864,278

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	2,261,712	2,639,770	10,555,771	9,065,655
5. Other Property	5,130,438,526	5,228,180,874	14,129,138,762	14,706,473,585
6. Exclusions	< >	< >	< >	< >
7. TOTAL (add lines 1 - 5; subtract line 6)	5,132,700,238	5,230,820,644	14,139,694,533	14,715,539,240

	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)	5,181,760,441	14,427,616,887	
9. Rental or Lease Value	19,392,896	276,817,240	
10. TOTAL Property (Add lines 8 and 9. (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	5,201,153,337	14,704,434,127	35.3713 %
11. GROSS Payroll	275,802,201	813,906,532	
12. Less : Officers Compensation and Exclusions	< 704,273 >	< 9,254,575 >	
13. TOTAL Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	275,097,928	804,651,975	34.1884 %
14. TOTAL Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	1,284,701,382	4,480,354,569	28.6741 %
15. TOTAL of Three Ratios (add Column 3 - lines 10, 13 and 14)			28.6741 %
16. Arithmetical Average of Three Ratios			31.7270

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)			
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			%

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)		%

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SCHEDULE 1 CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name _____ 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

For additional affiliated corporations duplicate Schedule I as needed.

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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 for Property Tax Purposes	1.	2,381,163,809
2. Fee Due: Line 1 x .001	2.	2,381,164

	Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues. (Itemize):		
Electric	$ 4,422,438,494	$ 1,264,657,990
Water	9,159,441	5,818,202
4. Total Operating Revenues 4.	$ 4,431,597,935	$ 1,270,476,192
5. Other Receipts. (Itemize): 5.		
6. Total Other Receipts 6.	$	$
7. Total Gross Receipts (Add Lines 4 and 6) 7.	[redacted]	1,270,476,192
8. Fee Due (Line 7, Column B x .003) 8.		$ 3,811,428
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16 Part II, Page 1) 9.		$ 6,192,592

South Carolina Code Section 12-19-100 (As amended for license tax years beginning after May 10, 1994.)

In lieu of the license fee imposed by Section 12-19-70, there is levied, in addition to any 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 for property tax purposes for the preceding accounting period, owned and used within South Carolina in the conduct of business of 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 in this section must be paid at the time of the filing of the reports required by this chapter.

South 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 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 express company, street railway company, navigation company, waterworks company, power company, distribution electric cooperative, light company, gas company, telegraph company, and telephone company. 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' 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 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.

AS ORIGINALLY FILED

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DUKE POWER COMPANY 56-0205520

SOUTH CAROLINA SC1120, PAGE 2 DETAIL

SCH. A, LINE 5 - OTHER ADDITIONS

ENVIRONMENTAL TAXES	970,729.
TOTAL	970,729.

SCH. B, LINE 10 - OTHER DEDUCTIONS

FEDERAL GAINS IN EXCESS OF SOUTH CAROLINA	390,335.
TOTAL	390,335.

SCH. D, LINE 8 - LOCATION OF PRINCIPAL OFFICE

84 VILLA RD
GREENVILLE,SC

SCH. D, LINE 9 - LOCATION OF BOOKS

422 SOUTH CHURCH STREET
CHARLOTTE, NC 28242

SCH. D, LINE 15 - DIRECTORS AND PRINCIPAL OFFICERS IN THE CORPORATION

NAME	BUSINESS ADDRESS	OFFICE
WILLIAM H. GRIGG	422 S. CHURCH STREET CHARLOTTE, NC 28242	CEO
RICHARD B. PRIORY	422 S. CHURCH STREET CHARLOTTE, NC 28242	PRESIDENT
WILLIAM A. COLEY	422 S. CHURCH STREET CHARLOTTE, NC 28242	PRESIDENT
STEVE C. GRIFFITH, JR.	422 S. CHURCH STREET CHARLOTTE, NC 28242	VCHAIRMAN
RICHARD OSBORNE	422 S. CHURCH STREET CHARLOTTE, NC 28242	SR VP
DONALD DENTON, JR.	422 S. CHURCH STREET CHARLOTTE, NC 28242	SR. VP
MICHAEL TUCKMAN	422 S. CHURCH STREET CHARLOTTE, NC 28242	SR. VP
FRED E. WEST, JR	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP

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DUKE POWER COMPANY 56-0205520

SOUTH CAROLINA SC1120, PAGE 2 DETAIL

SCH. D, LINE 15 - DIRECTORS AND PRINCIPAL OFFICERS IN THE CORPORATION (CONT'D

EXCELL FERRELL, III	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
WILLIAM R STIMART	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
ROBERT S. LILIEN	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
JIMMY R. HICKS	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
JOHN F. LOMAX	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
MAURICE MCINTOSH	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
T. C. MCMEEKIN	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
JAMES E. GROGAN	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
JAMES HAMPTON	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
JAMES D. HINTON	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
DAVID L. REHN	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
DAVID L. HAUSER	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
J. W. HILLHOUSE, JR.	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
JOHN P. HOLLAND	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
RONALD L. GIBSON	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
WILLIAM F. REINKE	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
DONALD E. HATLEY	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
CHRISTOPHER ROLFE	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
SHARON A. DECKER	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
BARBARA B. ORR	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
F. ALFRED JENKINS	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
DAVID H. MANER	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
JAMES R. BAVIS	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP
WILLIAM ROBERTSON, JR.	422 S. CHURCH STREET CHARLOTTE, NC 28242	VP

CONTINUED ON NEXT PAGE

STATEMENT 2

AS PRINTED

DES00013578

SCH. D, LINE 15 - DIRECTORS AND PRINCIPAL OFFICERS IN THE CORPORATION (CONT'D)

ELLEN T. RUFF	422 S. CHURCH STREET CHARLOTTE, NC 28242	SECRETARY
SUE A. BECHT	422 S. CHURCH STREET CHARLOTTE, NC 28242	TREASURER
WILLIAM S. LEE	422 S. CHURCH STREET CHARLOTTE, NC 28242	CEO
WILLIAM H. GRIGG	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
STEVE C. GRIFFITH, JR.	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
WILLIAM A. COLEY	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
RICHARD B. PRIORY	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
G. ALEX BERNHARDT	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
CRANDALL C. BOWLES	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
ROBERT J. BROWN	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
PAUL H. HENSON	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
GEORGE DEAN JOHNSON, JR.	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
JAMES V. JOHNSON	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
W. W. JOHNSON	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
DR. MAX LENNON	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
JAMES G. MARTIN	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
BUCK MICKEL	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR
RUSSELL M. ROBINSON, II	422 S. CHURCH STREET CHARLOTTE, NC 28242	DIRECTOR

DUKE POWER COMPANY

Statement Attached To and Made Part Of
1995 South Carolina Corporation Income Tax Return

Function	Federal Tax Depreciation	S.C. Tax Depreciation	Income increase (decrease)
Furniture & Fixtures	$20,204,046	$20,204,046	$ -0-
EDP Equipment	16,091,755	16,091,755	-0-
Dispatch and Other Computers	1,107,859	1,107,859	-0-
Data Handling Equipment	283,417	283,417	-0-
Other General Plant	9,070,240	9,070,240	-0-
Hydro	53,548,136	53,795,239	(247,103)
Hydro - Structures	1,543,348	1,543,348	-0-
Nuclear	49,879,807	51,754,922	(1,875,115)
Nuclear Fuel	149,768,906	149,768,906	-0-
Nuclear - Structures	4,352,820	4,352,820	-0-
Steam	51,418,999	51,920,958	(501,959)
Other Production	15,159,939	15,161,578	(1,639)
Other Production - Structures	258	258	-0-
Steam - Structures	390,321	390,321	-0-
Transmission	39,997,541	40,625,875	(628,334)
Distribution	162,346,011	164,419,141	(2,073,130)
Easements, Relocations & First Clearing	2,687,226	2,687,226	-0-
Leased Structures	398,161	398,161	-0-
Water	1,868,211	1,901,280	(33,069)
Structures	11,820,373	11,819,280	1,093
Vehicle	(315,092)	(315,092)	-0-
	$591,622,282	$596,981,538	$(5,359,256)

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 Recover System.

AS ORIGINALLY FILED

DES00013580

Form **1120** — Department of the Treasury, Internal Revenue Service

U.S. Corporation Income Tax Return

For calendar year 1995 or tax year beginning _____, 1995, ending _____, 19___

▶ Instructions are separate. See page 1 for Paperwork Reduction Act Notice.

OMB No. 1545-0123

1995

A Check if a: 1 Consolidated return (attach Form 851) ☐ 2 Personal holding co. (attach Sch. PH) ☐ 3 Personal service corp. (as defined in Temp. Regs. sec. 1.441-4T (see instructions) ☐	Name: DUKE POWER COMPANY Number, street, and room or suite no. (If a P.O. box, see page 6 of instructions.): 422 SOUTH CHURCH STREET City or town, state, and ZIP code: CHARLOTTE, NC 28242-0001
B Employer identification number	56-0205520
C Date incorporated	05/01/1917
D Total assets (see page 6 of instructions)	14,062,173,430.

E Check applicable boxes: (1) ☐ Initial return (2) ☐ Final return (3) ☐ Change of address ☐

Income	1a Gross receipts or sales	4,466,632,157.	b Less returns and allowances 120,936.	c Bal ▶ 1c	4,466,511,221.
	2 Cost of goods sold (Schedule A, line 8)			2	1,302,872,808.
	3 Gross profit. Subtract line 2 from line 1c			3	3,163,638,413.
	4 Dividends (Schedule C, line 19)			4	1,385,960.
	5 Interest	SEE STATEMENT 1		5	3,007,633.
	6 Gross rents			6	122,892.
	7 Gross royalties			7	
	8 Capital gain net income (attach Schedule D (Form 1120))			8	289,008.
	9 Net gain or (loss) from Form 4797, Part II, line 20 (attach Form 4797)			9	-6,627,438.
	10 Other income (see page 7 of instructions - attach schedule)	SEE STATEMENT 1		10	1,969,365.
	11 Total income. Add lines 3 through 10 ▶			11	3,163,766,833.
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (Schedule E, line 4)			12	9,254,575.
	13 Salaries and wages (less employment credits)			13	200,986,154.
	14 Repairs and maintenance			14	427,075,181.
	15 Bad debts			15	7,938,931.
	16 Rents			16	5,149,441.
	17 Taxes and licenses	SEE STATEMENT 2		17	319,333,499.
	18 Interest			18	238,565,700.
	19 Charitable contributions (see page 9 of instructions for 10% limitation)	SEE STATEMENT 3		19	7,914,651.
	20 Depreciation (attach Form 4562)	20	594,234,773.		
	21 Less depreciation claimed on Schedule A and elsewhere on return	21a		21b	594,234,773.
	22 Depletion			22	
	23 Advertising			23	6,405,905.
	24 Pension, profit-sharing, etc., plans			24	87,822,599.
	25 Employee benefit programs			25	33,970,990.
	26 Other deductions (attach schedule)	SEE STATEMENT 3		26	239,449,731.
	27 Total deductions. Add lines 12 through 26 ▶			27	2,178,102,130.
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11			28	985,663,703.
	29 Less: a Net operating loss deduction (see page 11 of instructions)	29a			
	b Special deductions (Schedule C, line 20)	29b	956,172.	29c	956,172.
	30 Taxable income. Subtract line 29c from line 28			30	984,707,531.
	31 Total tax (Schedule J, line 10)			31	NONE
Tax and Payments	32 Payments: a 1994 overpayment credited to 1995	32a			
	b 1995 estimated tax payments	32b			
	c Less 1995 refund applied for on Form 4466	32c ( )	d Bal ▶	32d	
	e Tax deposited with Form 7004			32e	
	f Credit from regulated investment companies (attach Form 2439)			32f	
	g Credit for Federal tax on fuels (attach Form 4136). See instructions			32g	
				32h	
	33 Estimated tax penalty (see page 12 of instructions). Check if Form 2220 is attached ▶ ☐			33	
	34 Tax due. If line 32h is smaller than the total of lines 31 and 33, enter amount owed			34	
	35 Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid			35	NONE
	36 Enter amount of line 35 you want: Credited to 1996 estimated tax ▶		Refunded ▶	36	NONE

Sign Here — Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer ▶ Date ▶ Title

Paid Preparer's Use only — Preparer's signature ▶ Date | Check if self-employed ☐ | Preparer's social security no.

Firm's name (or yours if self-employed) and address ▶ EIN ▶ ZIP code ▶

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Schedule A Cost of Goods Sold (See page 12 of instructions.)

1	Inventory at beginning of year	1	
2	Purchases	2	
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule) SEE STATEMENT 5	5	1,302,872,808.
6	Total. Add lines 1 through 5	6	1,302,872,808.
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	1,302,872,808.

9 a Check all methods used for valuing closing inventory:

(i) ☐ Cost as described in Regulations section 1.471-3

(ii) ☐ Lower of cost or market as described in Regulations section 1.471-4

(iii) ☐ Other (Specify method used and attach explanation.) ▶

b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c) ▶ ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ ☐

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d

e Do the rules of section 263A (for property produced or acquired for resale) apply to the corporation? ☒ Yes ☐ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation ☐ Yes ☐ No

Schedule C Dividends and Special Deductions (See page 13 of instructions.)

		(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock) STMT 5	1,365,960.	70	956,172.
2	Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock)		80	
3	Dividends on debt-financed stock of domestic and foreign corporations (section 246A)		see instr.	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction		70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction		80	
8	Dividends from wholly owned foreign subsidiaries subject to the 100% deduction (section 245(b))		100	
9	Total. Add lines 1 through 8. See page 13 of instructions for limitation			956,172.
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1))		100	
12	Dividends from affiliated group members subject to the 100% deduction (section 243(a)(3))		100	
13	Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 11			
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)			
15	Foreign dividend gross-up (section 78)			
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 246(d))			
17	Other dividends			
18	Deduction for dividends paid on certain preferred stock of public utilities			
19	Total dividends. Add lines 1 through 17. Enter here and on line 4, page 1 ▶	1,365,960.		
20	Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on line 29b, page 1 ▶			956,172.

Schedule E Compensation of Officers (See instructions for line 12, page 1.)

Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1, Form 1120) are $500,000 or more.

	(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned (d) Common	(e) Preferred	(f) Amount of compensation
1			%	%	%	
	SEE STATEMENT 6		%	%	%	
			%	%	%	
			%	%	%	
			%	%	%	
2	Total compensation of officers					9,254,575.
3	Compensation of officers claimed on Schedule A and elsewhere on return					
4	Subtract line 3 from line 2. Enter the result here and on line 12, page 1					9,254,575.

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Schedule J Tax Computation (See page 14 of instructions.)

1	Check if the corporation is a member of a controlled group (see section 1561 and 1563) ▶ ☐ Important: Members of a controlled group, see instructions on page 14.		
2 a	If the box on line 1 is checked, enter the corporation's share of the $50,000, $25,000, and $9,925,000 taxable income brackets (in that order): (1) _____ (2) _____ (3) _____		
b	Enter the corporation's share of: (1) Additional 5% tax (not more than $11,750) (2) Additional 3% tax (not more than $100,000)		
3	Income tax. Check this box if the corporation is a qualified personal service corporation as defined in section 448(d)(2) (see instructions on page 16) ▶ ☐	3	NONE
4 a	Foreign tax credit (attach Form 1118)	4a	
b	Possessions tax credit (attach Form 5735)	4b	
c	Check: ☐ Nonconventional source fuel credit ☐ QEV credit (attach Form 8834)	4c	
d	General business credit. Enter here and check which forms are attached: ☐ 3800 ☐ 3468 ☐ 5884 ☐ 6478 ☐ 6765 ☐ 8586 ☐ 8830 ☐ 8826 ☐ 8835 ☐ 8844 ☐ 8845 ☐ 8846 ☐ 8847	4d	
e	Credit for prior year minimum tax (attach Form 8827)	4e	
5	Total credits. Add lines 4a through 4e	5	
6	Subtract line 5 from line 3	6	NONE
7	Personal holding company tax (attach Schedule PH (Form 1120))	7	
8	Recapture taxes. Check if from: ☐ Form 4255 ☐ Form 8611	8	
9 a	Alternative minimum tax (attach Form 4626)	9a	NONE
b	Environmental tax (attach Form 4626)	9b	
10	Total tax. Add lines 6 through 9b. Enter here and on line 31, page 1	10	NONE

Schedule K Other Information (See page 17 of instructions.)

		Yes	No
1	Check method of accounting: a ☐ Cash b ☒ Accrual c ☐ Other (specify) ▶ _____		
2	See page 19 of the instructions and state the principal: a Business activity code no. ▶ 4911 b Business activity ▶ ELECTRIC UTILITY c Product or service ▶ ELECTRICITY		
3	Did the corporation at the end of the tax year own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name and identifying number, (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.	X	
4	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter employer identification number and name of the parent corporation ▶ _____		X
5	Did any individual, partnership, corporation, estate or trust at the end of the tax year own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.) Enter percentage owned ▶ _____		X
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See secs. 301 and 316.) If "Yes," file Form 5452. If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.		X
7	Was the corporation a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.) If "Yes," attach Form 5471 for each such corporation. Enter number of Forms 5471 attached ▶ 7	X	
8	At any time during the 1995 calendar year, did the corporation have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," the corporation may have to file Form TD F 90-22.1. If "Yes," enter name of foreign country ▶ _____		X
9	Was the corporation the grantor of, or transferor to, a foreign trust that existed during the current tax year, whether or not the corporation has any beneficial interest in it? If "Yes," the corporation may have to file Forms 926, 3520, or 3520-A		X
10	Did one foreign person at any time during the tax year own, directly or indirectly, at least 25% of: (a) the total voting power of all classes of stock of the corporation entitled to vote, or (b) the total value of all classes of stock of the corporation? If "Yes," a Enter percentage owned ▶ _____ b Enter owner's country ▶ _____ c The corporation may have to file Form 5472. Enter number of Forms 5472 attached ▶ _____		X
11	Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ ☐ If so, the corporation may have to file Form 8281.		
12	Enter the amount of tax-exempt interest received or accrued during the tax year ▶ 2,368,542.		
13	If there were 35 or fewer shareholders at the end of the tax year, enter the number ▶ _____		
14	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ▶ ☐		
15	Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) ▶		

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Schedule L Balance Sheets

Assets	Beginning of tax year (a)	Beginning of tax year (b)	End of tax year (c)	End of tax year (d)
1 Cash		15,608,269.		19,552,844.
2 a Trade notes and accounts receivable	563,600,805.		666,727,537.	
b Less allowance for bad debts	(6,637,267.)	556,963,538.	(6,352,236.)	660,375,301.
3 Inventories		313,159,093.		306,389,916.
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach schedule)	STMT 8	98,283,346.		98,950,207.
7 Loans to stockholders				
8 Mortgage and real estate loans				
9 Other investments (attach schedule)	STMT 8	507,982,401.		560,225,095.
10 a Buildings and other depreciable assets	14,549,280,445.		15,084,771,313.	
b Less accumulated depreciation	(5,162,424,464.)	9,386,855,981.	(5,509,233,087.)	9,575,538,226.
11 a Depletable assets				
b Less accumulated depletion	( )		( )	
12 Land (net of any amortization)				
13 a Intangible assets (amortizable only)				
b Less accumulated amortization	( )		( )	
14 Other assets (attach schedule)	STMT 8	2,747,023,889.		2,841,141,841.
15 Total assets		13,625,876,517.		14,062,173,430.
Liabilities and Stockholders' Equity				
16 Accounts payable		333,244,706.		332,533,939.
17 Mtges., notes, bonds payable in less than 1 year				
18 Other current liabilities (attach schedule)	STMT 9	313,047,326.		370,359,102.
19 Loans from stockholders				
20 Mtges., notes, bonds payable in 1 year or more				
21 Other liabilities (attach schedule)	STMT 9	7,655,755,248.		7,890,096,686.
22 Capital stock a Preferred stock	781,000,000.		684,000,000.	
b Common stock	1,926,909,219.	2,707,909,219.	1,926,909,219.	2,610,909,219.
23 Paid-in or capital surplus				
24 Retained earnings - Appropriated (attach schedule)	STMT 9	2,038,171.		2,543,254.
25 Retained earnings - Unappropriated		2,603,881,848.		2,855,731,230.
26 Less cost of treasury stock		( )		( )
27 Total liabilities and stockholders' equity		13,625,876,517.		14,062,173,430.

Note: You are not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (d) of Schedule L are less than $25,000.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return (See page 18 of instructions.)

1 Net income (loss) per books	714,537,735.	7 Income recorded on books this year not included on this return (itemize): Tax exempt interest $	2,368,542.
2 Federal income tax	360,671,345.		
3 Excess of capital losses over capital gains			
4 Income subject to tax not recorded on books this year (itemize): SEE STATEMENT 10	47,858,333.	SEE STATEMENT 11	228,647,513.
5 Expenses recorded on books this year not deducted on this return (itemize): a Depreciation $		8 Deductions on this return not charged against book income this year (itemize): a Depreciation $	204,517,702.
b Contributions carryover $		b Contributions carryover $	
c Travel and entertainment $ 753,323.			
SEE STATEMENT 10	474,347,442.	SEE STATEMENT 11	178,970,718.
6 Add lines 1 through 5	1,600,168,178.	9 Add lines 7 and 8	614,504,475.
		10 Income (line 28, page 1) - line 6 less line 9	986,663,703.

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1 Balance at beginning of year	2,603,881,848.	5 Distributions: a Cash	458,618,365.
2 Net income (loss) per books	714,537,735.	b Stock	
3 Other increases (itemize):		c Property	
		6 Other decreases (itemize): SEE STATEMENT 12	4,215,076.
SEE STATEMENT 12	145,088.	7 Add lines 5 and 6	462,833,441.
4 Add lines 1, 2, and 3	3,318,564,671.	8 Balance at end of year (line 4 less line 7)	2,855,731,230.

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SCHEDULE D (Form 1120)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

To be filed with Forms 1120, 1120-A, 1120-IC-DISC, 1120-F, 1120-FSC, 1120-H, 1120-L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, 990-C, and certain Forms 990-T

OMB No. 1545-0123

1995

Name

DUKE POWER COMPANY

Employer identification number

56-0205620

Part I Short-Term Capital Gains and Losses - Assets Held One 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) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) less (e))
1 SEE STATEMENT 13					153,727.

2	Short-term capital gain from installment sales from Form 6252, line 26 or 37	2	
3	Short-term gain or (loss) from like-kind exchanges from Form 8824	3	
4	Unused capital loss carryover (attach computation)	4	( )
5	Net short-term capital gain or (loss). Combine lines 1 through 4	5	153,727.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

6 SEE STATEMENT 13					135,281.

7	Enter gain from Form 4797, line 8 or 10	7	
8	Long-term capital gain from installment sales from Form 6252, line 26 or 37	8	
9	Long-term gain or (loss) from like-kind exchanges from Form 8824	9	
10	Net long-term capital gain or (loss). Combine lines 6 through 9	10	135,281.

Part III Summary of Parts I and II

11	Enter excess of net short-term capital gain (line 5) over net long-term capital loss (line 10)	11	153,727.
12	Net capital gain. Enter excess of net long-term capital gain (line 10) over net short-term capital loss (line 5)	12	135,281.
13	Add lines 11 and 12. Enter here and on Form 1120, page 1, line 8, or the proper line on other returns	13	289,008.

Note: *If losses exceed gains, see instructions on capital losses for explanation of capital loss carrybacks.*

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Form **4562**

Depreciation and Amortization
(Including Information on Listed Property)

OMB No. 1545-0172

1995

Attachment Sequence No. 67

Department of the Treasury
Internal Revenue Service (99)

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

Name(s) shown on return

Identifying number

DUKE POWER COMPANY — 56-0205520

Business or activity to which this form relates

GENERAL DEPRECIATION AND AMORTIZATION

Part I Election To Expense Certain Tangible Property (Section 179) (Note: *If you have any "Listed Property," complete Part V before you complete Part I.*)

1	Maximum dollar limitation. If an enterprise zone business, see page 1 of the instructions	1	
2	Total cost of section 179 property placed in service during the tax year. See page 2 of the instructions	2	
3	Threshold cost of section 179 property before reduction in limitation	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see page 2 of the instructions	5	

	(a) Description of property	(b) Cost	(c) Elected cost
6			

7	Listed property. Enter amount from line 27	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from 1994. See page 2 of the instructions	10	
11	Taxable income limitation. Enter the smaller of taxable income (not less than zero) 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 1996. Add lines 9 and 10, less line 12 ▶	13	

Note: *Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.*

Part II MACRS Depreciation For Assets Placed in Service ONLY During Your 1995 Tax Year (Do Not Include Listed Property.)

Section A - General Asset Account Election

14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See page 2 of the instructions ▶ ☐

	(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 deduction
	Section B - General Depreciation System (GDS) (See page 2 of the instructions.)						
15a	3-year property						
b	5-year property		114,939,061.	5.000	HY	200DB	22,987,812
c	7-year property		35,805,781.	7.000	HY	200DB	5,115,106
d	10-year property						
e	15-year property		296,788,594.	15.000	HY	150DB	14,839,430
f	20-year property		329,432,079.	15.000	HY	150DB	12,353,703
g	Residential rental property			27.5 yrs.	MM	S/L	
				27.5 yrs.	MM	S/L	
h	Nonresidential real property	VARIOUS	45,063,152.	39 yrs.	MM	S/L	343,956
					MM	S/L	
	Section C - Alternative Depreciation System (ADS) (See page 4 of the instructions.)						
16a	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.) (See page 4 of the instructions.)

17	GDS and ADS deductions for assets placed in service in tax years beginning before 1995	17	359,450,682
18	Property subject to section 168(f)(1) election	18	
19	ACRS and other depreciation	19	179,459,196

Part IV Summary (See page 4 of the instructions.)

20	Listed property. Enter amount from line 26	20	-315,092
21	Total. Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	21	594,234,773
22	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	22	

For Paperwork Reduction Act Notice, see page 1 of the separate instructions. JSA AS ORIGINALLY FILED Form 4562 (19

DES00013586

Part V Listed Property - Automobiles, Certain Other Vehicles, Cellular Telephones, Certain Computers, and Property Used for Entertainment, Recreation, or Amusement

Note: *For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 23a, 23b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.*

Section A - Depreciation and Other Information (Caution: *See page 5 of the instructions for limitations for automobiles.*)

23a Do you have evidence to support the business/investment use claimed? X Yes No 23b If "Yes," is the evidence written? X Yes No

(a) Type of 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) Elected section 179 cost
24 Property used more than 50% in a qualified business use (See page 5 of the instructions.):								
		%						
		%						
		%						
25 Property used 50% or less in a qualified business use (See page 5 of the instructions.)								
		%				S/L -		
		%				S/L -		
		%				S/L -		
26 Add amounts in column (h). Enter the total here and on line 20, page 1							26 -316092.	
27 Add amounts in column (i). Enter the total here and on line 7, page 1								27

Section B - Information on Use of Vehicles

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 for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
28 Total business/investment miles driven during the year (DO NOT include commuting miles)												
29 Total commuting miles driven during the year												
30 Total other personal (noncommuting) miles driven												
31 Total miles driven during the year. Add lines 28 through 30												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
32 Was the vehicle available for personal use during off-duty hours?												
33 Was the vehicle used primarily by a more than 5% owner or related person?												
34 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 for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
35 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		X
36 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See page 6 of the instructions for vehicles used by corporate officers, directors, or 1% or more owners		X
37 Do you treat all use of vehicles by employees as personal use?		X
38 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?	X	
39 Do you meet the requirements concerning qualified automobile demonstration use? See page 6 of the instructions		X

Note: *If your answer to 35, 36, 37, 38, or 39 is "Yes," you need not complete Section B for the covered vehicles.*

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortization amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
40 Amortization of costs that begins during your 1995 tax year:					
41 Amortization of costs that began before 1995				41	
42 Total. Enter here and on "Other Deductions" or "Other Expenses" line of your return				42	

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Form **4626** | **Alternative Minimum Tax - Corporations (including environmental tax)** | OMB No. 1545-0175 | **1995**

Department of the Treasury, Internal Revenue Service

▶ See separate instructions.
▶ Attach to the corporation's tax return.

Name: DUKE POWER COMPANY

Employer identification number: 56-0205520

1	Taxable income or (loss) before net operating loss deduction. (Important: If the corporation is subject to the environmental tax, see the instructions for line 16 on page 6.)			1	984,707,531.
2	Adjustments and preferences:				
a	Depreciation of post-1986 property	2a	61,640,979.		
b	Amortization of certified pollution control facilities	2b			
c	Amortization of mining exploration and development costs	2c			
d	Amortization of circulation expenditures (personal holding companies only)	2d			
e	Adjusted gain or loss	2e	2,506,678.		STMT 14
f	Long-term contracts	2f			
g	Installment sales	2g			
h	Merchant marine capital construction funds	2h			
i	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	2i			
j	Tax shelter farm activities (personal service corporations only)	2j			
k	Passive activities (closely held corporations and personal service corporations only)	2k			
l	Loss limitations	2l			
m	Depletion	2m			
n	Tax-exempt interest from specified private activity bonds	2n	82,619.		
o	Charitable contributions	2o			
p	Intangible drilling costs	2p			
q	Reserves for losses on bad debts of financial institutions	2q			
r	Accelerated depreciation of real property (pre-1987)	2r	-92,148.		
s	Accelerated depreciation of leased personal property (pre-1987) (personal holding companies only)	2s			
t	Other adjustments	2t			
u	Combine lines 2a through 2t			2u	64,138,128.
3	Preadjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2u			3	1048845659.
4	Adjusted current earnings (ACE) adjustment:				
a	Enter the corporation's ACE from line 10 of the worksheet on page 8 of the instructions	4a	1133993067.		
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see page 4 of the instructions for examples)	4b	85,147,408.		
c	Multiply line 4b by 75% (.75). Enter the result as a positive amount	4c	63,860,556.		
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see page 5 of the instructions). Note: *You must enter an amount on line 4d (even if line 4b is positive)*	4d	692,408,847.		
e	ACE adjustment • If you entered a positive number or zero on line 4b, enter the amount from line 4c here as a positive amount. SEE STATEMENT 15 • If you entered a negative number on line 4b, enter the smaller of line 4c or line 4d here as a negative amount.			4e	63,860,556.
5	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe alternative minimum tax			5	1112706215.
6	Alternative tax net operating loss deduction. (see page 5 of the instructions)			6	
7	Alternative minimum taxable income. Subtract line 6 from line 5			7	1112706215.

For Paperwork Reduction Act Notice, see separate instructions. Form 4626 (1995)

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8	Enter the amount from line 7 (alternative minimum taxable income)	8	1112706215.
9	Exemption phase-out computation (if line 8 is $310,000 or more, skip lines 9a and 9b and enter -0- on line 9c):		
a	Subtract $150,000 from line 8 (if you are completing this line for a member of a controlled group, see page 5 of the instructions). If zero or less, enter -0- (9a)		
b	Multiply line 9a by 25% (.25) (9b)		
c	Exemption. Subtract line 9b from $40,000 (if you are completing this line for a member of a controlled group, see page 5 of the instructions). If zero or less, enter -0-	9c	NONE
10	Subtract line 9c from line 8. If zero or less, enter -0-	10	1112706215.
11	Multiply line 10 by 20% (.20)	11	222,541,243.
12	Alternative minimum tax foreign tax credit. See page 5 of the instructions for limitations	12	
13	Tentative minimum tax. Subtract line 12 from line 11	13	222,541,243.
14	Regular tax liability before all credits except the foreign tax credit and possessions tax credit	14	NONE
15	Alternative minimum tax. Subtract line 14 from line 13. Enter the result on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 9a). If zero or less, enter -0-	15	
16	Environmental tax. Subtract $2 million from line 5 (figured without the corporation's environmental tax deduction). Multiply the excess, if any, by 0.12% (.0012). Enter the result here and on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 9b). If you are completing this line for a member of a controlled group, see page 6 of the instructions	16	

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Adjusted Current Earnings Worksheet

▶ See ACE Worksheet Instructions (which begin on page 6).

1	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626				1	1048845659.
2	ACE depreciation adjustment:					
a	AMT depreciation			532,685,942.		
b	ACE depreciation:					
	(1) Post-1993 property	2b(1)				
	(2) Post-1989 pre-1994 property	2b(2)	460,079,178.			
	(3) Pre-1990 MACRS property	2b(3)				
	(4) Pre-1990 original ACRS property	2b(4)				
	(5) Property described in sections 168(f)(1) through (4)	2b(5)				
	(6) Other property	2b(6)				
	(7) Total ACE depreciation. Add lines 2b(1) through 2b(6)			2b(7)	460,079,178.	
c	ACE depreciation adjustment. Subtract line 2b(7) from line 2a				2c	72,606,764.
3	Inclusion in ACE of items included in earnings and profits (E&P):					
a	Tax-exempt interest income			3a	2,285,923.	
b	Death benefits from life insurance contracts			3b	756,642.	
c	All other distributions from life insurance contracts (including surrenders)			3c		
d	Inside buildup of undistributed income in life insurance contracts			3d	11,905,067.	
e	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)			3e		
f	Total increase to ACE due to inclusion in ACE of items included in E&P. Add lines 3a through 3e				3f	14,947,632.
4	Disallowance of items not deductible from E&P:					
a	Certain dividends received			4a	956,172.	
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247			4b		
c	Dividends paid to an ESOP that are deductible under section 404(k)			4c	365,960.	
d	Nonpatronage dividends that are paid and deductible under section 1382(c)			4d		
e	Other items (see Regulations section 1.56(g)-1(d)(3)(i) and (ii) for a partial list)			4e		
f	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e				4f	1,322,132.
5	Other adjustments based on rules for computing E&P:					
a	Intangible drilling costs			5a		
b	Circulation expenditures			5b		
c	Organizational expenditures			5c		
d	LIFO inventory adjustments			5d		
e	Installment sales			5e		
f	Total other E&P adjustments. Combine lines 5a through 5e				5f	
6	Disallowance of loss on exchange of debt pools				6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts				7	
8	Depletion				8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property			STMT. 16	9	-3,729,120.
10	Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626				10	1133993067.

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Form **4797**

Department of the Treasury
Internal Revenue Service (99)

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

OMB No. 1545-0184

1995

Attachment Sequence No. 27

Name(s) shown on return

DUKE POWER COMPANY

Identifying number

56-0205520

1 Enter here the gross proceeds from the sale or exchange of real estate reported to you for 1995 on Form(s) 1099-S (or a substitute statement) that you will be including on line 2, 11, or 22 1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Property Held More Than 1 Year

(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 (e) minus (f))
2 STMT 17						6,868,643.	127,585.

3	Gain, if any, from Form 4684, line 39	3	
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37	4	
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824	5	68,164.
6	Gain, if any, from line 34, from other than casualty or theft	6	
7	Add lines 2 through 6 in columns (g) and (h)	7	(6,868,643.) 195,749.
8	Combine columns (g) and (h) of line 7. Enter gain or (loss) here, and on the appropriate line as follows:	8	-6,672,894.

Partnerships - Enter the gain or (loss) on Form 1065, Schedule K, line 6. Skip lines 9, 10, 12, and 13 below.
S corporations - Report the gain or (loss) following the instructions for Form 1120S, Schedule K, lines 5 and 6. Skip lines 8, 10, 12, and 13 below, unless line 8 is a gain and the S corporation is subject to the capital gains tax.
All others - 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 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 9, 10, and 13 below.

9	Nonrecaptured net section 1231 losses from prior years (see instructions)	9	
10	Subtract line 9 from line 8. If zero or less, enter -0-. Also enter on the appropriate line as follows (see instructions):	10	

S corporations - Enter this amount on Schedule D (Form 1120S), line 13, and skip lines 12 and 13 below.
All others - 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 line 13 below, and enter the amount from line 10 as a long-term capital gain on Schedule D.

Part II Ordinary Gains and Losses

11 Ordinary gains and losses not included on lines 12 through 18 (include property held 1 year or less):

(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 (e) minus (f))

12	Loss, if any, from line 8	12	6,672,894.
13	Gain, if any, from line 8, or amount from line 9 if applicable	13	
14	Gain, if any, from line 33	14	
15	Net gain or (loss) from Form 4684, lines 31 and 38a	15	
16	Ordinary gain from installment sales from Form 6252, line 25 or 36	16	
17	Ordinary gain or (loss) from like-kind exchanges from Form 8824	17	45,456.
18	Recapture of section 179 expense deduction for partners and S corporation shareholders from property dispositions by partnerships and S corporations (see instructions)	18	
19	Add lines 11 through 18 in columns (g) and (h)	19	(6,672,894.) 45,456.
20	Combine columns (g) and (h) of line 19. Enter gain or (loss) here, and on the appropriate line as follows:	20	-6,627,438.

a For all except individual returns: Enter the gain or (loss) from line 20 on the return being filed.

b For individual returns:

(1) If the loss on line 12 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here and on line 22 of Schedule A (Form 1040). Identify as from "Form 4797, line 20b(1)." See instructions . . . . . 20b(1)

(2) Redetermine the gain or (loss) on line 20, excluding the loss, if any, on line 20b(1). Enter here and on Form 1040, line 14 . . . . 20b(2)

For Paperwork Reduction Act Notice, see page 1 of separate instructions. Form **4797** (1995)

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

21 (a) Description of section 1245, 1250, 1252, 1254, or 1255 property:	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)
A		
B		
C		
D		

Relate lines 21A through 21D to these columns ▶		Property A	Property B	Property C	Property D
22 Gross sales price (Note: *See line 1 before completing.*)	22				
23 Cost or other basis plus expense of sale	23				
24 Depreciation (or depletion) allowed or allowable	24				
25 Adjusted basis. Subtract line 24 from line 23	25				
26 Total gain. Subtract line 25 from line 22	26				
27 If section 1245 property:					
a Depreciation allowed or allowable from line 24	27a				
b Enter the smaller of line 26 or 27a	27b				
28 If section 1250 property: If straight line depreciation was used, enter -0- on line 28g, except for a corporation subject to section 291.					
a Additional depreciation after 1975 (see instructions)	28a				
b Applicable percentage multiplied by the smaller of line 26 or line 28a (see instructions)	28b				
c Subtract line 28a from line 26. If residential rental property or line 26 is not more than line 28a, skip lines 28d and 28e	28c				
d Additional depreciation after 1969 and before 1976	28d				
e Enter the smaller of line 28c or 28d	28e				
f Section 291 amount (corporations only)	28f				
g Add lines 28b, 28e, and 28f	28g				
29 If section 1252 property: Skip this section if you did not dispose of farmland or if this form is being completed for a partnership.					
a Soil, water, and land clearing expenses	29a				
b Line 29a multiplied by applicable percentage (see instructions)	29b				
c Enter the smaller of line 26 or 29b	29c				
30 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)	30a				
b Enter the smaller of line 26 or 30a	30b				
31 If section 1255 property:					
a Applicable percentage of payments excluded from income under section 126 (see instructions)	31a				
b Enter the smaller of line 26 or 31a (see instructions)	31b				

Summary of Part III Gains. Complete property columns A through D, through line 31b before going to line 32.

32 Total gains for all properties. Add columns A through D, line 26	32	
33 Add property columns A through D, lines 27b, 28g, 29c, 30b, and 31b. Enter here and on line 14	33	
34 Subtract line 33 from line 32. Enter the portion from casualty or theft on Form 4684, line 33. Enter the portion from other than casualty or theft on Form 4797, line 6	34	

Part IV Recapture Amounts Under Sections 179 and 280F(b)(2) When Business Use Drops to 50% or Less See instructions.

		(a) Section 179	(b) Section 280F(b)(2)
35 Section 179 expense deduction or depreciation allowable in prior years	35		
36 Recomputed depreciation. See instructions	36		
37 Recapture amount. Subtract line 36 from line 35. See the instructions for where to report	37		

JSA

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DES00013592

Form **8824**

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1995

Attachment Sequence No. 49

Department of the Treasury
Internal Revenue Service

Name(s) shown on tax return | Identifying number

DUKE POWER COMPANY | 56-0205520

Part 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.*

1 Description of like-kind property given up ▶ ANTHONY RETAIL (304 ACRES LAND ONLY)

2 Description of like-kind property received ▶ 317 S. GRAHAM (.24 ACRES)

3	Date like-kind property given up was originally acquired (month, day, year)	3	04/23/65
4	Date you actually transferred your property to other party (month, day, year)	4	09/21/95
5	Date the like-kind property you received was identified (month, day, year). See instructions	5	10/27/95
6	Date you actually received the like-kind property from other party (month, day, year)	6	01/06/95

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a ☐ Yes, in this tax year b ☐ Yes, in a prior tax year c ☒ No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? ☐ Yes ☐ No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? ☐ Yes ☐ No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must *be reported on your return this tax year,* unless *one of the exceptions on line 11 applies. See* Related Party Exchanges *in the instructions.*

11 If one of the exceptions below applies to the disposition, check the applicable box:

a ☐ The disposition was after the death of either of the related parties.

b ☐ The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c ☐ You can establish to the satisfaction of the IRS that neither the exchange nor this disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

Part III 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.*

12	Fair market value (FMV) of other property given up	12		
13	Adjusted basis of other property given up	13		
14	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	
15	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	
16	FMV of like-kind property you received		16	434,380.
17	Add lines 15 and 16		17	434,380.
18	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	19,392.
19	Realized gain or (loss). Subtract line 18 from line 17		19	414,988.
20	Enter the smaller of line 15 or line 19, but not less than zero		20	
21	Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	
22	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	NONE
23	Recognized gain. Add lines 21 and 22		23	NONE
24	Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	414,988.
25	Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	19,392.

JSA For Paperwork Reduction Act Notice, see separate instructions. Form **8824** (1995)

DES00013593

Form **8824**

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1995

Attachment Sequence No. 49

Department of the Treasury
Internal Revenue Service

Name(s) shown on tax return | Identifying number

DUKE POWER COMPANY | 56-0205520

Part 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.

1 Description of like-kind property given up ▶ GREEN RIVER DEVELOPMENT (LAND ONLY 451.438 ACRES)

2 Description of like-kind property received ▶ 317 S GRAHAM ST. (LAND ONLY .24 ACRES)

3 Date like-kind property given up was originally acquired (month, day, year)	3	08/10/94
4 Date you actually transferred your property to other party (month, day, year)	4	09/21/95
5 Date the like-kind property you received was identified (month, day, year). See instructions	5	10/27/95
6 Date you actually received the like-kind property from other party (month, day, year)	6	01/16/95

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a [ ] Yes, in this tax year b [ ] Yes, in a prior tax year c [X] No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? [ ] Yes [ ] No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? [ ] Yes [ ] No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must be reported on your return this tax year, unless one of the exceptions on line 11 applies. See Related Party Exchanges in the instructions.

11 If one of the exceptions below applies to the disposition, check the applicable box:

a [ ] The disposition was after the death of either of the related parties.

b [ ] The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c [ ] You can establish to the satisfaction of the IRS that neither the exchange nor this disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

Part III 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.*

12 Fair market value (FMV) of other property given up	12		
13 Adjusted basis of other property given up	13		
14 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		
15 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		
16 FMV of like-kind property you received	16		434,380.
17 Add lines 15 and 16	17		434,380.
18 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		4,835.
19 Realized gain or (loss). Subtract line 18 from line 17	19		429,545.
20 Enter the smaller of line 15 or line 19, but not less than zero	20		
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions	21		
22 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		NONE
23 Recognized gain. Add lines 21 and 22	23		NONE
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions	24		429,545.
25 Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23	25		4,835.

JSA For Paperwork Reduction Act Notice, see separate instructions. Form **8824** (1995)

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DES00013594

Form 8824

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1995

Attachment Sequence No. 49

Department of the Treasury
Internal Revenue Service

Name(s) shown on tax return

Identifying number

DUKE POWER COMPANY

56-0205520

Part 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.

1 Description of like-kind property given up ▶PORTION OF POPE RD RETAIL - LAND ONLY 18.47 ACRES

2 Description of like-kind property received ▶317 S GRAHM ST (LAND ONLY .24 ACRES)

3	Date like-kind property given up was originally acquired (month, day, year)	3	09/01/66
4	Date you actually transferred your property to other party (month, day, year)	4	09/22/95
5	Date the like-kind property you received was identified (month, day, year). See instructions	5	10/27/95
6	Date you actually received the like-kind property from other party (month, day, year)	6	01/06/95

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a [ ] Yes, in this tax year b [ ] Yes, in a prior tax year c [X] No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? [ ] Yes [ ] No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? [ ] Yes [ ] No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must be reported on your return this tax year, unless one of the exceptions on line 11 applies. See Related Party Exchanges *in the instructions.*

11 If one of the exceptions below applies to the disposition, check the applicable box:

a [ ] The disposition was after the death of either of the related parties.

b [ ] The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c [ ] You can establish to the satisfaction of the IRS that neither the exchange nor this disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

Part III 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.*

12	Fair market value (FMV) of other property given up	12		
13	Adjusted basis of other property given up	13		
14	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	
15	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	
16	FMV of like-kind property you received		16	434,380.
17	Add lines 15 and 16		17	434,380.
18	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	11,015.
19	Realized gain or (loss). Subtract line 18 from line 17		19	423,365.
20	Enter the smaller of line 15 or line 19, but not less than zero		20	
21	Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	
22	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	NONE
23	Recognized gain. Add lines 21 and 22		23	NONE
24	Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	423,365.
25	Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	11,015.

For Paperwork Reduction Act Notice, see separate instructions.

AS ORIGINALLY FILED

Form 8824 (1995)

DES00013595

Form **8824**

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1995

Attachment Sequence No. 49

Department of the Treasury
Internal Revenue Service

Name(s) shown on tax return | Identifying number

DUKE POWER COMPANY | 56-0205520

Part 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.*

1 Description of like-kind property given up ▶ LINCOLN BUSINESS OFFICE (1.88 ACRES LAND AND BUILDING)

2 Description of like-kind property received ▶ SECOND & GRAHAM ST (LAND ONLY .44 ACRES)

3 Date like-kind property given up was originally acquired (month, day, year)	3	11/18/64
4 Date you actually transferred your property to other party (month, day, year)	4	10/03/95
5 Date the like-kind property you received was identified (month, day, year). See instructions	5	10/27/95
6 Date you actually received the like-kind property from other party (month, day, year)	6	11/22/95

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a [ ] Yes, in this tax year b [ ] Yes, in a prior tax year c [X] No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? [ ] Yes [ ] No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? [ ] Yes [ ] No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must be reported on your return this tax year, unless *one of the exceptions on line 11 applies. See* Related Party Exchanges *in the instructions.*

11 If one of the exceptions below applies to the disposition, check the applicable box:

a [ ] The disposition was after the death of either of the related parties.

b [ ] The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c [ ] You can establish to the satisfaction of the IRS that neither the exchange nor this disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

Part III 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.*

12 Fair market value (FMV) of other property given up	12		
13 Adjusted basis of other property given up	13		
14 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	
15 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	
16 FMV of like-kind property you received		16	817,106.
17 Add lines 15 and 16		17	817,106.
18 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	207,004.
19 Realized gain or (loss). Subtract line 18 from line 17		19	610,102.
20 Enter the smaller of line 15 or line 19, but not less than zero		20	
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	
22 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	NONE
23 Recognized gain. Add lines 21 and 22		23	NONE
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	610,102.
25 Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	207,004.

For Paperwork Reduction Act Notice, see separate instructions. Form **8824** (1995)

AS ORIGINALLY

DES00013596

Form **8824**

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1995

Attachment Sequence No. 49

Department of the Treasury
Internal Revenue Service

Name(s) shown on tax return | Identifying number

DUKE POWER COMPANY | 56-0205520

Part 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.

1 Description of like-kind property given up ▶ BLACKSBURG BUSINESS OFFICE 2.02 ACRES LAND AND BUILDING)

2 Description of like-kind property received ▶ 301 S MINT ST. LAND ONLY .602 ACRES

3 Date like-kind property given up was originally acquired (month, day, year)	3	01/27/67
4 Date you actually transferred your property to other party (month, day, year)	4	09/19/95
5 Date the like-kind property you received was identified (month, day, year). See instructions	5	10/05/95
6 Date you actually received the like-kind property from other party (month, day, year)	6	01/02/95

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a [ ] Yes, in this tax year b [ ] Yes, in a prior tax year c [X] No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? [ ] Yes [ ] No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? [ ] Yes [ ] No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must be reported on your return this tax year, unless one of the exceptions on line 11 applies. See Related Party Exchanges in the instructions.

11 If one of the exceptions below applies to the disposition, check the applicable box:

a [ ] The disposition was after the death of either of the related parties.

b [ ] The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c [ ] You can establish to the satisfaction of the IRS that neither the exchange nor this disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

Part III 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.

12 Fair market value (FMV) of other property given up	12		
13 Adjusted basis of other property given up	13		
14 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	
15 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	68,164.
16 FMV of like-kind property you received		16	978,931.
17 Add lines 15 and 16		17	1,047,095.
18 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	48,942.
19 Realized gain or (loss). Subtract line 18 from line 17		19	998,153.
20 Enter the smaller of line 15 or line 19, but not less than zero		20	68,164.
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	
22 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	68,164.
23 Recognized gain. Add lines 21 and 22		23	68,164.
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	929,989.
25 Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	48,942.

Form **8824**

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1995

Attachment Sequence No. 49

Department of the Treasury
Internal Revenue Service

Name(s) shown on tax return

Identifying number

DUKE POWER COMPANY

56-0205520

Part 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.*

1 Description of like-kind property given up ▶ COWANS FORD-CONLEY LAND SALE 12.447 ACRES

2 Description of like-kind property received ▶ 301 S MINT ST (LAND ONLY .602 ACRES)

3	Date like-kind property given up was originally acquired (month, day, year)	3	01/24/66
4	Date you actually transferred your property to other party (month, day, year)	4	07/10/95
5	Date the like-kind property you received was identified (month, day, year). See instructions	5	08/18/95
6	Date you actually received the like-kind property from other party (month, day, year)	6	01/02/95

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a [ ] Yes, in this tax year b [ ] Yes, in a prior tax year c [X] No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? [ ] Yes [ ] No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? [ ] Yes [ ] No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must be reported on your return this tax year, unless one of the exceptions on line 11 applies. See Related Party Exchanges *in the instructions.*

11 If one of the exceptions below applies to the disposition, check the applicable box:

a [ ] The disposition was after the death of either of the related parties.

b [ ] The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c [ ] You can establish to the satisfaction of the IRS that neither the exchange nor this disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

Part III 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.*

12	Fair market value (FMV) of other property given up	12		
13	Adjusted basis of other property given up	13		
14	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	
15	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	
16	FMV of like-kind property you received		16	978,932.
17	Add lines 15 and 16		17	978,932.
18	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	11,993.
19	Realized gain or (loss). Subtract line 18 from line 17		19	966,939.
20	Enter the smaller of line 15 or line 19, but not less than zero		20	
21	Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	
22	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	NONE
23	Recognized gain. Add lines 21 and 22		23	NONE
24	Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	966,939.
25	Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	11,993.

JSA For Paperwork Reduction Act Notice, see separate instructions.

AS ORIGINALLY FILED

Form **8824** (1995)

DES00013598

Form **8824**

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1995

Attachment Sequence No. 49

Department of the Treasury
Internal Revenue Service

Name(s) shown on tax return

Identifying number

DUKE POWER COMPANY

56-0205520

Part 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.*

1 Description of like-kind property given up ▶ HIGHPOINT BUSINESS OFFICE .23 ACRES LAND AND BUILDING

2 Description of like-kind property received ▶ 301 S MINT ST (LAND ONLY .602 ACRES)

3 Date like-kind property given up was originally acquired (month, day, year)	3	07/01/32
4 Date you actually transferred your property to other party (month, day, year)	4	07/18/95
5 Date the like-kind property you received was identified (month, day, year). See instructions	5	08/18/95
6 Date you actually received the like-kind property from other party (month, day, year)	6	01/02/95

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a [ ] Yes, in this tax year b [ ] Yes, in a prior tax year c [X] No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? [ ] Yes [ ] No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? [ ] Yes [ ] No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must be reported on your return this tax year, unless one of the exceptions on line 11 applies. See Related Party Exchanges *in the instructions.*

11 If one of the exceptions below applies to the disposition, check the applicable box:

a [ ] The disposition was after the death of either of the related parties.

b [ ] The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c [ ] You can establish to the satisfaction of the IRS that neither the exchange nor this disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

Part III 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.*

12 Fair market value (FMV) of other property given up	12		
13 Adjusted basis of other property given up	13		
14 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	
15 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	
16 FMV of like-kind property you received		16	978,932.
17 Add lines 15 and 16		17	978,932.
18 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	33,442.
19 Realized gain or (loss). Subtract line 18 from line 17		19	945,490.
20 Enter the smaller of line 15 or line 19, but not less than zero		20	
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	
22 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	NONE
23 Recognized gain. Add lines 21 and 22		23	NONE
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	945,490.
25 Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	33,442.

Form **8824**

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1995

Attachment Sequence No. 49

Department of the Treasury
Internal Revenue Service

Name(s) shown on tax return

Identifying number

DUKE POWER COMPANY

56-0205520

Part 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.*

1 Description of like-kind property given up ▶ MORNING STAR LOT 8.9 ACRES LAND ONLY

2 Description of like-kind property received ▶ 305 S MINT ST LAND ONLY .602 ACRES

3 Date like-kind property given up was originally acquired (month, day, year)	3	02/01/80
4 Date you actually transferred your property to other party (month, day, year)	4	08/22/95
5 Date the like-kind property you received was identified (month, day, year). See instructions	5	10/04/95
6 Date you actually received the like-kind property from other party (month, day, year)	6	01/12/95

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a [ ] Yes, in this tax year b [ ] Yes, in a prior tax year c [X] No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? [ ] Yes [ ] No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? [ ] Yes [ ] No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must *be reported on your return this tax year,* unless *one of the exceptions on line 11 applies. See* Related Party Exchanges *in the instructions.*

11 If one of the exceptions below applies to the disposition, check the applicable box:

a [ ] The disposition was after the death of either of the related parties.

b [ ] The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c [ ] You can establish to the satisfaction of the IRS that neither the exchange nor this disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

Part III 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.*

12 Fair market value (FMV) of other property given up	12		
13 Adjusted basis of other property given up	13		
14 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	
15 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	
16 FMV of like-kind property you received		16	978,932.
17 Add lines 15 and 16		17	978,932.
18 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	44,500.
19 Realized gain or (loss). Subtract line 18 from line 17		19	934,432.
20 Enter the smaller of line 15 or line 19, but not less than zero		20	
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	
22 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	NONE
23 Recognized gain. Add lines 21 and 22		23	NONE
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	934,432.
25 Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	44,500.

AS ORIGINALLY FILED

DES00013600

Form **8824**

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1995

Attachment Sequence No. 49

Department of the Treasury
Internal Revenue Service

Name(s) shown on tax return | Identifying number

DUKE POWER COMPANY | 56-0205520

Part 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.

1 Description of like-kind property given up ▶ ELKIN OP CENTER 3.70 ACRES LAND & BLDG

2 Description of like-kind property received ▶ 301 S MINT ST (LAND ONLY .602 ACRES)

3 Date like-kind property given up was originally acquired (month, day, year)	3	01/09/60
4 Date you actually transferred your property to other party (month, day, year)	4	09/08/95
5 Date the like-kind property you received was identified (month, day, year). See instructions	5	10/04/95
6 Date you actually received the like-kind property from other party (month, day, year)	6	01/02/95

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a ☐ Yes, in this tax year b ☐ Yes, in a prior tax year c ☒ No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? ☐ Yes ☐ No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? ☐ Yes ☐ No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must be reported on your return this tax year, unless one of the exceptions on line 11 applies. See Related Party Exchanges *in the instructions.*

11 If one of the exceptions below applies to the disposition, check the applicable box:

a ☐ The disposition was after the death of either of the related parties.

b ☐ The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c ☐ You can establish to the satisfaction of the IRS that neither the exchange nor this disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

Part III 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.

12 Fair market value (FMV) of other property given up	12		
13 Adjusted basis of other property given up	13		
14 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	
15 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	
16 FMV of like-kind property you received		16	978,932.
17 Add lines 15 and 16		17	978,932.
18 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	60,434.
19 Realized gain or (loss). Subtract line 18 from line 17		19	918,498.
20 Enter the smaller of line 15 or line 19, but not less than zero		20	
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	
22 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	NONE
23 Recognized gain. Add lines 21 and 22		23	NONE
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	918,498.
25 Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	60,434.

Form **8824**

Department of the Treasury
Internal Revenue Service

Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ See separate instructions. ▶ Attach to your tax return.
▶ Use a separate form for each like-kind exchange.

OMB No. 1545-1190

1995

Attachment Sequence No. 49

Name(s) shown on tax return

DUKE POWER COMPANY

Identifying number

56-0205520

Part 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.

1 Description of like-kind property given up ▶ GASTONIA BUSINESS OFFICE (1.56 ACRES LAND & BLDG)

2 Description of like-kind property received ▶ SECOND & GRAHAM ST (LAND ONLY .44 ACRES)

3 Date like-kind property given up was originally acquired (month, day, year)	3	12/07/78
4 Date you actually transferred your property to other party (month, day, year)	4	10/04/95
5 Date the like-kind property you received was identified (month, day, year). See instructions	5	10/27/95
6 Date you actually received the like-kind property from other party (month, day, year)	6	01/19/95

7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.

a [ ] Yes, in this tax year b [ ] Yes, in a prior tax year c [X] No.

Part II Related Party Exchange Information

8 Name of related party | Related party's identifying number

Address (no., street, and apt., room, or suite no.)

City or town, state, and ZIP code | Relationship to you

9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? [ ] Yes [ ] No

10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? [ ] Yes [ ] No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If either line 9 or line 10 is "Yes," the deferred gain or (loss) from line 24 must be reported on your return this tax year, unless one of the exceptions on line 11 applies. See Related Party Exchanges *in the instructions.*

11 If one of the exceptions below applies to the disposition, check the applicable box:

a [ ] The disposition was after the death of either of the related parties.

b [ ] The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.

c [ ] You can establish to the satisfaction of the IRS that neither the exchange nor this disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

Part III 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.*

12 Fair market value (FMV) of other property given up	12		
13 Adjusted basis of other property given up	13		
14 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	
15 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	45,456.
16 FMV of like-kind property you received		16	817,106.
17 Add lines 15 and 16		17	862,562.
18 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	566,321.
19 Realized gain or (loss). Subtract line 18 from line 17		19	296,241.
20 Enter the smaller of line 15 or line 19, but not less than zero		20	45,456.
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 17. See instructions		21	45,456.
22 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	NONE
23 Recognized gain. Add lines 21 and 22		23	45,456.
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions		24	250,785.
25 Basis of like-kind property received. Subtract line 15 from the sum of lines 18 and 23		25	566,321.

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DUKE POWER COMPANY 56-0205520

FORM 1120, PAGE 1 DETAIL

LINE 5 - INTEREST INCOME

INTEREST INCOME	41,050,817.
AFUDC INTEREST	-36,986,869.
INTEREST INCOME - NC ENTERPRISE FUND K-1	74,610.
INT INCOME- NON-QUALIFIED DECOMMISSIONING TRUST	208,266.
INTEREST INCOME ON FEDERAL TAX REFUND	-1,697,291.
INTEREST ON LOAN ASSISTANCE RESERVE	326,984.
INTEREST INCOME-PALMETTO SEED CAPITAL PARTNERSHIP	31,116.
TOTAL	3,007,633.

LINE 10 - OTHER INCOME

REGULATORY DEFERRALS	87,162,336.
MISCELLANEOUS INCOME	-24,124.
IRC 481 ADJ FOR INVENTORY & CAPITAL SPARE PARTS	1,755,355.
RETURN ON DEFERRED DSM	-6,478,589.
RETURN ON DEFERRED PURCHASED CAPACITY	-78,965,949.
RETURN ON DEFERRED EMISSION ALLOWANCES	-1,717,798.
OTHER INCOME - PALMETTO SEED CAPITAL PARTNERSHIP	27,695.
BELLSOUTH FEE INCOME	210,439.
TOTAL	1,969,365.

STATEMENT 1

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DUKE POWER COMPANY 56-0205520

ORM 1120, PAGE 1 DETAIL

LINE 17 - TAXES AND LICENSES

NC PROPERTY	47,699,449.
CAPITALIZED PROP TAXES ON NON-TRANSITION PROPERTY	-1,194,330.
NC CITY CHAIN STORE	5,255.
NC FRANCHISE	88,323,786.
NC INTANGIBLES	-110,253.
NC INDUSTRIAL COMMISSION	407,599.
NC UNEMPLOYMENT	33,515.
SC PROPERTY	48,385,393.
SC CITY, BUS, CHAIN STORE LICENSE	10,006.
SC FRANCHISE	6,103,847.
SC KILOWATT HOUR	5,001,062.
SC PUBLIC SERVICE	1,205,294.
SC GREENWOOD	1,112.
SC INDUSTRIAL COMMISSION	299,726.
SC UNEMPLOYMENT	350,849.
FED. HIGHWAY USE	61,528.
FED. UNEMPLOYMENT	646,389.
OTHER TAXES	2,947.
FUEL TAX CREDIT	-82,004.
FED. MFG VEHICLE EXCISE TAX	-27,019.
FED. SOCIAL SECURITY	45,921,853.
NC INCOME	60,062,515.
SC INCOME	18,402,897.
GA INCOME TAXES	42,715.
STATE & LOCAL INCOME TAXES	-78,508,127.
ACCRUED STATE TAXES FOR GEORGIA	86,355.
ACCRUED STATE TAXES FOR NORTH CAROLINA	58,437,397.
ACCRUED STATE TAXES FOR SOUTH CAROLINA	16,793,214.
ENVIRONMENTAL TAX	970,729.
TOTAL	319,333,499.

STATEMENT 2

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DUKE POWER COMPANY 56-0205520

FORM 1120, PAGE 1 DETAIL

CURRENT YEAR CONTRIBUTIONS

CONTRIBUTIONS	-406,044.
CONTRIBUTIONS	9,719,135.
CONTRIBUTIONS- NC NATURE CONSERVACY	-375,000.
CONTRIBUTIONS- DIRECTORS CHARITABLE GIVING PROGRAM	-1,000,000.
UNALLOWABE CONTRIBUTION TO DPC FOUNDATION	-23,440.
TOTAL	7,914,651.

LINE 26 - OTHER DEDUCTIONS

ELECTRIC-BOOK ONLY	76,184,622.
G & A - BOOK ONLY	129,844,597.
WATER-BOOK ONLY	340,946
MERCHANDISING-BOOK ONLY	10,299,039
MISCELLANEOUS-OTHER BOOK EXPENSES	86,120,903.
BOND LOSS AMORTIZATION	-11,150,661.
PENALTIES	-14,630.
AMORTIZATION OF STARTUP EXPENSE - CLAIBORNE	25,499.
AMORTIZATION OF ACQUISITION ADJUSTMENT	-358,809
AMORT. OF CAPITALIZED REAL PROPERTY TAXES	25,574
MISCELLANEOUS EXPENSES - NC ENTERPRISE FUND - K-1	44,481
AMORT. OF GREENSBORO TRANSIT NOTE	88,632.
COAL CONTRACT TERMINATION COSTS	23,024,790.
AMORTIZATION OF DEFERRED PURCHASE CAPACITY	-45,816,702
DISALLOWANCE OF 50% M&E	-2,753,323
LIFE INSURANCE PROCEEDS CREDITED TO EXPENSE	449,457
ESOP CASH DIV. PAID	365,960
DSOP CONTRIBUTIONS	-97,239
DSOP PAYOUTS	140,331
CONTRIBUTIONS - QUALIFIED DECOMMISSIONING FUND	37,056,000
EXPENSES - NON-QUALIFIED DECOMMISSIONING TRUST	218,466
LOAN ASSISTANCE RESERVE	-6,862
INJURIES & DAMAGES	-13,500,000
ADMITTED LIABILITIES	2,092,707
ENVIRONMENTAL RESERVE	-1,731,192
EMPLOYEE DIRECTORS - DEFERRED COMPENSATION	-99,204
PAYOUT-EMPLOYEE DIRECTORS DEFERRED COMPENSATION	701,200
INT ON DEFERRED COMP - EMPLOYEE DIRECTORS	-776,848
PROP. INSURANCE RESERVE - NUCLEAR	-8,185,905
CUST. BILLING CREDITS/ INCENT PYMNTS - DSM COSTS	18,752,177
TAX OVER BOOK EXPENSE - SPENT FUEL CANISTERS	52,053
BOOK EXPENSE OF EXECUTIVE 15 PLAN	-719,472
PAYOUTS OF EXECUTIVE 15 PLAN	103,747
BOOK EXP-NON-EMPLOYEES DIRECTORS DEFERRED COMP	-176,834
PAYOUTS OF NON-EMPLOYEES DIRECTORS DEFERRED COMP	546,142
BOOK EXPENSE - SUPP. DEFINED CONTRIBUTION PLAN	-3,194,098
PAYOUTS OF SUPPLEMENTAL DEFINED CONTRIBUTION PLAN	619,468

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STATEMENT 3

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LINE 26 - OTHER DEDUCTIONS (CONT'D)

BOOK EXPENSE-SUPPLEMENTAL SECURITY PLAN (SSP)	-4,891,314.
PAYOUTS OF SUPPLEMENTAL SECURITY PLAN (SSP)	2,759,485.
MCGUIRE RADIOACTIVE WASTE DISPOSAL COST ACCRUAL	-297,000.
COST OF REMOVAL	11,826,093.
MISC. DEDUCTIONS-PALMETTO SEED CAPITAL FUND LTD.	35,879.
DISALLOWED CIVIC, POLITICAL & LOBBYING EXP	-1,326,419.
PAYMENT FOR NFL PSL TICKETS	22,569.
SELF-DEVELOPED SOFTWARE- BOOK OVER TAX	-1,616,145.
BOOK WRITE-OFF- SURPLUS INVENTORY	-16,000,000.
AMORTIZATION-COMPUTER SOFTWARE	62,100.
LOSS ON BOND REDEMPTION	6,021,450.
DEFERRED INCOME TAXES	-10,090,316.
ELIMINATE INVESTMENT TAX CREDIT	11,105,894.
ELIMINATE BOOK DECOMMISIO NING RESERV	-57,370,941.
SECTION 189 INTEREST AMOR TIZATION	692,384.
TOTAL	239,449,731.

DUKE POWER COMPANY 56-0205520

FORM 1120, PAGE 2 DETAIL

SCH A, LINE 5 - OTHER COSTS

PURCHASE POWER	422,991,004.
STEAM	61,887,701.
NUCLEAR	168,374,443.
HYDRO	17,357,874.
COMBUSTION TURBINE	1,060,702.
TRANSMISSION	17,145,746.
DISTRIBUTION	56,282,198.
WATER	2,047,413.
FUEL	556,160,284.
MERCHANDISE	33,977,029.
COGS - OTHER	-2,436,958.
TAX OVER BOOK OF COAL CONSUMED	-9,135,643.
FLY ASH RESERVE	-1,147,103.
REVERSAL OF PRIOR YEAR CATAWBA BUILLING TRUE-UP	-23,502,967.
1995 CATAWBA ACCRUAL BILLING TRUE-UPS	1,811,085.
TOTAL OTHER COGS / COOP	1,302,872,808.

SCH C, LINE 1 - DIVIDENDS SUBJECT TO 70% DEDUCTION

PARTNERSHIP DIVIDEND INC	11,944.
DIVIDEND INC - NQ DECOMM.	1,335,481.
PARTNERSHIP DIVIDEND INC- PALMETTO SEED CAPITAL	18,535.
TOTAL	1,365,960.

STATEMENT 5

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SCH E - COMPENSATION OF OFFICERS

NAME	STREET ADDRESS	CITY, STATE, AND ZIP	TITLE	SOC SEC #	%DEV	%COM	%PREF	COMPENSATION AMOUNT	EXPENSE ACCOUNT
WILLIAM H. GRIGG	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	CEO	242-44-5627				865,975.	
RICHARD D. PRIORY	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	PRES	136-36-8703				522,855.	
WILLIAM A. COLEY	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	PRES	240-62-5433				439,949.	
STEVE C. GRIFFITH, JR.	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VCHR	248-58-8780				446,751.	
RICHARD OSBORNE	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	SRVP	244-74-9841				298,785.	
DONALD DENTON, JR.	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	SRVP	157-26-5779				293,941.	
FRED E. WEST, JR.	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	247-50-4482				587,138.	
MICHAEL TUCKMAN	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	SRVP	264-68-2277				279,923.	
EXCELL FERRELL, III	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	240-58-5155				320,187.	
WILLIAM R. STIMART	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	328-24-9801				202,954.	
ROBERT S. LILIEN	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	239-72-6358				261,023.	
JIMMY A. HICKS	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	580-62-6349				303,622.	
JOHN F. LOMAX	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	250-50-3876				254,442.	
RUTH G. SHAW	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	SRVP	244-82-2006				251,551.	
ELLEN T. DUFF	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	SECY	046-42-3578				211,100.	
MAURICE MCINTOSH	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	244-58-8877				194,496.	
T. C. MCKEEKIN	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	570-60-0799				208,113.	
JAMES E. CROGAN	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	251-46-0092				166,468.	
JAMES HAMPTON	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	251-52-1775				177,969.	
JAMES O. KINTON	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	237-88-5640				178,281.	
DAVID L. MAUSER	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	245-88-5885				184,596.	
J. W. HILLHOUSE, JR.	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	249-68-4486				214,164.	
JOHN P. HOLLAND	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	239-50-2250				151,601.	
DONALD L. GIBSON	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	250-86-3252				172,049.	

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SCH E - COMPENSATION OF OFFICERS (CONT'D)

WILLIAM F. REINKE	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	397-34-1515	182,387.
DONALD E. HATLEY	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	243-68-4576	133,607.
CHRISTOPHER ROLFE	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	223-68-2957	141,291.
SHARON A. DECKER	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	244-08-8240	178,440.
BARBARA B. ORR	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	242-92-1674	130,947.
F. ALFRED JENKINS	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	238-68-2926	148,458.
DAVID H. MAHER	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	213-48-3445	152,601.
SHERWOOD L. LOVE	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	ATRE	224-64-3481	112,383.
SUE A. BECHT	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	TREA	463-70-8548	103,415.
CECIL G. SMITH	422 S. CHURCH STREET	CHARLOTTE, NC 28242	VP	237-72-4048	254,823.
VIRGINIA M. BRITTON	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	ACON	245-64-3249	90,878.
JEFFREY L. BOYER	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	CTLR	246-98-8282	92,865.
ROBERT T. LUCAS, III	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	ASEC	240-78-1342	82,467.
PHYLLIS T. SIMPSON	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	ASEC	243-62-5852	78,780.
WILLIAM R. MCCOLLUM, JR.	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	VP	409-92-9741	148,936.
CAROL D. DENTON	422 SOUTH CHURCH STREET	CHARLOTTE, NC 28242-0001	ASEC	248-66-7579	50,414.
					9,254,575.

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SCH L, LINE 6 - OTHER CURRENT ASSETS	BEGINNING	ENDING
LOAN ASSISTANCE	5,488,829.	5,824,018.
PREPAYMENTS	92,712,510.	93,040,434.
INTEREST RECEIVABLE	82,007.	85,755.
TOTAL	98,283,346.	98,950,207.

SCH L, LINE 9 - OTHER INVESTMENTS		
GT&W	-35,883.	-190,381.
CLAIBORNE ENERGY SERVICES, INC.	500,000.	500,000.
DUKE ENGINEERING & SERVICES	17,758,741.	42,203,607.
NANTAHALA POWER	53,340,984.	57,377,639.
WATEREE POWER	1,000.	1,000.
MILL POWER	7,600,865.	4,679,568.
CRESCENT LAND & TIMBER	156,468,671.	195,075,561.
EASTOVER LAND AND MINING	3,941,006.	60,540.
WESTERN FUEL	500.	500.
CHURCH STREET CAPITAL CORP	172,256,585.	78,445,894.
DUKE ENERGY GROUP, INC. INC	105,984,315.	139,608,439.
ACCTS. PAYABLE.ASSOC. COM PANIES	-18,238,208.	-15,077,817.
CASH SURRENDER VALUE	5,185,054.	10,004,198.
OTHER	2,739,642.	2,646,890.
DUKENET COMMUNICATIONS, IN C	479,129.	44,744,926.
DUKE COAL PROJECT SERVICES GROUP		144,531.
TOTAL	507,982,401.	560,225,095.

SCH L, LINE 14 - OTHER ASSETS		
DEFERRED TAXES	512,446,012.	551,915,673.
UNAMORTIZED DISCOUNTS ON DEBT	6,159,706.	5,885,910.
PRELIMINARY SURVEY & INVESTIGATION	1,344,395.	2,692,357.
UNAMORTIZED LOSS ON REACQUIRED DEBT	180,146,757.	175,044,479.
CLEARING	1,619,209.	4,744,450.
OTHER	1,000,355,807.	1,072,715,181.
REGULATORY ASSETS	1,044,952,003.	1,028,143,791.
TOTAL	2,747,023,889.	2,841,141,841.

DUKE POWER COMPANY 56-0205520

FORM 1120, PAGE 4 DETAIL

	BEGINNING	ENDING
SCH L, LINE 18 - OTHER CURRENT LIABILITIES		
SHORT-TERM OBLIGATIONS	98,537,732.	127,198,377.
CUSTOMER DEPOSITS	15,769,670.	15,885,814.
TAXES ACCRUED	22,961,055.	27,740,677.
INTERST ACCRUED	72,017,069.	73,414,776.
OTHER	101,248,838.	122,988,142.
DIVIDENDS	2,512,961.	3,131,516.
TOTAL	313,047,325.	370,359,102.
SCH L, LINE 21 - OTHER LIABILITIES		
LONG-TERM OBLIGATIONS	3,985,878,847.	3,997,538,525.
FEDERAL INVESTMENT TAX CREDIT	271,254,193.	260,148,299.
OTHER DEFERRED CREDITS	417,463,051.	551,703,670.
RESERVE FOR INJURIES & DAMAGES	47,569,565.	61,069,565.
DEFERRED TAXES	2,832,389,083.	2,892,900,375.
PROPERTY INSURANCE RESERVE	74,537,446.	82,723,351.
MISCELLANEOUS OPERATING RESERVES	36,663,063.	44,012,901.
TOTAL	7,665,755,248.	7,890,096,686.
SCH L, LINE 24 - RETAINED EARNINGS - APPROPRIATED		
APPROPRIATED RETAINED EARNINGS	2,038,171.	2,543,254.
TOTAL	2,038,171.	2,543,254.

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DES00013611

DUKE POWER COMPANY 56-0205520

FORM 1120, PAGE 4 DETAIL

SCH M-1, LINE 4 - TAXABLE INCOME NOT RECORDED ON BOOKS THIS YEAR

GAIN OR LOSS ON DISPOSITION OF ASSETS	210,742.
LOAN ASSISTANCE RESERVE	333,846.
PARTNERSHIP ITEMS PER K-1 PALMETTO SEED CAPITAL	42,624.
PARTNERSHIP ITEMS PER K-1 NC ENTERPRISE FUND, LP	319,646.
DECOMMISSIONING FUND NON-QUALIFIED	2,398,547.
CONTRIBUTIONS IN AID OF CONSTRUCTION	4,118,735.
IRC 481 ADJUSTMENT FOR FUEL CLAUSE REVENUES	9,997,650.
IRC 481 ADJUSTMENT FOR INVENT & CAP. SPARE PARTS	1,755,355.
CURRENT YEAR CATAWBA BILLING TRUE-UP	1,311,017.
NANTAHALA ENERGY BANK	630,618.
PROVISION FOR RATE REFUND	4,000,000.
REVERSE BOOK AMOUNT OF 1994 CATAWBA SETTLEMENT	22,529,114.
BELLSOUTH FEE INCOME	210,439.
TOTAL	47,858,333.

SCH M-1, LINE 5 - EXPENSES ON BOOKS NOT DEDUCTED IN RETURN

STATE TAXES	3,191,161.
AMORTIZATION	17,591,682.
PENALTIES	14,630.
BOOK PROVISION FOR DEFERRED INCOME TAXES	10,090,318.
NUCLEAR FUEL BURN-UP EXPENSE PER BOOKS	188,162,056.
BOOK RESERVE FOR NUCLEAR DECOMMISSIONING COSTS	57,370,941.
CAPITALIZED INTEREST ON NON-TRANSITION PROPERTY	25,151,185.
CAPITALIZED PROPERTY TAX ON NON-TRANSITION PROP.	1,216,580.
INJURIES & DAMAGES	13,500,000.
EXEC. LIFE INSURANCE EXP	-449,457.
NON-EMPLOYEE DSOP PLAN	97,239.
DEFERRED COMP. INTEREST EMPLOYEE DIRECTORS	776,848.
EXECUTIVE 15 PLAN EXPENSE	719,472.
EXEC. 15 PLAN INTEREST	277,687.
DEFERRED COMP. EXPENSE NON-EMPLOYEE DIRECTORS	176,834.
DEFERRED COMP. INTEREST NON-EMPLOYEE DIRECTORS	516,043.
SSP EXPENSE	4,891,314.
OPEB EXPENSE PER BOOKS	38,815,367.
VACATION BANKING ACCRUAL	998,061.
NUCLEAR INSURANCE RESERVE	8,185,905.
UNALLOWABLE CIVIC AND POLITICAL EXPENSES	1,326,419.
FUEL TAX CREDIT	82,004.
EXECUTIVE SDCP DEFERRAL	4,100,570.
UNALLOWABLE DK FOUNDATION CONTRIBUTION	23,440.
BOOK OVER TAX OF COAL CONSUMED	1,460,713.
AMORTIZATION OF WESTMORE- LAND COAL CONTRACT BUYOU	7,674,930.
BOOK WRITE OFF OF SURPLUS INVENTORY	16,000,000.
INTEREST EXPENSE ON PRIOR YEAR TAXES	15,000,000.
RESERVE FOR FLY ASH	1,147,103.

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STATEMENT 10

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DUKE POWER COMPANY 56-0205520

FORM 1120, PAGE 4 DETAIL

SCH M-1, LINE 5 - EXPENSES ON BOOKS NOT DEDUCTED IN RETURN (CONT'D)

DIRECTORS CHARITABLE GIVING PROGRAM	2,000,000.
BOOK RESERVE FOR ENVIRONMENTAL DAMAGES	1,731,192
EMPLOYEE DIRECTORS DEFERRED COMPENSATION	99,204
BOOK OVER TAX PENSION EXP	1,109,058
PAYOUTS OF SUPP. DEFINED CONTRRIBUTION PLAN (SDCP)	3,194,098.
MCGUIRE RADIOACTIVE WASTE DISPOSAL COST ACCRUAL	297,000.
BOOK OVER TAX - SELF DEVELOPED SOFTWARE	1,616,145.
PURCHASE CAPACITY DEFERRAL	45,816,702.
CONTRIBUTION-NC NATURE CONSERVANCY	375,000
TOTAL	474,347,442.

SCH M-1, LINE 7 - INCOME ON BOOKS NOT INCLUDED IN THIS RETURN

GAIN OR LOSS ON DISPOSITION OF ASSETS	5,819,593
UNBILLED REVENUES	8,867,548.
AFUDC INTEREST INCOME	36,986,869.
EQUITY EARNINGS OF SUBS	48,554,768.
RETURN ON PURCHASED CAPACITY LEVELIZATION	78,965,949
EXEC. LIFE INSURANCE GAIN	756,642
RETURN ON DEFERRED EMISSION ALLOWANCES	1,717,798
FASB REQUIRED IMPUTED INTEREST - WESTINGHOUSE	3,993,726.
INTEREST ON FEDERAL INCOME TAX REFUND	1,697,291.
REVERSAL OF 1994 CATAWBA BILLING TRUE-UP	9,149,167.
RETURN ON DEFERRED DSM COSTS	6,478,589
UNBILLED FUEL CLAUSE REVENUES	23,284,367
REVERSAL OF CATAWBA TRANSMISSION LOSS RESERVE	2,375,206
TOTAL	228,647,513.

SCH M-1, LINE 8 - DEDUCTIONS IN RETURN NOT CHARGED AGAINST BOOK

BAD DEBTS	285,031
AMORTIZATION	743,457
LOSS ON BOND REDEMPTION	6,021,450.
FRANCHISE TERMINATION EXP FOR GREENSBORO TRANSIT	88,632
AMOUNTS PAID ON TAX OPERATING LEASES	1,474,209
COST OF REMOVAL	11,826,093
CONTRIBUTIONS TO NUCLEAR DECOMM. QUALIFIED FUND	37,056,000
ESOP DIVIDEND DISTRIB.	365,960
INTEREST ON EXECUTIVE LIFE INSURANCE POLICIES	11,455,610.
PAYOUTS - DEFERRED COMP. EMPLOYEE DIRECTORS	701,200
PAYOUTS - EXEC. 15 PLAN	103,747
PAYOUTS - DEFERRED COMP. NON-EMPLOYEE DIRECTORS	546,142
PAYOUTS - SDCP	619,468
PAYOUTS - SSP	2,759,485

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STATEMENT 11

AS ORIGINALLY FILED

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SCH M-1, LINE 8 - DEDUCTIONS IN RETURN NOT CHARGED AGAINST BOOK (CONT'D)

TAX OPEB EXPENSE	33,529,609.
REPAIR ALLOWANCE FOR PRE-ACRS ASSETS	10,339,114.
INTEREST EXPENSE ON LIABILITY FOR DOE CLEANUP	2,701,219.
TAX INVENTORY SPARE PARTS USED IN REPAIR WORK	519,601.
CUSTOMER BILLING CREDITS DEFERRED FOR REGULATORY	18,752,177.
INVESTMENT TAX CREDIT	11,105,894.
ADMITTED LIABILITIES	2,092,707.
NC FRANCHISE TAX	847.
WESTMORELAND COAL CONTRACT TERM COSTS	23,024,790.
PAYOUTS OF DSOP PLAN	140,331.
PAYOUT- DEFERED DIRECTORS CHARITABLE GIVING PROGRA	1,000,000.
SPENT FUEL CANISTERS	52,053.
PAYMENTS FOR NFL PSL TICKETS	22,569.
CAPITALIZED FRINGE BENEFI TS	1,581,223.
DEFERRED CHARGES	62,100.
TOTAL	178,970,718.

SCH M-2 LINE 3 - OTHER INCREASES

TAX BENEFIT OF ESOP DIVIDEND	145,088.
TOTAL	145,088.

SCH M-2, LINE 6 - OTHER DECREASES

CALL PREMIUM ON RETIRED PREFERED	3,516,429.
TRANSFER TO APPROPRIATED R/E- HYDRO RELICENSING	505,083.
COST OF CAPITAL STOCK TRANSACTIONS	193,564.
TOTAL	4,215,076.

DUKE POWER COMPANY 56-0205520

SCHEDULE D DETAIL

LINE 1 - SHORT-TERM CAPITAL GAIN(LOSS)

PROPERTY	DATE ACQ	DATE SLD	SALES PRICE	COST	GAIN(LOSS)
PALMETTO SEED K-1	VAR	VAR	2,389.		2,389
NC ENTERPRISE FUND K-1	VAR	VAR	29,467.		29,467
DECOMMISSIONING TRUST	VAR	VAR	121,871.		121,87
TOTAL					153,727

LINE 6 - LONG-TERM CAPITAL GAIN(LOSS)

PROPERTY	DATE ACQ	DATE SLD	SALES PRICE	COST	GAIN(LOSS)
SALE OF BONDS	PRIOR 95	1995	188.		188
PALMETTO SEED K-1	VARIOUS	1995		1,232.	-1,232
NC ENTERPRISE FUND K-1	VARIOUS	1995	248,750.		248,750
DECOMMISSIONING TRUST	VARIOUS	1995		112,425.	-112,425
TOTAL					135,281

4925

AS ORIGINALLY FILED

DES0001361S

DUKE POWER COMPANY 56-0205520

FORM 4626 DETAIL

LINE 2E - BASIS ADJUSTMENT

	GAIN	LOSS	
REGULAR			
SECTION 1231	127,585.	6,868,643.	
ORDINARY			
PART III			
CASUALTY			
TOTAL REGULAR	127,585.	6,868,643.	
AMT			
SECTION 1231	127,585.	6,868,643.	
ORDINARY	2,506,678.		
PART III			
CASUALTY			
TOTAL AMT	2,634,263.	6,868,643.	
TOTAL DIFFERENCE	2,506,678.		
BASIS ADJUSTMENT			2,506,678.

AS ORIGINALLY FILED

STATEMENT 14

DES00013616

DUKE POWER ..MPANY

..8-0205520

FORM 4626 DETAIL

LINE 4 - ACE CARRYOVER

	1990	1991	1992	1993	1994	1995
ACE				1,033,025,287.	790,724,022.	1,133,893,057.
AMTI				901,435,757.	573,753,644.	1,048,845,659.
ACE OVER AMTI				131,589,530.	116,970,378.	85,147,408.
AMTI OVER ACE						
75% ACE PREFERENCE .				98,692,148.	87,727,784.	63,860,556.
75% ACE REDUCTION ..						
CARRYOVER CREATED ..				98,692,148.	87,727,784.	63,860,556.
PRIOR YR CARRYOVER (REDUCTION ALLOWED)				505,988,915.	604,681,063.	692,408,847.
CARRYOVER USED (REDUCTION CLAIMED)						
CARRYOVER REMAINING				804,681,063.	692,408,847.	756,269,403.

AS ORIGINALLY FILED

4927

DES0013617

ACE WORKSHEET DETAIL

LINE 9 - BASIS ADJUSTMENT

	GAIN	LOSS	
AMT			
SECTION 1231	127,585.	6,868,643.	
ORDINARY PART III	2,506,678.		
TOTAL AMT	2,634,263.	6,868,643.	
ACE			
SECTION 1231	127,585.	6,868,643.	
ORDINARY PART III		1,222,442.	
TOTAL ACE	127,585.	8,091,085.	
TOTAL DIFFERENCE	-2,506,678.	-1,222,442.	
BASIS ADJUSTMENT			-3,729,120.

DUKE POWER COMPANY 56-0205520

FORM 4797, PAGE 1 DETAIL PART I

(A) DESCRIPTION OF PROPERTY	(B) DATE ACQUIRED	(C) DATE SOLD	(D) GROSS SALES PRICE	(E) DEPREC. ALLOWED	(F) COST OR OTHER BASIS PLUS IMPROV AND SALE EXPENSE	(G) LOSS	(H) GAIN
REAL PROPERTY	VARIOUS	1995			3,836,392.	3,836,392.	
PERSONAL PROPERTY	VARIOUS	1995			1,983,201.	1,983,201.	
LAND SALES	VARIOUS	1995			-127,585.		127,585.
COMPUTERS	VARIOUS	1995			1,049,050.	1,049,050.	
PART I 4797 GAIN OR LOSS						6,868,643.	127,585.

4929

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DES0013619

FEDERAL FOOTNOTE:

DUKE POWER COMPANY
ADR ELECTION

TAXPAYER ELECTS TO COMPUTE DEPRECIATION ON THE CLASS LIFE ASSET DEPRECIATION RANGE SYSTEM FOR THE TAX YEAR 1995 IN ACCORDANCE WITH SECTION 1.167(A)-11 OF THE REGULATIONS.

REPAIR ALLOWANCE ELECTION

TAXPAYER ELECTS REPAIR ALLOWANCE FOR GLC 49.14 IN ACCORDANCE WITH SECTION 167(A)-11(F)(2)(V) OF THE REGULATIONS.

CLASS LIFE ELECTION

TAXPAYER ELECTS TO COMPUTE DEPRECIATION ON THE CLASS LIFE SYSTEM FOR THE TAX YEAR 1994 IN ACCORDANCE WITH SECTION 1.167(A)-12 OF THE REGULATIONS.

FEDERAL FOOTNOTE:

ELECTION UNDER SECTION 468A

THESE ELECTIONS ARE MADE FOR THE TAXABLE YEAR 1995.
SEPARATE ELECTIONS ARE MADE TO COVER THE FOLLOWING NUCLEAR DECOMMISSIONING FUNDS:

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
OCONEE NUCLEAR STATION - UNIT 1 SENECA, S.C.	DUKE POWER COMPANY MASTER DECOMMISSIONG TRUST FOR OCONEE NUCLEAR STATION - UNIT 1	56-6373358

THE AMOUNT OF ACTUAL CASH PAYMENTS MADE TO THE NUCLEAR DECOMMISSIONING FUND DURING THE TAXABLE YEAR THAT WERE NOT TREATED AS DEEMED CASH PAYMENTS UNDER PARAGRAPH (C)(1) OF THE REGULATION 1.468A-2 FOR A PRIOR TAXABLE YEAR WERE $ 4,251,667.
THE AMOUNT OF CASH PAYMENTS DEEMED MADE TO THE NUCLEAR DECOMMISSIONING FUND UNDER PARAGRAPH (C)(1) OF REGULATION 1.468A-2 FOR THE TAXABLE YEAR ARE $ 850,333.
THE COST OF SERVICE AMOUNT FOR THE TAXABLE YEAR IS $10,481,000.
A SCHEDULE OF RULING AMOUNTS IS ATTACHED.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
OCONEE NUCLEAR STATION - UNIT 2 SENECA, SC	DUKE POWER COMPANY MASTER DECOMMISSIONING TRUST FOR OCONEE NUCLEAR STATION - UNIT 2	56-6373365

THE AMOUNT OF ACTUAL CASH PAYMENTS MADE TO THE NUCLEAR DECOMMISSIONING FUND OURING THE TAXABLE YEAR THAT WERE NOT TREATED AS DEEMED CASH PAYMENTS UNDER PARAGRAPH (C)(1) OF REGULATION 1.468A-2 FOR PRIOR TAXABLE YEAR WERE $ 4,556,667.
THE AMOUNT OF CASH PAYMENTS DEEMED MADE TO THE NUCLEAR DECOMMISSIONG FUND UNDER PARAGRAPH (C)(1) DF REGULATION 1.468A-2 FOR THE TAXABLE YEAR ARE $ 911,333.
THE COST OF SERVICE AMOUNT FOR THE TAXABLE YEAR IS $10,091,000.
A SCHEDULE OF RULING AMOUNTS IS ATTACHED.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
OCONEE NUCLEAR STATION - UNIT 3 SENECA, SC	DUKE POWER COMPANY MASTER DECOMMISSIONING TRUST FOR OCONEE NUCLEAR STATION, UNIT 3	56-6373364

THE AMOUNT OF ACTUAL CASH PAYMENTS MADE TO THE NUCLEAR DECOMMISSIONING

FEDERAL FOOTNOTE: (CONT'D)

FUND DURING THE TAXABLE YEAR THAT WERE NOT TREATED AS DEEMED CASH PAYMENTS UNDER PARAGRAPH (C)(1) OF THE REGULATION 1.468A-2 FOR A PRIOR TAXABLE YEAR WERE $ 6,311,667.
THE AMOUNT OF CASH PAYMENTS DEEMED MADE TO THE NUCLEAR DECOMMISSIONING FUND UNDER PARAGRAPH (C)(1) OF REGULATION 1.468A-2 FOR THE TAXABLE YEAR ARE $ 1,262,333.
THE COST OF SERVICE AMOUNT FOR THE TAXABLE YEAR IS $13,531,000.
A SCHEDULE OF RULING AMOUNTS IS ATTACHED.

AS ORIGINALLY FILED

FEDERAL FOOTNOTE:

DUKE POWER COMPANY
ELECTION UNDER SECTION 468A

THESE ELECTIONS ARE MADE FOR THE TAXABLE YEAR 1995.
SEPARATE ELECTIONS ARE MADE TO COVER THE FOLLOWING NUCLEAR DECOMMISSIONING FUNDS:

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
MCGUIRE NUCLEAR STATION - UNIT 1 CORNELIUS, NC	DUKE POWER COMPANY MASTER DECOMMISSIONING TRUST FOR MCGUIRE NUCLEAR STATION, UNIT 1	56-6373360

THE AMOUNT OF ACTUAL CASH PAYMENTS MADE TO THE NUCLEAR DECOMMISSIONING FUND DURING THE TAXABLE YEAR THAT WERE NOT TREATED AS DEEMED CASH PAYMENTS UNDER PARAGRAPH (C)(1) OF REGULATION 1.468A-2 FOR A PRIOR TAXABLE YEAR WERE $ 6,256,667.
THE AMOUNT OF CASH PAYMENTS DEEMED MADE TO THE NUCLEAR DECOMMISSIONING FUND UNDER PARAGRAPH (C)(1) OF REGULATION 1.468A-2 FOR THE TAXABLE YEAR ARE $ 1,251,333.
THE COST OF SERVICE AMOUNT FOR THE TAXABLE YEAR IS $8,943,000.
A SCHEDULE OF RULING AMOUNTS IS ATTACHED.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
MCGUIRE NUCLEAR STATION UNIT 2 CORNELIUS, NC	DUKE POWER COMPANY MASTER DECOMMISSIONING TRUST FOR MCGUIRE NUCLEAR STATION, UNIT 2	56-6373361

THE AMOUNT OF ACTUAL CASH PAYMENTS MADE TO THE NUCLEAR DECOMMISSIONING FUND DURING THE TAXABLE YEAR THAT WERE NOT TREATED AS DEEMED CASH PAYMENTS UNDER PARAGRAPH (C)(1) OF REGULATION 1.468A-2 FOR A PRIOR TAXABLE YEAR WERE $ 7,478,333.
THE AMOUNT OF CASH PAYMENTS DEEMED MADE TO THE NUCLEAR DECOMMISSIONING FUND UNDER PARAGRAPH (C)(1) OF REGULATION 1.468A-2 FOR THE TAXABLE YEAR ARE $ 1,495,667.
THE COST OF SERVICE AMOUNT FOR THE TAXABLE YEAR IS $9,286,000.
A SCHEDULE OF RULING AMOUNTS IS ATTACHED.

FEDERAL FOOTNOTE:

DUKE POWER COMPANY
ELECTION UNDER SECTION 468A

THESE ELECTIONS ARE MADE FOR THE TAXABLE YEAR 1995.
SEPARATE ELECTIONS ARE MADE TO COVER THE FOLLOWING NUCLEAR DECOMMISSIONING FUNDS:

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
CATAWBA NUCLEAR STATION UNIT 1 CLOVER, SC	DUKE POWER COMPANY MASTER DECOMMISSIONING TRUST FOR CATAWBA NUCLEAR STATION, UNIT 1	56-6373362

THE AMOUNT OF ACTUAL CASH PAYMENTS MADE TO THE NUCLEAR DECOMMISSIONING FUND DURING THE TAXABLE YEAR THAT WERE NOT TREATED AS DEEMED CASH PAYMENTS UNDER PARAGRAPH (C)(1) OF REGULATION 1.468A-2 FOR A PRIOR TAXABLE YEAR WERE $ 966,667.
THE AMOUNT OF CASH PAYMENTS DEEMED MADE TO THE NUCLEAR DECOMMISSIONING FUND UNDER PARAGRAPH (C)(1) OF REGULATION 1.468A-2 FOR THE TAXABLE YEAR ARE $ 193,333.
THE COST OF SERVICE AMOUNT FOR THE TAXABLE YEAR IS $1,198,000.
A SCHEDULE OF RULING AMOUNTS IS ATTACHED.

NAME OF POWER PLANT	NUCLEAR DECOMMISSIONING TRUST FUND	EMPLOYER IDENTIFICATION NUMBER
CATAWBA NUCLEAR STATION - UNIT 2 CLOVER, SC	DUKE POWER COMPANY MASTER DECOMMISSIONING TRUST FOR CATAWBA NUCLEAR STATION, UNIT 2	56-6373363

THE AMOUNT OF ACTUAL CASH PAYMENTS MADE TO THE NUCLEAR DECOMMISSIONING FUND DURING THE TAXABLE YEAR THAT WERE NOT TREATED AS DEEMED CASH PAYMENTS UNDER PARAGRAPH (C)(1) OF REGULATION 1.468A-2 FOR A PRIOR TAXABLE YEAR WERE $ 1,058,333.
THE AMOUNT OF CASH PAYMENTS DEEMED MADE TO THE NUCLEAR DECOMMISSIONING FUND UNDER PARAGRAPH (C)(1) OF REGULATION 468A-2 FOR THE TAXABLE YEAR ARE $ 211,667.
THE COST OF SERVICE AMOUNT FOR THE TAXABLE YEAR IS $1,270,000.
A SCHEDULE OF RULING AMOUNTS IS ATTACHED.

DUKE POWER COMPANY

Statement Attached To and Made Part Of
1995 South Carolina Corporation Income Tax Return

Function	Federal Tax Depreciation	S.C. Tax Depreciation	Income increase (decrease)
Furniture & Fixtures	$20,204,046	$20,204,046	$ -0-
EDP Equipment	16,091,755	16,091,755	-0-
Dispatch and Other Computers	1,107,859	1,107,859	-0-
Data Handling Equipment	283,417	283,417	-0-
Other General Plant	9,070,240	9,070,240	-0-
Hydro	53,548,136	53,795,239	(247,103)
Hydro - Structures	1,543,348	1,543,348	-0-
Nuclear	49,879,807	51,754,922	(1,875,115)
Nuclear Fuel	149,768,906	149,768,906	-0-
Nuclear - Structures	4,352,820	4,352,820	-0-
Steam	51,418,999	51,920,958	(501,959)
Other Production	15,159,939	15,161,578	(1,639)
Other Production - Structures	258	258	-0-
Steam - Structures	390,321	390,321	-0-
Transmission	39,997,541	40,625,875	(628,334)
Distribution	162,346,011	164,419,141	(2,073,130)
Easements, Relocations & First Clearing	2,687,226	2,687,226	-0-
Leased Structures	398,161	398,161	-0-
Water	1,868,211	1,901,280	(33,069)
Structures	11,820,373	11,819,280	1,093
Vehicle	(315,092)	(315,092)	-0-
	$591,622,282	$596,981,538	$(5,359,256)

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 Recover System.

AS ORIGINALLY FILED

DES00013625

Deloitte & Touche

TAXPAYER DUKE POWER COMPANY

INSTRUCTIONS FOR FILING

AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1996

To be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of Tax	Total Tax $ Less: payments & credits $ Balance due (overpayment) $(9,678,257)
Overpayment	☒ Refunded to you $9,678,257. ☐ 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	IMMEIDATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	

MISCSTATELTRS



DES00013626

STATE OF SOUTH CAROLINA
'C' CORPORATION INCOME TAX RETURN
RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC1120 (Rev. 9/96) 3091

A COPY OF FEDERAL FORM 1120, 1120A, 1120H or 1120F AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN

AS AMENDED

PLACE PEEL-OFF LABEL HERE

USE PEEL-OFF LABEL

RETURN FOR 12/31/96 INCOME
PERIOD ENDING 12/31/97 LICENSE
RETURN DUE 09/15/97

FILE NO. 20090024-9
BUSINESS CODE 4911
EMPLOYER ID NO. 56-0205520

NAME DUKE POWER COMPANY
STREET ADDRESS MAIL CODE PB05B
CITY CHARLOTTE STATE NC ZIP CODE 28242

Extension Requested: Yes X No
Type of SC Return: Separate Consolidated X
If Final Return, Indicate Whether: Merged ☐ Reorganized ☐ Dissolved ☐ Withdrawn ☐
County or counties in SC Where Property is located:
VARIOUS

City	Audit Location	State
CHARLOTTE,	NC	

Telephone Number: (704) 382-8175
Total cost of land, buildings and land improvements in SC.
▶ 83,207,497
Total cost of depreciable personal property in SC.
▶ 5,270,718,664

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal Taxable Income Per Federal Form 1120 or 1120 A	1	1,128,775,835
2. Net Adjustment from line 12, Schedule A and B	2	88,936,138
3. Total Net Income As Reconciled (line 1 plus or minus line 2)	3	1,217,711,973
4. If Multi-state Corporation, enter amount from line 9, Schedule S; otherwise, enter amount from line 3	4	169,181,924 *
5. LESS: South Carolina net operating loss carryover, if applicable	5	569,529
6. South Carolina Net Income subject to tax (line 4 less line 5)	6	168,612,395
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7	8,430,619
8. Less tax deferred on income from foreign trade receipts (see instructions)	8	
9. Balance (line 7 less line 8)	9	8,430,619
10. Non-refundable credits from line 3, Schedule C	10	( )
11. Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11	8,430,619
12. Interest on DISC-deferred tax liability ____; or Foreign Trade deferred tax liability ____	12	
13. Total tax and/or interest (add lines 11 and 12)	13	8,430,619
14. Payments: (a) Tax Withheld (see instructions) ____ (b) Paid by Declaration ____ (c) Paid with Tentative Return ____ (d) Credit from line 29b ____		
15. Total Payments (add lines 14a through 14d)	15	18,108,876
16. Balance of Tax and/or Interest Due (line 13 less line 15)	16	0.00
17. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total.	17	
18. TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18	0.00
19. OVERPAYMENT (line 15 less line 13) 9,678,257 To be applied as follows: (a) Estimated Tax ▶ ____ (b) License Fee ▶ ____ (c) Refunded ▶		9,678,257

PART II COMPUTATION OF LICENSE FEE

20. Total Capital And Paid In Surplus (Multi-State Corporations See Schedule E)	20	
21. FEE DUE - Line 20 x .001, plus $15.00 (Fee cannot be less than $25.00)	21	
22. Less Application of Corporate Headquarters credit (TC-8)	22	
23. Balance (line 21 less line 22)	23	
24. Payments: (a) Paid With Tentative Return ____ (b) Credit from line 19b ____		
25. Total Payments (add line 24 (a) and (b))	25	
26. Balance Of Fee Due (line 23 less line 25)	26	
27. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total.	27	
28. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28	
29. OVERPAYMENT (line 25 less line 23) ____ To be applied as follows: (a) Estimated Tax ▶ ____ (b) Income Tax ▶ ____ (c) Refunded ▶		
30. GRAND TOTAL INCOME TAX and LICENSE FEE DUE (add lines 18 and 28)	30	0.00

Make checks payable to: SC Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

▶ _____ 12/12/97 ▶ _____
Signature of officer Date Title

Paid Preparer's Use Only

Preparer's signature ▶ David M. Kelly Date 12/11/97 Check if self-employed ▶ ☐ Preparer's social security no. 172-60-8283

Firm's name (or yours if self-employed) and address ▶ DELOITTE AND TOUCHE LLP
2500 ONE PPG PLACE
E.I. No. ▶ 13-3891517
Zip code ▶ 15222

STF SC428511F.1 SEE ATTACHED RECONCILIATION SCHEDULE BY AMENDED ENTITY

DES00013627

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income ..... 1. _____
2. Federal Net Operating Loss ..... 2. _____
3. _____ 3. _____
4. _____ 4. _____
5. Other Additions (attach schedule) ..... 5. _____
6. Total Additions (add lines 1 through 5) ..... 6. _____

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S. ..... 7. _____
8. _____ 8. _____
9. _____ 9. _____
10. Other Deductions (attach schedule) ..... 10. _____
11. Total Deductions (add lines 7 through 10) ..... 11. _____
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120 ..... 12. _____

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I) ..... 1. _____
2. Tax (line 9, Part I, SC1120) ..... 2. _____
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120) ..... 3. _____
4. Credit Carryover (line 1 less line 3) ..... 4. _____

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 _____ on _____
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is _____
5. 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. LOMAX
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 02/24/63
8. Location of principal office (street address) _____
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of _____
   Located at (street address) _____
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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? NO
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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE

STF SC42611F.2

AMENDED

DES00013628

SCHEDULES E, F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE - MULTI-STATE CORPORATIONS

1. Total Capital and Paid-in-Surplus at end of Year $ _____
2. S.C. PROPORTION: (line 1 x ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 20, Part II. $ _____

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	Property to Be Excluded from Property Factor 6
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains/losses on real property						
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED						
8. INCOME DIRECTLY ALLOCATED TO S.C.						
9. TOTALS TO APPORTIONMENT FACTORS						

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.	
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.	169,181,924

SCHEDULE H - 1 COMPUTATION OF FOUR 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 Sales (same as line 14.)			%
16. TOTAL of Ratios (add Column 3 - lines 10, 13, 14 and 15)			%
17. Arithmetical Average of 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 (see instructions)	< >	< >	
3. Gross Receipts (for ratio)			
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			%

CHEDULE 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)		%

AMENDED

DES00013629

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add: (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. _____
   (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 AFDC Recipients (TC-12) ..... l. _____
   (m) Additional AFDC Credit (TC-12-A) ..... m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name _____ S.C.I.D. NO. _____
2. Date of this report _____ Fed. E.I. No. _____
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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

For additional affiliated corporations duplicate Schedule J as needed.

Adjustments to Duke Power
56-0205520
South Carolina Taxable Income

	As Filed	Adjustments	As Amended	
Total Net Income as Reconciled	1,160,104,661		1,160,104,661	
Less: Income subject to direct allocation	1,399,715		1,399,715	
Total Net Income Subject to Apportionment	1,158,704,946		1,158,704,946	
SC Apportionment Ratio				
Property in SC	5,282,248,744	N/A		
Property Everywhere	15,146,881,551	N/A		
Property Factor	0.348735	N/A		
Payroll SC	277,849,150	N/A		
Payroll Everywhere	843,655,324	N/A		
Payroll Factor	0.329340	N/A		
Reciepts SC	1,238,471,000		1,238,471,000	
Reciepts Everywhere	4,463,604,369	4,307,712,982	8,771,317,351	Reciepts Only
Receipts Factor	0.277460	(0.136264)	0.141196	
SC Apportionment Factor	0.308249	(0.167053)	0.141196	
Income Apportioned to SC	357,169,841	(193,565,137)	163,604,504	
Add: Income subject to direct allocation to SC	(234,619)		(234,619)	
Total SC Net Income	356,935,022	(193,565,137)	163,369,885	

AMENDED

1996

DES00013631

STATE OF SOUTH CAROLINA
'C' CORPORATION INCOME TAX RETURN

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

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC1120
(Rev. 9/95) 3091

A COPY OF FEDERAL FORM 1120, 1120A, 1120H or 1120F AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN

AS AMENDED USE PEEL-OFF LABEL

PLACE PEEL-OFF LABEL HERE

RETURN FOR 12/31/96 INCOME
PERIOD ENDING 12/31/97 LICENSE
RETURN DUE 09/15/97

FILE NO. 20090024-9
BUSINESS CODE 4911
EMPLOYER ID NO. 56-0205520

NAME DUKE POWER COMPANY
STREET ADDRESS MAIL CODE PB05B
CITY CHARLOTTE STATE NC ZIP CODE 28242

Extension Requested: Yes X No
Type of SC Return: Separate ____ Consolidated X
If Final Return, Indicate Whether: Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn ☐
County or counties in SC Where Property is located:
VARIOUS

City Audit Location State
CHARLOTTE, NC
Telephone Number: (704) 382-8175
Total cost of land, buildings and land improvements in SC.
▶ 83,207,497
Total cost of depreciable personal property in SC.
▶ 5,270,718,664

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal Taxable Income Per Federal Form 1120 or 1120 A	▶ 1	1,128,775,835
2. Net Adjustment from line 12, Schedule A and B	2	88,936,138
3. Total Net Income As Reconciled (line 1 plus or minus line 2)	▶ 3	1,217,711,973
4. If Multi-state Corporation, enter amount from line 6, Schedule G; otherwise, enter amount from line 3	▶ 4	362,747,061
5. LESS: South Carolina net operating loss carryover, if applicable	5	569,529
6. South Carolina Net Income subject to tax (line 4 less line 5)	▶ 6	362,177,532
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7	18,108,877
8. Less tax deferred on income from foreign trade receipts (see instructions)	▶ 8	
9. Balance (line 7 less line 8)	9	18,108,877
10. Non-refundable credits from line 3, Schedule C	▶ 10	< 396,515 >
11. Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11	17,712,362
12. Interest on DISC-deferred tax liability ____; or Foreign Trade deferred tax liability ____	12	
13. Total tax and/or interest (add lines 11 and 12)	13	17,712,362
14. Payments: (a) Tax Withheld (see instructions) ____ (b) Paid by Declaration ____ (c) Paid with Tentative Return ____ (d) Credit from line 29b ____		
15. Total Payments (add lines 14a through 14d)	15	18,083,877
16. Balance of Tax and/or Interest Due (line 13 less line 15)	▶ 16	(371,515)
17. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total.	▶ 17	0
18. TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18	(371,515)
19. OVERPAYMENT (line 15 less line 13) 371,515 To be applied as follows: (a) Estimated Tax ▶ ____ (b) License Fee ▶ ____ (c) Refunded ▶		371,515

PART II COMPUTATION OF LICENSE FEE

20. Total Capital And Paid In Surplus (Multi-State Corporations See Schedule E)	▶ 20	52,724,685
21. FEE DUE - Line 20 x .001, plus $15.00 (Fee cannot be less than $25.00)	21	5,818,856
22. Less Application of Corporate Headquarters credit (TC-8) INFRASTRUCTURE GRANTS RURAL DEV ACT	22	25,000
23. Balance (line 21 less line 22)	23	5,793,856
24. Payments: (a) Paid With Tentative Return ____ (b) Credit from line 19b ____		
25. Total Payments (add line 24 (a) and (b))	25	6,200,440
26. Balance Of Fee Due (line 23 less line 25)	▶ 26	(406,584)
27. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total	▶ 27	0
28. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28	(406,584)
29. OVERPAYMENT (line 25 less line 23) 406,584 To be applied as follows: (a) Estimated Tax ▶ ____ (b) Income Tax ▶ ____ (c) Refunded ▶		406,584
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28)	▶ 30	(778,099)

Make checks payable to: SC Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

▶ ____ Signature of officer ____ Date ▶ ____ Title

Paid Preparer's Use Only

Preparer's signature ▶ ____ Date ____ Check if self-employed ▶ ☐ Preparer's social security no. ____

Firm's name (or yours if self-employed) and address ▶ DELOITTE AND TOUCHE LLP
2500 ONE PPG PLACE
Pittsburgh, PA 15222

E.I. No. ▶ 13-3891517
Zip code ▶ 15222

AS ORIGINALLY FILED

STF SC42511F.1

DES00013632

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	88,388,986	
2. Federal Net Operating Loss	2.		
3. INTEREST FROM STATE&LOCAL OBLIG.	3.	3,093,895	
4.	4.		
5. Other Additions (attach schedule) PER ORIGINAL RETURN	5.	5,616,232	
6. Total Additions (add lines 1 through 5)			6. 97,099,113

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.	40,032	
8.	8.		
9.	9.		
10. Other Deductions (attach schedule) PER ORIGINAL RETURN	10.	8,122,943	
11. Total Deductions (add lines 7 through 10)			11. 8,162,975
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120			12. 88,936,138

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I)	1.	396,515
2. Tax (line 9, Part I, SC1120)	2.	18,108,877
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120)	3.	396,515
4. Credit Carryover (line 1 less line 3)	4.	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 _____ on 05/01/17
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 02/24/63
5. 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. LOMAX
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 02/24/63
8. Location of principal office (street address) _____
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of JEFFREY L. BOYER
   Located at (street address) _____
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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? NO
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	$	2,639,369
Total paid in Capital Surplus	$	239,720,853
Total amount of stated Capital	$	242,360,222

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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE

STF SC42811F.2

AS ORIGINALLY FILED

DES00013633

SCHEDULES F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

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 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
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains/losses on real property						
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED						
8. INCOME DIRECTLY ALLOCATED TO S.C.						
9. TOTALS TO APPORTIONMENT FACTORS						

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.	
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	(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)			
4. Ratio of Gross Receipts (line 3, Col. 1 + line 3, Col. 2)			%

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)		%

SAME AS ORIGINALLY FILED RETURN

AS ORIGINALLY FILED

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) 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) South Carolina New Jobs Credit (TC-4) ..... d. 188,100
   (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. 208,415
   (l) Credit for Hiring AFDC Recipients (TC-12) ..... l.
   (m) Additional AFDC Credit (TC-12-A) ..... m.
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) 3. 396,515

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name _____ S.C.I.D. NO. _____
2. Date of this report _____ Fed. E.I. No. _____
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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

For additional affiliated corporations duplicate Schedule J as needed.

STF SC42811F.4

AS ORIGINALLY FILED

DES00013635

SCHEDULE K 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 for Property Tax Purposes	1.	2,476,190,476
2. Fee Due: Line 1 × .001	2	2,476,190

	Total System (A)	Interstate South Carolina (B)
3. Operating Revenues, (Itemize):	$ 4,405,901,560	$1,096,568,644
4. Total Operating Revenues 4.	$ 4,405,901,560	$1,096,568,644
5. Other Receipts, (Itemize): 5.		
6. Total Other Receipts 6.	$	$
7. Total Gross Receipts (Add Lines 4 and 6) 7.		1,096,568,644
8. Fee Due (Line 7, Column B × .003) 8.		$ 3,289,706
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16, Part II, Page 1) 9.		$ 5,765,896

Excerpts from 1976 Code of Laws as Amended
Code Section 12-20-100 as amended for taxable years beginning after 1995.

(A) In the place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigation company, waterworks 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:

(1) one dollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and used within this state in the conduct of business as determined by the department for property tax purposes for the preceding taxable year; and

(2) three dollars for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered from regulated business within this state during the preceding taxable year, except that with regard to electric cooperatives, only distribution electric cooperatives are subject to the gross receipts portion of the license fee under this subitem.

(B) The minimum license fee under this section is $25.

INSTRUCTIONS

Line 17 Instructions - If the company paid cash to provide infrastructure for a qualifying project, enter the amount on line 17. Attach a schedule to the return setting forth the name of the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amounts in cash that were 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 maximum credit for a 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 tax year. For more information see SC Revenue Ruling #96-11.

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

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

DUKE ENERGY CORPORATION
SOUTH CAROLINA LICENSE TAX FOR UTILITIES

	1997
Receipts Reported on Original Return	1,223,763,289
Less: Sales for Resale	(107,107,224)
Less: Rents	(11,626,195)
Less: Water Revenues	(5,782,250)
Less:Forfeited Discounts	(2,157,302)
Less: Bad Debt	
Less: Interdepartmental rents	
Less: Misc. Service Revenue/Other Electric Revenues	
Less: Interdepartmental sales	(521,674)
Adjusted Receipts	1,096,568,644

AS ORIGINALLY FILED

-0205520

South Carolina SC1120, Page 1 Detail - Computation of License Fee

Company name	Tot. cap. & Paid in surplus	Apportionment %	Apportioned Capital	License fee due
DUKE POWER COMPANY SEPARATE UTILITY SCHEDULE ATTACHED				5,765,896 ~~8,147,480.~~
CRESCENT RESOURCES, INC	33,603,808.	46.725700	15,385,622.	15,381.
CLT DEVELOPMENT CORP.	36,737,016.	4.222800	1,551,331.	1,588.
DUKE ENGINEERING & SERVICES, INC.	58,448,279.	7.298300	4,286,804.	4,281.
DT&W INC. OF GASTONIA	300.	25.640100	77.	25.
DUKENET COMMUNICATIONS, INC	88,343,862.	35.703600	31,541,851.	31,557.
DE&S RESOURCES, INC		4.248200		25.
NTERA, INC.	24,225,858.	NONE	NONE	25.
4P SUPPLY, INC	1,000,000.	NONE	NONE	25.
DUKE WATER SYSTEMS, INC.				25.
DUKE MERCHANDISING CORP				25.
CRESCENT COMMUNITIES OF S.C., INC.				25.
Total license fee due	242,360,222		52,724,685.	~~5,298,446.~~ 5,818,856

AS ORIGINALLY FILED

4948

DES00013638

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

NEW JOBS CREDIT

Effective for taxable years beginning after 1995.
(ATTACH TO RETURN)

SC SCH. TC 4
(Rev. 9/97)
3117

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY YORK

MONTH	19 90 PRIOR YEAR	19 91 YEAR 1	19 92 YEAR 2	19 93 YEAR 3	19 94 YEAR 4	19 95 YEAR 5	19 96 YEAR 6
1 JANUARY	1,073	1,323	1,869	2,084	1,986	1,821	1,736
2 FEBRUARY	1,092	1,371	1,890	2,077	1,971	1,814	1,726
3 MARCH	1,110	1,419	1,910	2,069	1,957	1,808	1,716
4 APRIL	1,128	1,466	1,930	2,061	1,943	1,801	1,705
5 MAY	1,147	1,514	1,950	2,054	1,928	1,794	1,695
6 JUNE	1,165	1,562	1,971	2,046	1,914	1,787	1,685
7 JULY	1,183	1,610	1,991	2,038	1,900	1,780	1,675
8 AUGUST	1,202	1,658	2,011	2,031	1,885	1,773	1,665
9 SEPTEMBER	1,220	1,706	2,031	2,023	1,871	1,767	1,655
10 OCTOBER	1,238	1,753	2,052	2,015	1,857	1,760	1,644
11 NOVEMBER	1,257	1,801	2,072	2,008	1,842	1,753	1,634
12 DECEMBER	1,275	1,849	2,092	2,000	1,828	1,746	1,624
LINE 1: TOTAL EMPLOYEES	14,090	19,031	23,768	24,506	22,882	21,403	20,159
LINE 2: DIVIDED BY: NUMBER OF MONTHS IN OPERATION	12	12	12	12	12	12	12
LINE 3: MONTHLY AVERAGE OF FULL TIME EMPLOYEES	1,174.17	1,585.92	1,980.63	2,042.17	1,906.83	1,783.58	1,679.92
LINE 4: LESS: PREVIOUS YEAR AVERAGE		1,174.17	1,585.92	1,980.63	2,042.17	1,906.83	1,783.58
LINE 5: AVERAGE INCREASE IN FULL TIME EMPLOYEES		411	394	61	(135)	(123)	(103)

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
History: 1988-1990 INCREASE	315	315	230	137	
LINE 6: YEAR 1 INCREASE	411	411	411	411	411
LINE 7: YEAR 2 INCREASE		394	320	197	94
LINE 8: YEAR 3 INCREASE			0	0	0
LINE 9: YEAR 4 INCREASE				0	0
LINE 10: YEAR 5 INCREASE					0
LINE 11: YEAR 6 INCREASE					
LINE 12: NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	726	1,120	961	745	505
LINE 13: AMOUNT OF CREDIT PER EMPLOYEE	300	300	300	300	300
LINE 14: ELIGIBLE CREDIT (multiply line 12 by line 13)	217,800	336,000	288,300	223,500	151,500
LINE 15: UNUSED NEW JOBS CREDIT CARRYOVER	0	0	0	0	0
LINE 16: TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	217,800	336,000	288,300	223,500	151,500
LINE 17: TAX LIABILITY (from appropriate line of tax return)	10,436,784	14,100,497	10,277,346	16,793,214	18,108,877
LINE 18: MAX. TENTATIVE CREDIT (50% line 17)	5,218,392	7,050,249	5,138,673	8,396,607	9,054,439
LINE 19: ENTER the lesser of line 16 or 18	217,800	336,000	288,300	223,500	151,500

STF SC2043F

AS ORIGINALLY FILED

DES00013639

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

NEW JOBS CREDIT

Effective for taxable years beginning after 1995.
(ATTACH TO RETURN)

SC SCH. TC 4
(Rev. 9/97)
3117

NUMBER OF FULL TIME EMPLOYEES SUBJECT TO WITHHOLDING AT THE END OF EACH MONTH

COUNTY OCONEE | 19 90 | 19 91 | 19 92 | 19 93 | 19 94 | 19 95 | 19 96

MONTH	PRIOR YEAR	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
1 JANUARY	1,449	1,693	1,747	2,062	1,944	1,807	1,757
2 FEBRUARY	1,471	1,695	1,776	2,053	1,932	1,803	1,745
3 MARCH	1,493	1,698	1,806	2,043	1,920	1,800	1,734
4 APRIL	1,515	1,700	1,835	2,033	1,907	1,796	1,722
5 MAY	1,537	1,702	1,865	2,024	1,895	1,793	1,710
6 JUNE	1,559	1,704	1,895	2,014	1,883	1,790	1,698
7 JULY	1,581	1,706	1,924	2,004	1,871	1,786	1,686
8 AUGUST	1,603	1,708	1,954	1,995	1,859	1,783	1,674
9 SEPTEMBER	1,625	1,711	1,983	1,985	1,847	1,779	1,663
10 OCTOBER	1,647	1,713	2,013	1,975	1,834	1,776	1,651
11 NOVEMBER	1,669	1,715	2,042	1,966	1,822	1,772	1,639
12 DECEMBER	1,691	1,717	2,072	1,956	1,810	1,769	1,627
LINE 1: TOTAL EMPLOYEES	18,840	20,461	22,912	24,110	22,523	21,454	20,305
LINE 2: DIVIDED BY: NUMBER OF MONTHS IN OPERATION	12	12	12	12	12	12	12
LINE 3: MONTHLY AVERAGE OF FULL TIME EMPLOYEES	1,570.00	1,705.08	1,909.29	2,009.17	1,876.92	1,787.79	1,692.08
LINE 4: LESS: PREVIOUS YEAR AVERAGE	1,428.83	1,570.00	1,705.08	1,909.29	2,009.17	1,876.92	1,787.79
LINE 5: AVERAGE INCREASE IN FULL TIME EMPLOYEES	141	135	204	99	(132)	(89)	(95)

COMPUTATION OF EMPLOYEES ELIGIBLE FOR CREDIT

	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6
HISTORY: 1989 INCREASE	141	141	141	141	
LINE 6: YEAR 1 INCREASE	135	135	135	135	122
LINE 7: YEAR 2 INCREASE		204	171	82	0
LINE 8: YEAR 3 INCREASE			0	0	0
LINE 9: YEAR 4 INCREASE				0	0
LINE 10: YEAR 5 INCREASE					0
LINE 11: YEAR 6 INCREASE					
LINE 12: NUMBER OF NEW JOBS CREDIT (add lines 6 through 11)	276	480	447	358	122
LINE 13: AMOUNT OF CREDIT PER EMPLOYEE	300	300	300	300	300
LINE 14: ELIGIBLE CREDIT (multiply line 12 by line 13)	82,800	144,000	134,100	107,400	36,600
LINE 15: UNUSED NEW JOBS CREDIT CARRYOVER	0	0	0	0	0
LINE 16: TOTAL ELIGIBLE CREDIT (add lines 14 and 15)	82,800	144,000	134,100	107,400	36,600
LINE 17: TAX LIABILITY (from appropriate line of tax return)	10,436,784	14,100,497	10,277,346	16,793,214	18,108,877
LINE 18: MAX. TENTATIVE CREDIT (50% line 17)	5,218,392	7,050,249	5,183,673	8,396,607	9,054,439
LINE 19: ENTER the lesser of line 16 or 18	82,800	144,000	134,100	107,400	36,600

STF SC2043SF

AS ORIGINALLY FILED

DES00013640

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

ECONOMIC IMPACT ZONE PROPERTY INVESTMENT CREDIT

Attach to Forms SC1040, SC1041, SC1120, or SC1120S

SC SCH. TC-11
(7/95)
3326
1996

Name As Shown On Tax Return: DUKE POWER COMPANY

Social Security or Employer ID Number: 56-0205520

This schedule must be completed and filed with the income tax return in order to claim an investment tax credit for the cost basis of economic impact zone property. The definitions on the reverse side should be carefully read before completing this schedule, as there are certain requirements that must be met before qualifying for this tax credit.

1. Economic Impact Zone Property (Qualifying Types)		Cost Basis
a. Manufacturing	1a.	
b. Production	1b.	
c. Manufacturing or Production Control Software	1c.	
d. Extraction	1d.	
e. Furnishing Transportation	1e.	
f. Furnishing Communications	1f.	
g. Furnishing Electrical Energy	1g.	4,168,294
h. Furnishing Gas	1h.	
i. Furnishing Water	1i.	
j. Furnishing Sewage Disposal Services	1j.	
2.Total Cost Basis of Qualifying Property	2.	4,168,294
3.Credit - Multiply line 2 by 5%	3.	208,415

AS ORIGINALLY FILED

STF SC20472F

DES00013641

CORPORATION DECLARATION OF ESTIMATED INCOME TAX

VOUCHER 1 DUE DATE MAR 15 1997

Return this form with check or money order payable to:
THE SOUTH CAROLINA DEPARTMENT OF REVENUE

SC FILE NO
20090024-9

Carol W. Weston, Asst. Secretary 3/17/97
(Signature of duly authorized officer or taxpayer) Date

For accounting period ending
DEC 1997

FED EI NO
560205520

DUKE POWER COMPANY
422 S CHURCH ST
CHARLOTTE NC 28242

A. Estimated tax for the current accounting year: $ 18,000,000

B. Overpayment from last year credited to estimated tax for this year: $ 2,289,187

1. Amount of this installment 4,789,187.00
2. Amount of overpayment credit applied to this installment (See instruction) 2289,187.00
3. Amount of this installment payment (line 1 less line 2): 2,500,000.00

0807 0020090024 9 0397 0807 0020090024 9 0397

STATE OF SOUTH CAROLINA
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

SC-1120-T (Rev. 6/96) 3099

SC FILE NO.
20090024-9

FED EI NO.
560205520

Return for the Period Ending
DEC 1996

Return extended to 9-15-97

Signature Carol W. Weston, Asst. Secretary Date 3/17/97

DUKE POWER COMPANY
422 S CHURCH ST
CHARLOTTE NC 28242

Complete all blank areas.

1. Tentative Tax Based on Net Income: 17,900,000
2. LESS: Estimated Tax Payments: 20,189,182
3. Tentative Tax Due: -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): 6,147,480
5. Balance Remitted: 6,147,480

Corporation Tentative
Columbia, SC 29214-0004

AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

Return for the Period Ending
12/31/96

Complete all blank areas.

SC FILE NO.
21158595-2

56-1393851
FED EI NO.

Return extended to 09/15/97

Signature [signature] Date 03/15/97

CLT DEVELOPMENT
400 S TRYON ST, SUITE 1300
CHARLOTTE, NC 28202
Corporate name and mailing address

1. Tentative Tax Based on Net Income	7,127.
2. LESS: Estimated Tax Payments	5,000.
3. Tentative Tax Due ▶	2,127.
4. Total Capital and Paid in Surplus 1,727,595. x .001 plus $15.00 but not less than $25.00 Tentative License Fee (N/A for Savings and Loan Associations or Banks) ▶	1,743.
5. Balance Remitted	3,870.

SC1120-T Corporation Tentative

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AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

Return for the Period Ending
12/31/96

Complete all blank areas.

SC FILE NO.
21155477

56-6027038
FED EI NO.

1. Tentative Tax Based on Net Income — 54,000.
2. LESS: Estimated Tax Payments — 97,000.
3. Tentative Tax Due ▶ — NONE
4. Total Capital and Paid in Surplus 3,322,958. x .001 plus $15.00 but not less than $25.00 Tentative License Fee (N/A for Savings and Loan Associations or Banks) ▶ — 3,338.
5. Balance Remitted — NONE

Return extended to 09/15/97

Signature Robert A Jagger Date 3/17/97

DUKE ENGINEERING & SERVICES, INC.
400 S TRYON STREET
CHARLOTTE, NC 28202
Corporate name and mailing address

SC1120T (Rev. 9/96) Corporation Tentative

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STATE OF SOUTH CAROLINA

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

Return for the Period Ending
12/31/96

Complete all blank areas.

SC FILE NO.

56-1926367
FED ID NO.

Return extended to 09/15/97

Signature [signature] Date 03/15/97

DUKE MERCHANDISING CORP.
422 SOUTH CHURCH STREET
CHARLOTTE, NC 28242-0001
Corporate name and mailing address

1. Tentative Tax Based on Net Income — NONE
2. LESS: Estimated Tax Payments —
3. Tentative Tax Due ▶ — NONE
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) ▶ — 25.
5. Balance Remitted — 25.

SC1120-T (rev. 12/96)
Corporation Tentative

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DES00013645

STATE OF SOUTH CAROLINA

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

Return for the Period Ending
12/31/96

Complete all blank areas.

SC FILE NO.

56-1879392
FED ID NO.

1. Tentative Tax Based on Net Income — NONE
2. LESS: Estimated Tax Payments — 1,087.
3. Tentative Tax Due ▶
4. Total Capital and Paid in Surplus 19,000,000. x .001 plus $15.00 but not less than $25.00 Tentative License Fee (N/A for Savings and Loan Associations or Banks) ▶ 17,928.
5. Balance Remitted — 17,928.

Return extended to 09/15/97

Signature Sandra K. Vlahos Date 3/17/97

DUKENET COMMUNICATIONS, INC
422 SOUTH CHURCH STREET
CHARLOTTE, NC 28242
Corporate name and mailing address

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STATE OF SOUTH CAROLINA

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

Return for the Period Ending
12/31/96

Complete all blank areas.

SC FILE NO.
20052387-C

FED EI NO.
56-0322840

1. Tentative Tax Based on Net Income — NONE
2. LESS: Estimated Tax Payments —
3. Tentative Tax Due ▶ — NONE
4. Total Capital and Paid in Surplus NONE x .001 plus $15.00 but not less than $25.00 Tentative License Fee (N/A for Savings and Loan Associations or Banks) ▶ — 25.
5. Balance Remitted — 25.

Return extended to 09/15/97

Signature Suffyn M. Taipek VP Date 3/17/97

MP SUPPLY, INC
422 SOUTH CHURCH STREET
CHARLOTTE, NC 28242-0001
Corporate name and mailing address

SC1120-T (Rev. 10/96) Corporation Tentative

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DES00013647

STATE OF SOUTH CAROLINA

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

Return for the Period Ending
12/31/96

Complete all blank areas.

SC FILE NO.

56-1587250
FED ID NO.

Return extended to 09/15/97

Signature _____ Date 03/15/97

GT&W INC. OF GASTONIA

422 SOUTH CHURCH STREET

CHARLOTTE, NC 28242

1. Tentative Tax Based on Net Income	NONE
2. LESS: Estimated Tax Payments	NONE
3. Tentative Tax Due ➤	NONE
4. Total Capital and Paid in Surplus 77. x .001 plus $15.00 but not less than $25.00 Tentative License Fee (N/A for Savings and Loan Associations or Banks) ➤	25
5. Balance Remitted	25

SC1120-T Rev. 9/96

Corporation Tentative Columbia, SC 29214 0009

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293

GT&W INC. OF GASTONIA
400 S. TRYON STREET
P. O. BOX 1007
CHARLOTTE, NC 28201-1007

March 13 1997

PAY TO THE ORDER OF South Carolina Department of Revenue $ 25.00

Twenty Five and 00/100 ---------- DOLLARS

WACHOVIA
Wachovia Bank of North Carolina, N.A.
Gastonia, NC 28052

FOR 1996 Income Tax Extension

⑈00000293⑈ ⑆053000183⑆ 3240 00⑈306⑈

AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

Return for the Period Ending
12/31/96

Complete all blank areas.

SC FILE NO.

APPLIED FOR

FED EI NO.

Return extended to 09/15/97

Signature [signature] Date 03/15/97

CRESCENT COMMUNITIES OF S.C., INC.
400 SOUTH TRYON STREET, SUITE 1300
CHARLOTTE, NC 28202
Corporate name and mailing address

1. Tentative Tax Based on Net Income — NONE
2. LESS: Estimated Tax Payments —
3. Tentative Tax Due ▶ — NONE
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) ▶ — 25.
5. Balance Remitted — 25.

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DES00013649

STATE OF SOUTH CAROLINA

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

SC1120T

Return for the Period Ending
12/31/96

Complete all blank areas.

SC FILE NO.
20053271-7

57-0443852
FED ID NO.

Return extended to 09/15/97

Signature [signature] Date 03/15/97

CRESCENT RESOURCES, INC

400 S TRYON STREET

CHARLOTTE, NC 28230

Corporate name and mailing address

1. Tentative Tax Based on Net Income 1,035,000.

2. LESS: Estimated Tax Payments 645,000.

3. Tentative Tax Due ▶ 390,000.

4. Total Capital and Paid in Surplus 15,365,622. x .001 plus $15.00 but not less than $25.00 Tentative License Fee (N/A for Savings and Loan Associations or Banks) ▶ 15,381.

5. Balance Remitted 405,381.

Corporation Tentative

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DES00013650

STATE OF SOUTH CAROLINA

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

Return for the Period Ending 12/31/96

Complete all blank areas.

SC FILE NO.

56-1976539

FED EI NO.

Return extended to 09/15/97

Signature R.V. Gheesling Secretary Date 03/15/97

DUKE WATER SYSTEMS, INC.

422 SOUTH CHURCH STREET

CHARLOTTE, NC 28242-0001

Corporate name and mailing address

1. Tentative Tax Based on Net Income	NONE
2. LESS: Estimated Tax Payments	NONE
3. Tentative Tax Due ▶	NONE
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) ▶	25.
5. Balance Remitted	25.

SC1120-T (Rev. 8/96) 3098

Corporation Tentative Columbia, SC 29214-0006

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AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA
'C' CORPORATION INCOME TAX RETURN
RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC1120
(Rev. 9/98) 3091

A COPY OF FEDERAL FORM 1120, 1120A, 1120H or 1120F AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN

USE PEEL-OFF LABEL

PLACE PEEL-OFF LABEL HERE

RETURN FOR 12/31/96 INCOME
PERIOD ENDING 12/31/97 LICENSE
RETURN DUE 09/15/97

Extension Requested: Yes X No
Type of SC Return: Separate X Consolidated X
If Final Return, Indicate Whether: Merged ☐ Reorganized ☐ Dissolved ☐ Withdrawn ☐

County or counties in SC Where Property is located:
VARIOUS

FILE NO. 20090024-9
BUSINESS CODE 4911
EMPLOYER ID NO. 56-0205520

City Audit Location: CHARLOTTE, NC
State:

NAME DUKE POWER COMPANY
STREET ADDRESS 422 SOUTH CHURCH STREET
CITY AND STATE CHARLOTTE, NC
ZIP CODE 28242-0001

Telephone Number: 704-382-8175

Total cost of land, buildings and land improvements in SC. ▶ 83,207,497.

Total cost of depreciable personal property in SC. ▶ 5,270,718,664.

PART I COMPUTATION OF INCOME TAX LIABILITY

1.	Federal Taxable Income Per Federal Form 1120 or 1120A ..... See Statement 1 ..... ▶	1.	1,128,775,835
2.	Net Adjustment from line 12, Schedule A and B	2.	88,936,138
3.	Total Net Income As Reconciled (line 1 plus or minus line 2) ▶	3.	1,217,711,973
4.	If Multi-state Corporation, enter amount from line 6, Schedule G; otherwise, enter amount from line 3 ▶	4.	362,747,061
5.	LESS: South Carolina net operating loss carryover, if applicable	5.	569,529
6.	South Carolina Net Income subject to tax (line 4 less line 5) ▶	6.	362,177,532
7.	TAX: Multiply amount on line 6 by .05 (5.0%)	7.	18,108,877
8.	Less tax deferred on income from foreign trade receipts (see instructions) ▶	8.	
9.	Balance (line 7 less line 8)	9.	18,108,877
10.	Non-refundable credits from line 3, Schedule C ▶	10.	(25,000
11.	Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11.	18,083,877
12.	Interest on DISC-deferred tax liability _____ ; or Foreign Trade deferred tax liability _____	12.	
13.	Total tax and/or interest (add lines 11 and 12)	13.	18,083,877
14.	Payments: (a) Tax Withheld (see instructions) _____ (b) Paid by Declaration 20,936,182.		
	(c) Paid with Tentative Return 393,214. (d) Credit from line 29b _____		
15.	Total Payments (add lines 14a through 14d)	15.	21,329,396
16.	Balance of Tax and/or Interest Due (line 13 less line 15) ▶	16.	NONE
17.	Interest Due ▶ _____ Penalty Due ▶ _____ (See penalty and interest instructions.) Enter total ▶	17.	
18.	TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18.	
19.	OVERPAYMENT (line 15 less line 13) 3,245,519. To be applied as follows:		
	(a) Estimated Tax ▶ 3,227,761. (b) License Fee ▶ 17,758. (c) Refunded ▶		

PART II COMPUTATION OF LICENSE FEE

20.	Total Capital And Paid in Surplus (Multi-State Corporations See Schedule E) ▶	20.	52,724,685
21.	FEE DUE - Line 20 x .001, plus $15.00 (Fee cannot be less than $25.00) See Statement 2	21.	6,200,440
22.	Less Application of Corporate Headquarters credit (TC-8)	22.	
23.	Balance (line 21 less line 22)	23.	6,200,440
24.	Payments: (a) Paid With Tentative Return 6,182,682. (b) Credit from line 19b 17,758.		
25.	Total Payments (add line 24 (a) and (b))	25.	6,200,440
26.	Balance Of Fee Due (line 23 less line 25) ▶	26.	NONE
27.	Interest Due ▶ _____ Penalty Due ▶ _____ (See penalty and interest instructions.) Enter total ▶	27.	
28.	TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28.	
29.	OVERPAYMENT (line 25 less line 23) _____ To be applied as follows:		
	(a) Estimated Tax ▶ _____ (b) Income Tax ▶ _____ (c) Refunded ▶		
30.	GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28) ▶	30.	

Make check payable to: SC Department of Revenue.

Please Sign Here

I, the undersigned, a principal officer of the corporation for which this return is made, declare that this return, including accompanying schedules and statements, 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.

Signature of officer _____ Date 9/11/97 Title Vice President - Taxes

Paid Preparer's Use Only

Preparer's signature _____ Date _____ Check if self-employed ▶ ☐ Preparer's social security no. _____

Firm's name (or yours if self-employed) and address _____ E.I. No. ▶ _____ Zip Code ▶ _____

AS ORIGINALLY FILED

DES00013652

SC1120 Page 2

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	88,388,986.	
Federal Net Operating Loss	2.		
Interest from State & Local Oblig.	3.	3,093,895.	
4.	4.		
5. Other Additions (attach schedule) See Statement 5	5.	5,616,232.	
6. Total Additions (add lines 1 through 5) See Statement 3	6.		97,099,113

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.	40,032.	
8.	8.		
9.	9.		
10. Other Deductions (attach schedule) See Statement 7	10.	8,122,943.	
11. Total Deductions (add lines 7 through 10)	11.		8,162,975
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120 See Statement 3	12.		88,936,138

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I)	1.	25,000.
2. Tax (line 9, Part I, SC1120)	2.	18,123,724.
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120)	3.	25,000
4. Credit Carryover (line 1 less line 3)	4.	

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 _____ on 05/01/17
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 02/24/63
5. 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. LOMAX
6. Was the name of the Corporation changed during the year? NO Give old name _____
   Date commenced business in the state of South Carolina was 02/24/63
7. Location of principal office (street address) _____
   Nature of principal business in S.C. ELECTRIC UTILITY
8. The Corporation's books are in the care of JEFFERY L. BOYER
   Located at (street address) See Statement 8
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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? NO
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
See Statement 8		

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
See Statement 8		

14. The total amount of stated capital per balance sheet is:
    Total paid in Capital Stock . . . . . $ 2,639,369.
    Total paid in Capital Surplus . . . . . $ 239,720,853.
    Total amount of stated Capital . . . . . $ 242,360,222.
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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE
See Statement 8	

AS ORIGINALLY FILED

DES00013653

SC1120 Page

SCHEDULES E, F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE - MULTI-STATE CORPORATIONS

Total Capital and Paid-in-Surplus at end of Year See Stmt Ref. for Page 1, Line 21 $

S.C. PROPORTION: (line 1 X ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 20, Part II. $

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

See Statement 11	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	Property to Be Excluded from Property Factor 6
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains/losses on real property						
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED						
8. INCOME DIRECTLY ALLOCATED TO S.C.						
9. TOTALS TO APPORTIONMENT FACTORS						

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	See Statement 13	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. 362,747,061

SCHEDULE H-1 COMPUTATION OF FOUR FACTOR APPORTIONMENT RATIO

See Statement 15	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 Sales (same as line 14.)			
16. TOTAL of Ratios (add Column 3 - lines 10, 13, 14 and 15)			
17. Arithmetical Average of Ratios			

SCHEDULE H-2 COMPUTATION OF GROSS RECEIPTS RATIO

See Statement 15	1. In South Carolina	2. Total Everywhere	3. Ratio
1. Total Gross Receipts			
2. Less: Exclusion (see instructions)	( )	( )	
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

See Statement 15	Amount	Ratio
1. Total Within South Carolina		
2. Total for System		
3. Ratio (South Carolina ÷ Total System)		

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Duke Power Company
E.I. # 56-0205520

SCHEDULE I — 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) South Carolina New Jobs Credit (TC-4) ..... d. _____
   (e) Scenic Rivers (TC-5) ..... e. _____
   (f) Infrastructure Construction or Improvement (TC-6) ..... f. 25,000
   (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 AFDC Recipients (TC-12) ..... l. _____
   (m) Additional AFDC Credit (TC-12-A) ..... m. _____
3. Total Credits (add lines 1 and 2(a) through (m) and enter on line 1, Schedule C) 3. 25,000

SCHEDULE J — CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name _____ 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 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

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Duke Power Company
E.I. # 56-0205520

SC1120U

Page

SCHEDULE K 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 for Property Tax Purposes	1.	2,476,190,47
2. Fee Due: Line 1 x .001	2.	2,476,19

		Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues. (Itemize):			
Electric Revenues		$ 4,396,873,290	$1,217,981,0.
Water Revenues		9,028,270	5,782,2:
4. Total Operating Revenues	4.	$ 4,405,901,560	$1,223,763,2
5. Other Receipts. (Itemize):	5.		
6. Total Other Receipts	6.	$	$
7. Total Gross Receipts (Add Lines 4 and 5)	7.		1,223,763,2
8. Fee Due (Line 7. Column B x .003)	8.		$ 3,671,2
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16 Part II, Page 1)	9.		$ 6,147,4

Excerpts from 1976 Code of Laws as Amended
Code Section 12-20-100 as amended for taxable years beginning after 1995.

(A) In the place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigati company, waterworks company, power company, electric cooperative, light company, gas company, telegraph company, a telephone company shall file an annual report with the department and pay a license fee as follows:

(1) one dollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and used witr this state in the conduct of business as determined by the department for property tax purposes for the preceding taxable ye and

(2) three dollars for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services render from regulated business within this state during the preceding taxable year, except that with regard to electric cooperatives, o distirbution electric cooperatives are subject to the gross receipts portion of the license fee under this subitem.

(B) The minimum license fee under this section is $25.

INSTRUCTIONS

Line 17 Instructions - If the company paid cash to provide infrastructure for a qualifying project, enter the amount on line 17. Atta a schedule to the return setting forth the name of the person completing the project, a description of the project, under what sect or sections of the statute the project qualifies, the amounts in cash that were paid for infrastructure and to whom and when paic description of the infrastructure, and the date the infrastructure was completed or is expected to be completed. If the infrastructu has not been completed as of the date the return is filed, the taxpayer must include a waiver of the statute of limitations. T maximum credit for a single tax year may not exceed $300,000. If the credit exceeds tax liability, the excess may be carried forwa and deducted in the succeeding tax year. For more information see SC Revenue Ruling #96-11.

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

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

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DUKE POWER COMPANY AND AFFILIATES 56-0205520

South Carolina SC1120, Page 1 Detail

Line 1 - Federal Taxable Income

DUKE POWER COMPANY	1,081,637,267.
CRESCENT RESOURCES, INC	37,677,004.
CLT DEVELOPMENT CORP.	15,177,543.
DUKE ENGINEERING & SERVICES, INC.	12,567,459.
GT&W INC. OF GASTONIA	-336,522.
DUKENET COMMUNICATIONS, INC	-24,995,442.
DE&S RESOURCES, INC	1,091,399.
INTERA, INC.	5,629,151.
MP SUPPLY, INC	327,976.
DUKE WATER SYSTEMS, INC.	NONE
DUKE MERCHANDISING CORP.	NONE
CRESCENT COMMUNITIES OF S.C., INC.	
Total line 1 combined net income	1,128,775,835.

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Statement 1

DES00013657

South Carolina SC1120, Page 1 Detail - Computation of License Fee

Company name		Tot. cap. & Paid in surplus	Apportionment %	Apportioned Capital	License fee due
DUKE POWER COMPANY	SEPARATE UTILITY SCHEDULE ATTACHED				6,147,480.
CRESCENT RESOURCES, INC		33,803,908.	45.725700	15,385,622.	15,381.
CLT DEVELOPMENT CORP.		36,737,018.	4.222800	1,551,331.	1,555.
DUKE ENGINEERING & SERVICES, INC.		58,448,279.	7.298300	4,285,804.	4,281.
DT&W INC. OF GASTONIA		300.	25.640100	77.	25.
DUKENET COMMUNICATIONS, INC		88,343,862.	35.703500	31,541,851.	31,557.
DE&S RESOURCES, INC			4.248200		25.
NTERA, INC.		24,225,868.	NONE	NONE	25.
AP SUPPLY, INC		1,000,000.	NONE	NONE	25.
DUKE WATER SYSTEMS, INC.					25.
DUKE MERCHANDISING CORP					25.
CRESCENT COMMUNITIES OF S.C., INC.					25.
Total license fee due		242,360,222		62,724,885.	6,200,440.

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UKE POWER COMPANY AFFILIATES 56-0205520

with Carolina SC1120, Page 2 Detail

Schedule A and B	Combined	DUKE POWER COMPANY	CRESCENT RESOURCES, INC	CLT DEVELOPMENT CORP.	DUKE ENGINEERING & SERVICES, INC.	DT&M INC. OF GASTONIA	DUKENET COMMUNICATIONS INC	DE&S RESOURCES INC
Additions to federal net income		56-0205520	57-0443582	56-1393851	56-6027038	56-1587250	56-1878382	56-1953976
1. Taxes on or measured by income	88,388,986.	82,139,018.	2,948,016.	1,152,376.	922,643.	NONE		180,958.
2. Federal net operating loss								
3. Interest from State & Local Oblig.	3,093,895.	3,093,895.						
4.								
5. Other additions	5,616,232.	397,456.	5,556,359.	-53.	15,330.	-7,424.	-332,244.	
6. Total additions	97,099,113.	85,630,369.	8,504,375.	1,152,323.	937,973.	-7,424.	-332,244.	180,958.
Deductions from federal net income								
7. Interest on obligations of the U.S.	40,032.	40,032.						
8.								
9.								
10. Other deductions	8,122,943.	8,122,943.						
11. Total deductions	8,162,975.	8,162,975.						
12. Net adjustment	88,936,138.	78,467,394.	8,504,375.	1,152,323.	937,973.	-7,424.	-332,244.	180,958.

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UKE POWER COMPANY AFFILIATES 56-0205520

uth Carolina SC1120, Page 2 Detail

chedule A and B

Additions to federal net income	INTERA, INC. 56-1934649	MP SUPPLY, INC 56-0322840	DUKE WATER SYSTEMS, INC. 56-1976539	DUKE MERCHANDISING CORP 56-1926367	CRESCENT COMMUNITIES OF S.C., INC. Applied For
1. Taxes on or measured by income	45,975.				
2. Federal net operating loss					
3. Interest from State & Local Oblig.					
4.					
5. Other additions	8.	-13,200.			
6. Total additions	45,983.	-13,200.			
Deductions from federal net income					
7. Interest on obligations of the U.S.					
8.					
9.					
10. Other deductions					
11. Total deductions					
12. Net adjustment	45,983.	-13,200.			

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Sch. A, Line 5 - Other Additions

DUKE POWER COMPANY	
ENVIRONMENTAL TAXES	259,672.
EXCHANGE PROCEEDS REINVESTED OUTSIDE SC	137,784.
Subtotal	397,456.
CRESCENT RESOURCES, INC	
ENVIRONMENTAL TAX	54,371.
IRC SEC. 1031 GAINS REINVESTED OUTSIDE SC	5,501,988.
Subtotal	5,556,359.
CLT DEVELOPMENT CORP.	
ENVIRONMENTAL TAX	2,479.
INCOME TAX BENEFIT	-2,532.
Subtotal	-53.
DUKE ENGINEERING & SERVICES, INC.	
ENVIRONMENTAL TAX	15,330.
Subtotal	15,330.
GT&W INC. OF GASTONIA	
INCOME TAX BENEFIT	-7,424.
Subtotal	-7,424.
DUKENET COMMUNICATIONS, INC	
ENVIRONMENTAL TAX	-2,061.
STATE TAX BENEFIT	-330,183.
Subtotal	-332,244.

Continued on next page

Statement 5

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Sch. A, Line 5 - Other Additions (Cont'd)

INTERA, INC.	
ENVIRONMENTAL TAXES	8.
Subtotal	8.
MP SUPPLY, INC	
ENVIROMENTAL TAX	409.
STATE TAX BENEFIT	-13,609.
Subtotal	-13,200.
Combined Other Additions Total	5,616,232.

Sch. B, Line 10 - Other Deductions

DUKE POWER COMPANY	
SC LOSS IN EXCESS OF FEDERAL AMOUNT	762,112.
BOOK GAIN REPORTED FOR TAX IN 1995	95,716.
SC DEPRECIATION IN EXCESS OF FEDERAL	7,265,115.
Subtotal	8,122,943.
Combined Other Deductions Total	8,122,943.

South Carolina SC1120, Page 2 Detail

Sch. D, Line 9 - Location of Books

422 SOUTH CHURCH STREET
CHARLOTTE, NC 28242

Sch. D, Line 12 - Authorized Shares

No. of Shares	Class	Series
300,000,000.	COMMON	NO PAR

Sch. D, Line 13 - Issued Shares

No. of Shares	Class	Series
204,859,339.	COMMON	NO PAR

Sch. D, Line 15 - Directors and Principal Officers in the Corporation

Name	Business Address	Office
William H. Grigg	422 S. Church Street Charlotte, NC 28242	CEO
Richard B. Priory	422 S. Church Street Charlotte, NC 28242	President
William A. Coley	422 S. Church Street Charlotte, NC 28242	President
Steve C. Griffith, Jr.	422 S. Church Street Charlotte, NC 28242	VChairman
Richard Osborne	422 S. Church Street Charlotte, NC 28242	Sr VP
Donald Denton, Jr.	422 S. Church Street Charlotte, NC 28242	Sr. VP
Michael Tuckman	422 S. Church Street Charlotte, NC 28242	Sr. VP
Antonio J. Almeida	422 S. Church Street Charlotte, NC 28242	VP
Excell Ferrell, III	422 S. Church Street Charlotte, NC 28242	VP
William R Stimart	422 S. Church Street Charlotte, NC 28242	VP
Robert S. Lilien	422 S. Church Street Charlotte, NC 28242	VP
Jimmy R. Hicks	422 S. Church Street	VP

Continued on next page

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Sch. D, Line 15 - Directors and Principal Officers in the Corporation (Cont'd

	Charlotte, NC 28242	
John F. Lomax	422 S. Church Street Charlotte, NC 28242	VP
Maurice McIntosh	422 S. Church Street Charlotte, NC 28242	VP
T. C. McMeekin	422 S. Church Street Charlotte, NC 28242	VP
James E. Grogan	422 S. Church Street Charlotte, NC 28242	VP
James Hampton	422 S. Church Street Charlotte, NC 28242	VP
James D. Hinton	422 S. Church Street Charlotte, NC 28242	VP
Roberta B. Bowman	422 S. Church Street Charlotte, NC 28242	VP
David L. Hauser	422 S. Church Street Charlotte, NC 28242	VP
J. W. Hillhouse, Jr.	422 S. Church Street Charlotte, NC 28242	VP
John P. Holland	422 S. Church Street Charlotte, NC 28242	VP
Ronald L. Gibson	422 S. Church Street Charlotte, NC 28242	VP
William F. Reinke	422 S. Church Street Charlotte, NC 28242	VP
Donald E. Hatley	422 S. Church Street Charlotte, NC 28242	VP
Christopher Rolfe	422 S. Church Street Charlotte, NC 28242	VP
Sharon A. Decker	422 S. Church Street Charlotte, NC 28242	VP
Barbara B. Orr	422 S. Church Street Charlotte, NC 28242	VP
Emmy L. Burchette	422 S. Church Street Charlotte, NC 28242	VP
David H. Maner	422 S. Church Street Charlotte, NC 28242	VP
Cecil O. Smith, Jr.	422 S. Church Street Charlotte, NC 28242	VP
William Robertson, Jr.	422 S. Church Street Charlotte, NC 28242	VP
Ellen T. Ruff	422 S. Church Street Charlotte, NC 28242	Secretary
Sue A. Becht	422 S. Church Street Charlotte, NC 28242	Treasurer
William H. Grigg	422 S. Church Street	CEO

Continued on next page

Sch. D, Line 15 - Directors and Principal Officers in the Corporation (Cont'd

	Charlotte, NC 28242	
Steve C. Griffith, Jr.	422 S. Church Street Charlotte, NC 28242	Director
William A. Coley	422 S. Church Street Charlotte, NC 28242	Director
Richard B. Priory	422 S. Church Street Charlotte, NC 28242	Director
G. Alex Bernhardt	422 S. Church Street Charlotte, NC 28242	Director
Russell M. Robinson, II	422 S. Church Street Charlotte, NC 28242	Director
Robert J. Brown	422 S. Church Street Charlotte, NC 28242	Director
Paul H. Henson	422 S. Church Street Charlotte, NC 28242	Director
George Dean Johnson, Jr.	422 S. Church Street Charlotte, NC 28242	Director
James V. Johnson	422 S. Church Street Charlotte, NC 28242	Director
W. W. Johnson	422 S. Church Street Charlotte, NC 28242	Director
Dr. Max Lennon	422 S. Church Street Charlotte, NC 28242	Director
James G. Martin	422 S. Church Street Charlotte, NC 28242	Director
Buck Mickel	422 S. Church Street Charlotte, NC 28242	Director
Russell M. Robinson, II	422 S. Church Street Charlotte, NC 28242	Director

Sch. F - Income subject to direct allocation	Combined	DUKE POWER COMPANY	CRESCENT RESOURCES, INC	CLT DEVELOPMENT CORP.	DUKE ENGINEERING & SERVICES, INC.	GT&W INC. OF GASTONIA	DUKENET COMMUNICATIONS INC	DE&S RESOURCES INC
Net amts. alloc. directly to S.C. & other states		56-0205520	57-0443582	56-1393851	56-6027038	56-1567250	56-1879392	56-1953976
1. Interest not connected with business	120,540.	58,859.					61,681.	
2. Dividends received	555,190.	555,190.						
3. Rents								
4. Gains/losses on real property	62,837,274.	687,734.	49,472,487.	12,748,958.		-71,905.		
5. Gains/losses on intangible personal property	37,932.	37,932.						
6. Investment income directly allocated	-7,656,957.						-7,656,957.	
7. Total income directly allocated	55,953,979.	1,339,715.	49,472,487.	12,748,958.		-71,905.	-7,595,276.	
Net amounts allocated directly to S.C.								
1. Interest not connected with business	21,588.						21,588.	
2. Dividends received								
3. Rents								
4. Gains/losses on real property	12,268,911.	-236,331.	12,705,809.	-201,848.		-78,719.		
5. Gains/losses on intangible personal property	1,712.	1,712.						
6. Investment income directly allocated								
8. Income directly allocated to S.C.	12,292,211.	-234,619.	12,705,809.	-201,848.		-78,719.	21,588.	

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DUKE POWER CO AND AFFILIATES 56-0205520
South Carolina 120, Page 3 Detail

Sch. F - Income subject to direct allocation	INTERA, INC.	MP SUPPLY, INC	DUKE WATER SYSTEMS, INC.	DUKE MERCHANDISING CORP	CRESCENT COMMUNITIES OF S.C., INC.
Not auth. alloc. directly to S.C. & other states	56-1934643	56-0322840	56-1976539	56-1926267	Applied For
1. Interest not connected with business					
2. Dividends received					
3. Rents					
4. Gains/losses on real property					
5. Gains/losses on intangible personal property					
6. Investment income directly allocated					
7. Total income directly allocated					
Amounts allocated directly to S.C.					
1. Interest not connected with business					
2. Dividends received					
3. Rents					
4. Gains/losses on real property					
5. Gains/losses on intangible personal property					
6. Investment income directly allocated					
8. Income directly allocated to S.C.					

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STATEMENT 12

DUKE POWER COMPANY AND AFFILIATES 56-0205520
South Carolina SC1120, Page 3 Detail

Sch O - Comp. of Taxable Income	Combined	DUKE POWER COMPANY 56-0205520	CRESCENT RESOURCES, INC 57-0443582	CLT DEVELOPMENT CORP. 56-1393851	DUKE ENGINEERING & SERVICES, INC. 56-6027038	DTEW INC. OF GASTONIA 56-1587250	DUKENET COMMUNICATIONS, INC 56-1879392	DEBS RESOURCES, INC 56-1953976
1. Total net income as reconciled	1,217,711,973.	1,160,104,661.	46,181,379.	16,329,866.	13,505,432.	-343,946.	-25,327,686.	1,272,357.
2. Less: alloc. income to S.C. and other states	55,953,979.	1,399,715.	49,472,487.	12,748,958.		-71,905.	-7,595,276.	
3. Total net income subject to apportionment	1,161,757,994.	1,158,704,946.	-3,291,108.	3,580,908.	13,505,432.	-272,041.	-17,732,410.	1,272,357.
Ratio		30.824900	45.725700	4.222800	7.288300	25.640300	35.703500	4.248200
4. South Carolina apportionment amount	350,454,850.	357,169,641.	-1,504,882.	151,215.	985,667.	-69,752.	-6,331,081.	54,052.
5. Add: allocable income to S.C.	12,292,211.	-234,619.	12,785,609.	-201,848.		-78,719.	21,588.	
6. Total S.C. net income	362,747,061.	356,935,022.	11,280,927.	-50,633.	985,667.	-148,471.	-6,309,503.	54,052.

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DUKE POWER / .Y AND AFFILIATES 56-0205520
South Carolina .C1120, Page 3 Detail

Sch G - Comp. of Taxable Income	INTERA, INC. 56-1934649	MP SUPPLY, INC 56-0322840	DUKE WATER SYSTEMS, INC. 56-1876539	DUKE MERCHANDISING CORP 56-1926367	CRESCENT COMMUNITIES OF S.C., INC. Applied For
1. Total net income as reconciled	5,675,134.	314,776.			
2. Less: alloc. income to S.C. and other states					
3. Total net income subject to apportionment	5,675,134.	314,776.			
Ratio	NONE	NONE			
4. South Carolina apportionment amount	NONE	NONE			
5. Add: allocable income to S.C.					
6. Total S.C. net income	NONE	NONE	NONE	NONE	

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DUKE POWER C f AND AFFILIATES 56-0205520
South Caroli (120, Page 3 Detail

Summary	Combined	DUKE POWER COMPANY	CRESCENT RESOURCES, INC	CLT DEVELOPMENT CORP.	DUKE ENGINEERING & SERVICES, INC.	DT&W INC. OF GASTONIA	DUKENET COMMUNICATIONS, INC	DERS RESOURCES, INC
Sch. H-1 - Computation of 4 Factor Apportionment		56-0205520	57-0443582	56-1393851	56-6027038	56-1587250	56-1879392	56-1953976
10. Total South Carolina property	5,299,473,255.	5,282,248,744.		1,084,559.	1,726,979.	5,357,866.	9,055,307.	
10. Total everywhere property	15,250,743,389.	15,146,881,551.		25,358,074.	31,662,067.	20,895,651.	31,634,542.	
10. Property ratio		34.8735		4.2770	5.4544	25.6401	28.6247	
12. Total South Carolina payroll	280,161,506.	277,848,150.			1,808,739.			503,617.
12. Total everywhere payroll	915,503,120.	843,655,324.		13,984.	60,416,870.			4,736,344.
13. Payroll ratio		32.9340		NONE	2.9938			10.6330
14. Total South Carolina sales	1,252,000,710.	1,238,471,000.		320,231.	12,394,035.		759,352.	56,092.
14. Total everywhere sales	4,611,110,709.	4,463,604,369.		5,077,403.	119,488,818.		1,935,005.	5,312,804.
14. Sales ratio		27.7460		6.3070	10.3725		39.2429	1.0558
15. Total South Carolina sales	1,252,000,710.	1,238,471,000.		320,231.	12,394,035.		759,352.	56,092.
15. Total everywhere sales	4,611,110,709.	4,463,604,369.		5,077,403.	119,488,818.		1,935,005.	5,312,804.
15. Sales ratio		27.7460		6.3070	10.3725		39.2429	1.0558
16. Total property, payroll & sales ratios		123.7885		16.8910	29.1932	25.6401	107.1105	12.7446
17. Average ratio		30.8249		4.2228	7.2983	25.6401	35.7035	4.2482
Sch. H-2 - Computation of Gross Receipts								
1. Total South Carolina Gross Receipts	6,800,030.		6,800,030.					
2. Less: South Carolina Exclusions								
3. South Carolina Gross Receipts	6,800,030.		6,800,030.					
1. Everywhere Total Gross Receipts	14,871,340.		14,871,340.					
2. Less: Everywhere Exclusions								
3. Everywhere Gross Receipts	14,871,340.		14,871,340.					
4. Gross Receipts Ratio			45.7257					
Sch. H-3 - Computation of Public Service Corp.								
1. Total within South Carolina								
2. Total in system								
3. Ratio								

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DUKE POWER C Y AND AFFILIATES 56-0205520
South Carolina .120, Page 3 Detail

Summary	INTERA, INC.	MP SUPPLY, INC
Sch. M-1 - Computation of 4 Factor Apportionment	56-1934649	56-0322840
10. Total South Carolina property		
10. Total everywhere property	2,259,014.	52,500.
10. Property ratio	NONE	NONE
12. Total South Carolina payroll		
13. Total everywhere payroll	6,681,390.	
13. Payroll ratio	NONE	
14. Total South Carolina sales		
14. Total everywhere sales	15,692,210.	
14. Sales ratio	NONE	
15. Total South Carolina sales		
15. Total everywhere sales	15,692,210.	
15. Sales ratio	NONE	
16. Total property, payroll & sales ratios	NONE	NONE
17. Average ratio	NONE	NONE
Sch. M-2 - Computation of Gross Receipts		
3. Total South Carolina Gross Receipts		
2. Less: South Carolina Exclusions		
3. South Carolina Gross Receipts		
1. Everywhere Total Gross Receipts		
2. Less: Everywhere Exclusions		
3. Everywhere Gross Receipts		
4. Gross Receipts Ratio		
Sch. M-3 - Computation of Public Service Corp.		
1. Total within South Carolina		
2. Total in system		
3. Ratio		

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DUKE POWER C[illegible] Y AND AFFILIATES — SC-0205520
South Carolin[illegible] 120, Page 3 Detail

Sch. H-1 - Computation of 4 Factor Apportionment

	Combined	DUKE POWER COMPANY	CRESCENT RESOURCES, INC	CLT DEVELOPMENT CORP.	DUKE ENGINEERING & SERVICES, INC.	OTEW INC. OF GASTONIA	DUKENET COMMUNICATIONS INC	DE&S RESOURCES INC
1. Within South Carolina		SC-0205520	SC-0443582	SC-1393851	SC-6027838	SC-1587250	SC-1879392	SC-1952976
(A) Beginning period								
1. Land	5,052,634.					5,052,634.		
2. Buildings	2,169,118.			2,169,118.				
3. Machinery and equipment	3,283,778.						3,283,778.	
4. Inventories	2,639,779.	2,639,779.						
5. Other property	5,228,180,874.	5,228,180,874.						
6. Less exclusions								
7. Total	5,241,326,174.	5,230,820,644.		2,169,118.		5,052,634.	3,283,778.	
(B) Ending period								
1. Land	5,862,697.					5,862,697.		
2. Buildings								
3. Machinery and equipment	14,956,568.				129,733.		14,826,835.	
4. Inventories	2,289,865.	2,289,865.						
5. Other property	5,255,557,266.	5,255,557,266.						
6. Less exclusions								
7. Total	5,278,466,396.	5,257,847,131.			129,733.	5,862,697.	14,826,835.	
8. Lines 7(a) plus 7(b) divided by 2	5,259,896,287.	5,244,333,888.		1,084,559.	64,867.	5,357,666.	9,055,307.	
9. Rent or lease value	39,576,968.	37,914,856.			1,662,112.			
10. Total property (lines 8 plus 9)	5,299,473,255.	5,282,248,744.		1,084,559.	1,726,979.	5,357,666.	9,055,307.	
11. Gross payroll	280,988,959.	278,676,603.			1,808,739.			503,617.
12. Less: Officer compensation and exclusions	827,453.	827,453.						
13. Total payroll	280,161,506.	277,849,150.			1,808,739.			503,617.
14. Total sales	1,252,800,710.	1,238,471,000.		320,231.	12,394,035.		759,352.	56,092.

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[illegible] — [illegible] — STATEMENT 17

Sch. H-1 - Computation of 4 Factor Apportionment

	INTERA, INC.	MP SUPPLY, INC	DUKE WATER SYSTEMS, INC.	DUKE MERCHANDISING CORP	CRESCENT COMMUNITIES OF S.C., INC.
I. Within South Carolina					
	56-1934649	56-0322840	56-1976539	56-1926367	Applied For
(A) Beginning period					
1. Land					
2. Buildings					
3. Machinery and equipment					
4. Inventories					
5. Other property					
6. Less exclusions					
7. Total					
(B) Ending period					
1. Land					
2. Buildings					
3. Machinery and equipment					
4. Inventories					
5. Other property					
6. Less exclusions					
7. Total					
8. Lines 7(a) plus 7(b) divided by 2					
9. Rent or lease value					
10. Total property (lines 8 plus 9)					
11. Gross payroll					
12. Less: Officer compensation and exclusions					
13. Total payroll					
14. Total sales					

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Sch. H-1 - Computation of 4 Factor Apportionment

	Combined	DUKE POWER COMPANY	CRESCENT RESOURCES, INC	CLT DEVELOPMENT CORP.	DUKE ENGINEERING & SERVICES, INC.	GT&W INC. OF GASTONIA	DUKENET COMMUNICATIONS INC	DE&S RESOURCES INC
2. Total everywhere		56-0205520	57-0443582	56-1393851	56-6027038	56-1587250	56-1879292	56-1953976
(A) Beginning period								
1. Land	18,633,201.					18,528,201.		
2. Buildings	38,922,777.			37,369,775.		1,553,002.		
3. Machinery and equipment	20,305,219.				6,775,734.		11,359,050.	
4. Inventories	9,085,655.	9,085,655.						
5. Other property	14706522927.	14706473585.			13,765.		35,577.	
6. Less exclusions								
7. Total	14793449779.	14715539240.		37,369,775.	6,789,499.	20,081,203.	11,394,627.	
(B) Ending period								
1. Land	28,157,096.					20,157,096.		
2. Buildings	14,899,275.			13,346,373.		1,553,002.		
3. Machinery and Equipment	64,678,251.				10,456,202.		51,874,456.	
4. Inventories	9,888,098.	9,888,098.						
5. Other property	14916538236.	14916538236.						
6. Less exclusions								
7. Total	15028162056.	14926427334.		13,346,373.	10,456,202.	21,710,098.	51,874,456.	
8. Lines 7(a) plus 7(b) divided by 2	14909805919.	14820983267.		25,358,074.	8,622,851.	20,895,651.	31,634,542.	
9. Rent or lease value	348,937,480.	325,898,264.			23,039,216.			
10. Total property (lines 8 plus 9)	15258743399.	15146881551.		25,358,074.	31,662,067.	20,895,651.	31,634,542.	
11. Gross payroll	927,536,492.	853,398,980.		13,384.	62,713,786.			4,736,344.
12. Less: Officer compensation and exclusions	12,033,372.	9,735,656.			2,297,716.			
13. Total payroll	915,503,120.	843,655,324.		13,384.	60,416,070.			4,736,344.
14. Total sales	4,811,110,789.	4,463,804,369.		5,077,403.	119,488,918.		1,935,005.	5,312,804.

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Sch. H-1 - Computation of 4 Factor Apportionment

	INTERA, INC.	WP SUPPLY, INC	DUKE WATER SYSTEMS, INC.	DUKE MERCHANDISING CORP	CRESCENT COMMUNITIES OF S.C., INC.
2. Total everywhere					
	56-1934649	56-0322840	56-1976539	56-1926367	Applied For
(A) Beginning period					
1. Land		105,000.			
2. Buildings					
3. Machinery and equipment	2,170,435.				
4. Inventories					
5. Other property					
6. Less exclusions					
7. Total	2,170,435.	105,000.			
(B) Ending period					
1. Land					
2. Buildings					
3. Machinery and Equipment	2,347,593.				
4. Inventories					
5. Other property					
6. Less exclusions					
7. Total	2,347,593.				
8. Lines 7(a) plus 7(b) divided by 2	2,259,014.	52,500.			
9. Rent or lease value					
10. Total property ((lines 8 plus 9)	2,259,014.	52,500.			
11. Gross payroll	6,681,398.				
12. Less: Officer compensation and exclusions					
13. Total payroll	6,681,398.				
14. Total sales	15,692,210.				

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Sch. J, Line 9 - Location of Principal Office

400 SOUTH TRYON STREET
CHARLOTTE, NC 28230

Sch. J, Line 10 - Location of Books

400 SOUTH TRYON STREET
CHARLOTTE, NC 28230

Sch. J, Line 15 - Directors and Principal Officers in the Corporation

Name	Business Address	Office
R. C. Ranson	400 South Tryon CEO Charlotte, NC 28202	
A. W. Fields	400 South Tryon President Charlotte, NC 28202	
F. A. Byers	400 South Tryon Vice Pres Charlotte, NC 28202	
R. M. Bost	400 South Tryon Vice Pres. Charlotte, NC 28202	
R. S. Lilien	422 South Church St. Vice Pres. Charlotte, NC 28242	
G. D. Stephenson	400 South Tryon Vice Pres. Charlotte, NC 28202	
R. W. McGee	400 South Tryon Treasurer Charlotte, NC 28202	
R. A. Jolly, Jr.	422 South Church St. Secretary Charlotte, NC 28242	

South Carolina SC1120, Page 4 Detail

Sch. J, Line 9 - Location of Principal Office

400 S TRYON STREET
CHARLOTTE, NC 28202

Sch. J, Line 10 - Location of Books

400 S TRYON STREET
CHARLOTTE, NC 28202

Sch. J, Line 15 - Directors and Principal Officers in the Corporation

Name	Business Address	Office
SCHEDULE ATTACHED	230 S. Tryon Street Charlotte, NC 28202	CEO
J. M. Hart	230 S. Tryon Street Charlotte, NC 28202	VP
W. O. Henry	230 S. Tryon Street Charlotte, NC 28202	SrVP
E. B. Abrams	230 S. Tryon Street Charlotte, NC 28202	VP
R. W. Bonsall	230 S. Tryon Street Charlotte, NC 28202	VP
M. T. Boyd	230 S. Tryon Street Charlotte, NC 28202	VP
L. R. Dillon	230 S. Tryon Street Charlotte, NC 28202	VP
C. L. Ray, Jr.	230 S. Tryon Street Charlotte, NC 28202	VP
W. J. Bowman	230 S. Tryon Street Charlotte, NC 28202	Secretary
R. A. Joyner	230 S. Tryon Street Charlotte, NC 28202	Treasurer
W. A. Coley	422 S. Church Street Charlotte, NC 28242	Director
J. M. Hart	230 S. Tryon Street Charlotte, NC 28202	Director
D. L. Hauser	422 S. Church Street Charlotte, NC 28242	Director
W. O. Henry	230 S. Tryon Street Charlotte, NC 28202	Director
J. D. Hinton	422 S. Church Street	Director

Continued on next page

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Sch. J, Line 15 - Directors and Principal Officers In the Corporation (Cont'd

	Charlotte, NC 28242	
R. A. Jolly, Jr.	422 S. Church Street	Director
	Charlotte, NC 28242	
J. F. Norris, Jr.	230 S. Tryon Street	Director
	Charlotte, NC 28202	
M. S. Tuckman	422 S. Church Street	Director
	Charlotte, NC 28242	
S.B. Pahwa	400 S Tryon Street	Director
	Charlotte, NC 28202	

Duke PowerCompany
Statement Attached to the
South Carolina Combined Return
1996

	Total NOL Carryover	MP Supply Company	DukeNet Communications
Net Operating Loss Carryovers:	569,529	272,584	296,945
Year generated			
1990		272,584	0
1995		0	296,945
		272,584	296,945

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SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	1,152,376.	
2. Federal Net Operating Loss	2.		
	3.		
4.	4.		
5. Other Additions (attach schedule) See Statement 1	6.	2,479.	
6. Total Additions (add lines 1 through 5)			6. 1,154,855.

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.		
8.	8.		
9.	9.		
10. Other Deductions (attach schedule)	10.		
11. Total Deductions (add lines 7 through 10)			11.
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120			12. 1,154,855.

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I)	1.	
2. Tax (line 8, Part I, SC1120)	2.	NONE
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120)	3.	
4. Credit Carryover (line 1 less line 3)	4.	

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation CLT DEVELOPMENT CORP.
2. Date of this Report 09/15/97 Fed. EI. No. 56-1393851
3. Incorporated under the Laws of the State of NORTH CAROLINA on 01/01/84
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 01/01/84
5. Location of the Registered Office of the Corporation in the State of South Carolina is 84 WILLARD RD.
   in the City of GREENVILLE Registered Agent at such address is JOHN LOMAX
6. Was the name of the Corporation changed during the year? NO Give old name
   Date commenced business in the state of South Carolina was 06/01/89
   Location of principal office (street address)
   Nature of principal business in S.C. LAND DEVELOPMENT
9. The Corporation's books are in the care of
   Located at (street address) See Statement 1
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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
1,000.	COMMON	

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
100.	COMMON	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	$	1,000.
Total paid in Capital Surplus	$	36,736,015.
Total amount of stated Capital	$	36,737,015.

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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE
R.C. RANSON	400 S. TRYON STREET, CHARLOTTE, NC 2820
R.S. LILEN	422 S. CHURCH STREET, CHARLOTTE, NC 2824
.S. LEE, IV	400 S. TRYON STREET, CHARLOTTE, NC 2820
H.W. MCGEE	400 S. TRYON STREET, CHARLOTTE, NC 2820

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits)	1.	
Add: (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.	25,000.
(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 AFDC Recipients (TC-12)	l.	
(m) Additional AFDC Credit (TC-12-A)	m.	
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C)	3.	25,000.

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name CRESCENT RESOURCES, INC S.C.I.D. NO. 20053271-7
2. Date of this report 09/15/97 Fed. E.I. No. 57-0443582
3. Address 400 SOUTH TRYON STREET, SUITE 1300
4. Incorporated under the laws of the State of SOUTH CAROLINA on 07/08/63
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 84 VILLA ROAD
   In the City of GREENVILLE and Registered Agent at such address is JOHN F LOMAX
7. Was the name of the Corporation changed during the year? NO Give old name
8. Date commenced business in the State of South Carolina was 07/08/63
9. Location of principal Office See Statement 21
   Nature of principal business in S.C. TIMBER/LAND DEVELOPEMENT
10. The Corporation's books are in the care of R. W. MCGEE
    Located at See Statement 21
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? NO
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
10,000.	C	

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
10,000.	C	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	$	1,000,000.
Total paid in Capital Surplus	$	32,603,908.
Total amount of stated Capital	$	33,603,908.

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
See Statement 21	

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____

Add: (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. _____
(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 AFDC Recipients (TC-12) . . . . . l. _____
(m) Additional AFDC Credit (TC-12-A) . . . . . m. _____

3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE ENGINEERING & SERVICES, INC. S.C.I.D. NO. 21155477
2. Date of this report 09/15/97 Fed. E.I. No. 56-6027038
3. Address 230 S Tryon Street
4. Incorporated under the laws of the State of NORTH CAROLINA on 1935
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 11/16/88
6. Location of the Registered Office of the Corporation in the State of South Carolina is 2019 PARK STREE
   In the City of COLUMBIA and Registered Agent at such address is PRENTICE-HALL CORP SYSTEM, INC
7. Was the name of the Corporation changed during the year? NO Give old name _____
8. Date commenced business in the State of South Carolina was 01/01/87
9. Location of principal Office See Statement 22
   Nature of principal business in S.C. ENGINEERING SERVICES
10. The Corporation's books are in the care of ROBERT JOYNER
    Located at See Statement 22
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? NO
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
101.	C	

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
100.	C	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	$ 300.
Total paid in Capital Surplus	$ 58,448,979.
Total amount of stated Capital	$ 58,449,279.

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
See Statement 22	

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

SC1120 Page

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	NONE
2. Federal Net Operating Loss	2.	
3.	3.	
4.	4.	
5. Other Additions (attach schedule)	5.	
6. Total Additions (add lines 1 through 5)	6.	NONE

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.	
8.	8.	
9.	9.	
10. Other Deductions (attach schedule)	10.	
11. Total Deductions (add lines 7 through 10)	11.	
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120	12.	NONE

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I)	1.	
2. Tax (line 9, Part I, SC1120)	2.	NONE
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120)	3.	
4. Credit Carryover (line 1 less line 3)	4.	

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation GT&W INC. OF GASTONIA
2. Date of this Report 09/15/97 Fed. E.I. No. 56-1587250
3. Incorporated under the Laws of the State of NORTH CAROLINA on 12/20/87
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 02/07/94
5. Location of the Registered Office of the Corporation in the State of South Carolina is 325 W. MCBEE AVENUE 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 02/07/94
8. Location of principal office (street address) See Statement 1
   Nature of principal business in S.C. REAL ESTATE
9. The Corporation's books are in the care of S.K. VLAHOS
   Located at (street address) See Statement 1
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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? NO
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
100,000.	COMMON	

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
300.	COMMON	

14. The total amount of stated capital per balance sheet is:
    Total paid in Capital Stock . . . . . $ 300.
    Total paid in Capital Surplus . . . . . $ _____
    Total amount of stated Capital . . . . . $ 300.
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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE

SC1120 Pac

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1.	Taxes on or Measured By Income	1.	
2.	Federal Net Operating Loss	2.	
3.		3.	
4.		4.	
5.	Other Additions (attach schedule) See Statement 1	5.	-332,244.
6.	Total Additions (add lines 1 through 5)	6.	-332,24

DEDUCTIONS FROM FEDERAL NET INCOME

7.	Interest On Obligations Of The U.S.	7.	
8.		8.	
9.		9.	
10.	Other Deductions (attach schedule)	10.	
11.	Total Deductions (add lines 7 through 10)	11.	
12.	Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120	12.	-332,24

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1.	Total Credits (from Schedule I)	1.	
2.	Tax (line 9, Part I, SC1120)	2.	NO
3.	Lesser of line 1 or 2 (enter on line 10, Part I, SC1120)	3.	
4.	Credit Carryover (line 1 less line 3)	4.	

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation DUKENET COMMUNICATIONS, INC
2. Date of this Report _____ Fed. E.I. No. 56-1879392
3. Incorporated under the Laws of the State of NORTH CAROLINA on 06/02/94
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 11/21/94
5. Location of the Registered Office of the Corporation in the State of South Carolina is 325 W. McBEE AVENUE in the City of GREENVILLE Registered Agent at such address is J.F. LOMAX
6. Was the name of the Corporation changed during the year? _____ Give old name _____
7. Date commenced business in the state of South Carolina was 11/21/94
8. Location of principal office (street address) See Statement 1
   Nature of principal business in S.C. COMMUNICATIONS
9. The Corporation's books are in the care of S.K. VLAHOS
   Located at (street address) See Statement 1
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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? NO
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
1,000.	COMMON	

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
100.	COMMON	

14. The total amount of stated capital per balance sheet is:
    Total paid in Capital Stock . . . . . $ 50,000.
    Total paid in Capital Surplus . . . . . $ 88,293,862.
    Total amount of stated Capital . . . . . $ 88,343,862.
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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE

AS ORIGINALLY FILED

DES00013685

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____

Add: (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. _____
(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 AFDC Recipients (TC-12) . . . . . l. _____
(m) Additional AFDC Credit (TC-12-A) . . . . . m. _____

3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DE&S RESOURCES, INC S.C.I.D. NO. 25341719-1
2. Date of this report 09/15/97 Fed. E.I. No. 56-1953976
3. Address 400 S TRYON STREET
4. Incorporated under the laws of the State of NC on 01/24/96
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? NO Give old name _____
8. Date commenced business in the State of South Carolina was 03/29/96
9. Location of principal Office See Statement 26
   Nature of principal business in S.C. SERVICES-TEMPORARY PERSONAL
10. The Corporation's books are in the care of ROBERT JOYNER
    Located at See Statement 26
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? NO
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
1,000.	COMMON	

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
EB ABRAMS	400 S TRYON STREET CHARLOTTE, NC 28202
RW BONSAL	400 S TRYON STREET CHARLOTTE, NC 28202
RW BONSALL	400 S TRYON STREET CHARLOTTE, NC 28202
JM HART	400 S TRYON STREET CHARLOTTE, NC 28202
JF NORRIS, JR	400 S TRYON STREET CHARLOTTE, NC 28202

For additional affiliated corporations duplicate Schedule J as needed. AS ORIGINALLY FILED

DES00013686

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	45,975.	
2. Federal Net Operating Loss	2.		
3.	3.		
4.	4.		
5. Other Additions (attach schedule) See Statement 1	5.	8.	
6. Total Additions (add lines 1 through 5)	6.		45,983.

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.		
8.	8.		
9.	9.		
10. Other Deductions (attach schedule)	10.		
11. Total Deductions (add lines 7 through 10)	11.		
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120	12.		45,983.

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I)	1.	
2. Tax (line 9, Part I, SC1120)	2.	NONE
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120)	3.	
4. Credit Carryover (line 1 less line 3)	4.	

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation INTERA, INC.
2. Date of this Report 09/15/97 Fed. E.I. No. 56-1934649
3. Incorporated under the Laws of the State of NORTH CAROLINA on 09/01/95
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is
5. Location of the Registered Office of the Corporation in the State of South Carolina is
   In the City of Registered Agent at such address is
6. Was the name of the Corporation changed during the year? Give old name
   Date commenced business in the state of South Carolina was
7. Location of principal office (street address) See Statement 1
   Nature of principal business in S.C.
8. The Corporation's books are in the care of ROBERT JOYNER
   Located at (street address) See Statement 1
9. If filing consolidated, complete and attach Schedule J for each Corporation included in the consolidation.
10. 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? NO
11. 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

12. 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

13. The total number of stated capital per balance sheet is:

Total paid in Capital Stock	$	587,769.
Total paid in Capital Surplus	$	23,638,089.
Total amount of stated Capital	$	24,225,858.

14. 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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE
JOHN F NORRIS	400 S TRYON STREET CHARLOTTE, NC 28202
WAYNE O. HENRY	
RICHARD BONSALL	
CHARLES WATKINS	

AS ORIGINALLY FILED

4997

SC1120 Page

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 AFDC Recipients (TC-12) . . . . . l. _____
   (m) Additional AFDC Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name MP SUPPLY, INC S.C.I.D. NO. 20052387-C
2. Date of this report 09/15/97 Fed. EI. No. 56-0322840
3. Address 422 SOUTH CHURCH STREET
4. Incorporated under the laws of the State of NORTH CAROLINA on 06/01/10
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 02/01/65
6. Location of the Registered Office of the Corporation in the State of South Carolina is WOODRUFF RD.
   In the City of GREENVILLE, SC and Registered Agent at such address is ROBERT L. SHAW
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 06/01/65
9. Location of principal Office See Statement 28
   Nature of principal business in S.C. ELECTRICAL JOBBER
10. The Corporation's books are in the care of J.L. BOYER
    Located at See Statement 28
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? NO
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
10,000.	COMMON	

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 . . . . . $ 1,000,000.
    Total paid in Capital Surplus . . . . . $ _____
    Total amount of stated Capital . . . . . $ 1,000,000.
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

For additional affiliated corporations duplicate Schedule J as needed. AS ORIGINALLY Filed

DES00013688

SC1120 Page 2

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income . . . . . 1.
2. Federal Net Operating Loss . . . . . 2.
3. _____ 3.
4. _____ 4.
5. Other Additions (attach schedule) . . . . . 5.
6. Total Additions (add lines 1 through 5) . . . . . 6.

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S. . . . . 7.
8. _____ 8.
9. _____ 9.
10. Other Deductions (attach schedule) . . . . . 10.
11. Total Deductions (add lines 7 through 10) . . . . . 11.
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120 . . . . . 12.

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I) . . . . . 1.
2. Tax (line 9, Part I, SC1120) . . . . . 2. NONE
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120) . . . . . 3.
4. Credit Carryover (line 1 less line 3) . . . . . 4.

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation DUKE MERCHANDISING CORP.
2. Date of this Report 09/15/97 Fed. E.I. No. 56-1926367
3. Incorporated under the Laws of the State of NORTH CAROLINA on 05/30/1995
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is _____
5. Location of the Registered Office of the Corporation in the State of South Carolina is 325 W. McBEE STREET in the City of GREENVILLE Registered Agent at such address is J.F. LOMAX
6. Was the name of the Corporation changed during the year? NO Give old name _____
   Date commenced business in the state of South Carolina was _____
7. Location of principal office (street address) See Statement 1
   Nature of principal business in S.C. RETAIL TRADE
8. The Corporation's books are in the care of R.F. MERCER
   Located at (street address) See Statement 1
9. If filing consolidated, complete and attach Schedule J for each Corporation included in the consolidation.
10. 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? NO
11. 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
1,000.	COMMON	

12. 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
10.	COMMON	

13. 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 . . . . . $ _____
14. 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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE
W.A. COLEY	422 S CHRUCH ST., CHARLOTTE, NC 28242
W.E. POE, JR.	422 S CHURCH ST., CHARLOTTE, NC 28242
J.A. JOLLY, JR.	422 S CHURCH ST., CHARLOTTE, NC 28242

AS ORIGINALLY FILED

DES00013689

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income . . . . . 1.
2. Federal Net Operating Loss . . . . . 2.
3. _____ 3.
4. _____ 4.
5. Other Additions (attach schedule) . . . . . 5.
6. Total Additions (add lines 1 through 5) . . . . . 6.

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S. . . . . 7.
8. _____ 8.
9. _____ 9.
10. Other Deductions (attach schedule) . . . . . 10.
11. Total Deductions (add lines 7 through 10) . . . . . 11.
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120 . . . . . 12.

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I) . . . . . 1.
2. Tax (line 9, Part I, SC1120) . . . . . 2. NONE
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120) . . . . . 3.
4. Credit Carryover (line 1 less line 3) . . . . . 4.

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation CRESCENT COMMUNITIES OF S.C., INC.
2. Date of this Report 09/15/97 Fed. E.I. No. Applied For
3. Incorporated under the Laws of the State of SOUTH CAROLINA on _____
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is _____
5. Location of the Registered Office of the Corporation in the State of South Carolina is _____
   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 _____
   Date commenced business in the state of South Carolina was _____
7. Location of principal office (street address) See Statement 1
   Nature of principal business in S.C. REAL ESTATE DEVELOPMENT
8. The Corporation's books are in the care of R.W. MCGEE
   Located at (street address) See Statement 1
9. If filing consolidated, complete and attach Schedule J for each Corporation included in the consolidation.
10. 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? NO
11. 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

12. 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

13. 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 . . . . . $ _____
14. 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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE

AS ORIGINALLY FILED

Duke Power Company

Statements relating to Tax Credit under
SC Code Section 12-6-3490
1996

Name of person completing the project is Lancaster County

Description of the project: Manufacturing Facility , including water, sewer and utilities for Synteen, USA.

The SC Code Section under which the project qualifies is 12-6-3490 (B)(1) and (2)

The amount of cash paid by Duke Power Company was $25,000 on December 31, 1996 to Lancaster County Economic Development Corporation.

Description of the infrastructure: Water, sewer and utilities.

Expected completion date of the infrastructure: December 31, 1997.

Taxpayer herein agrees to an extension of the statute of limitations for the Duke Power Company South Carolina income tax return (Form 1120) for the year 1996 until December 31, 2000.

AS ORIGINALLY FILED

Duke Power Company

Statement Attached To and Made Part Of
1996 South Carolina Corporation Income Tax Return

Function	Federal Tax Depreciation	S.C. Tax Depreciation	Income Increase (decrease)
Furniture & Fixtures	$ 19,666,389	$ 19,666,389	$ -
EDP Equipment	18,589,064	18,589,064	-
Dispatch and Other Computers	914,632	914,632	-
Data Handling Equipment	596,783	596,783	-
Other General Plant	9,368,029	9,368,029	-
Hydro	54,310,306	54,577,079	(266,773)
Hydro - Structures	1,465,576	1,465,576	-
Nuclear	27,092,081	28,741,642	(1,649,561)
Nuclear Fuel	123,790,474	123,790,474	-
Nuclear - Structures	4,399,129	4,399,129	-
Steam	49,574,278	49,953,059	(378,781)
Steam - Structures	395,111	395,111	-
Other Production	31,066,213	31,067,309	(1,096)
Other Production - Structures	258	258	-
Transmission	37,393,975	38,283,901	(889,926)
Distribution	162,418,999	166,281,338	(3,862,339)
Easements, Relocations & First Clearing	2,700,446	2,700,446	-
Leased Structures	507,656	507,656	-
Water	1,782,829	2,002,912	(220,083)
Structures	11,987,349	11,983,905	3,444
Vehicles	(1,031,936)	(1,031,936)	-
	$ 556,987,641	$ 564,252,756	$ (7,265,115)

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 Recover System.

AS ORIGINALLY FILED

DES00013692

Deloitte & Touche

TAXPAYER

DUKE ENERGY CORPORATION

AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1997

To be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of Tax	Total Tax $ Less: payments & credits $ Balance due (overpayment) $(5,169,951)
Overpayment	☒ Refunded to you $5,169,951. ☐ 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	IMMEIDATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	

PETITIONER'S EXHIBIT

MISCSTATELTRS

STATE OF SOUTH CAROLINA
'C' CORPORATION INCOME TAX RETURN
RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC1120
(Rev. 9/96) 3091

AS AMENDED

PLACE PEEL-OFF LABEL HERE

PEEL-OFF LABEL

RETURN FOR 12/31/97 INCOME
PERIOD ENDING 12/31/98 LICENSE
RETURN DUE 09/15/98

FILE NO. 20090024-9
BUSINESS CODE 4911
EMPLOYER ID NO. 56-0205520

NAME DUKE ENERGY CORPORATION
STREET ADDRESS MAIL CODE PB05B
CITY CHARLOTTE STATE NC ZIP CODE 28242

A COPY OF FEDERAL FORM 1120, 1120A, 1120H or 1120F AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN

Extension Requested: Yes X No
Type of SC Return: Separate ____ Consolidated X
If Final Return, Indicate Whether: Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn ☐
County or counties in SC Where Property is located:
VARIOUS

City	Audit Location	State
CHARLOTTE, NC		

Telephone Number: (704) 382-8175
Total cost of land, buildings and land improvements in SC.
▶ 93,029,946
Total cost of depreciable personal property in SC.
▶ 5,474,179,877

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal Taxable Income Per Federal Form 1120 or 1120 A	1	880,009,612
2. Net Adjustment from line 12, Schedule A and B	2	81,673,704
3. Total Net Income As Reconciled (line 1 plus or minus line 2)	3	961,683,316
4. If Multi-state Corporation, enter amount from line 8, Schedule G; otherwise, enter amount from line 3	4	162,733,272 *
5. LESS: South Carolina net operating loss carryover, if applicable	5	0
6. South Carolina Net Income subject to tax (line 4 less line 5)	6	162,733,272
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7	8,136,663.60
8. Less tax deferred on income from foreign trade receipts (see instructions)	8	
9. Balance (line 7 less line 8)	9	8,136,663
10. Non-refundable credits from line 3, Schedule C	10	
11. Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11	8,136,663
12. Interest on DISC-deferred tax liability ____ : or Foreign Trade deferred tax liability ____	12	
13. Total tax and/or interest (add lines 11 and 12)	13	8,136,663
14. Payments: (a) Tax Withheld (see instructions) ____ (b) Paid by Declaration ____ (c) Paid with Tentative Return ____ (d) Credit from line 29b ____		
15. Total Payments (add lines 14a through 14d)	15	13,306,614
16. Balance of Tax and/or Interest Due (line 13 less line 15)	16	0.00
17. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total.	17	
18. TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18	0.00
19. OVERPAYMENT (line 15 less line 13) 5,169,951 To be applied as follows: (a) Estimated Tax ▶ ____ (b) License Fee ▶ ____ (c) Refunded ▶		5,169,951

PART II COMPUTATION OF LICENSE FEE

20. Total Capital And Paid In Surplus (Multi-State Corporations See Schedule E)	20	
21. FEE DUE - Line 20 x .001, plus $15.00 (Fee cannot be less than $25.00)	21	
22. Less Application of Corporate Headquarters credit (TC-8)	22	
23. Balance (line 21 less line 22)	23	
24. Payments: (a) Paid With Tentative Return ____ (b) Credit from line 19b ____		
25. Total Payments (add line 24 (a) and (b))	25	
26. Balance Of Fee Due (line 23 less line 25)	26	
27. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total	27	
28. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28	
29. OVERPAYMENT (line 25 less line 23) ____ To be applied as follows: (a) Estimated Tax ▶ ____ (b) Income Tax ▶ ____ (c) Refunded ▶		
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28)	30	0.00

Make checks payable to: SC Department of Revenue.

COPY

Please Sign Here

I, the undersigned, a 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.

▶ [signature] (Signature of officer) Date 12/11/2002 ▶ ____ Title

Paid Preparer's Use Only

Preparer's signature ▶ [signature] Date 12/11/2002 Check if self-employed ▶ ☐ Preparer's social security no. 172-60-8283

Firm's name (or yours if self-employed) and address ▶ DELOITTE AND TOUCHE LLP
2500 ONE PPG PLACE
E.I. No. ▶ 13-3891517
Zip code ▶ 15222

STF SC42811F.1 * SEE ATTACHED RECONCILIATION SCHEDULE BY AMENDED ENTITY

DES00013694

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income ..... 1.
2. Federal Net Operating Loss ..... 2.
3. _____ 3.
4. _____ 4.
5. Other Additions (attach schedule) ..... 5.
6. Total Additions (add lines 1 through 5) ..... 6.

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S. ..... 7.
8. _____ 8.
9. _____ 9.
10. Other Deductions (attach schedule) ..... 10.
11. Total Deductions (add lines 7 through 10) ..... 11.
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120 ..... 12.

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I) ..... 1.
2. Tax (line 9, Part I, SC1120) ..... 2.
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120) ..... 3.
4. Credit Carryover (line 1 less line 3) ..... 4.

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 _____ on _____
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is _____
5. 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. LOMAX
6. Was the name of the Corporation changed during the year? YES Give old name DUKE POWER COMPANY
7. Date commenced business in the state of South Carolina was 02/24/63
8. Location of principal office (street address) _____
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of _____
   Located at (street address) _____
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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? NO
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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE

STF SC42611F.2

AMENDED

DES00013695

SCHEDULES E, F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE - MULTI-STATE CORPORATIONS

1. Total Capital and Paid-in-Surplus at end of Year	$
2. S.C. PROPORTION: (line 1 × ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 20, Part II.	$

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	Property to Be Excluded from Property Factor 6
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains/losses on real property						
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED						
8. INCOME DIRECTLY ALLOCATED TO S.C.						
9. TOTALS TO APPORTIONMENT FACTORS						

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.	
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.	162,733,272

SCHEDULE H - 1 COMPUTATION OF FOUR 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 Sales (same as line 14.)			%
16. TOTAL of Ratios (add Column 3 - lines 10, 13, 14 and 15)			%
17. Arithmetical Average of 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 (see instructions)	< >	< >	
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	Ratio
1. Total Within South Carolina		
2. Total for System		
3. Ratio (South Carolina ÷ Total System)		%

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add: (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. _____
   (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 AFDC Recipients (TC-12) ..... l. _____
   (m) Additional AFDC Credit (TC-12-A) ..... m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name _____ S.C.I.D. NO. _____
2. Date of this report _____ Fed. E.I. No. _____
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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

For additional affiliated corporations duplicate Schedule J as needed.

Adjustments to Duke Power
56-0205520
South Carolina Taxable Income

	As Filed	Adjustments	As Amended	
Total Net Income as Reconciled	913,949,040		913,949,040	
Less: Income subject to direct allocation	2,099,828		2,099,828	
Total Net Income Subject to Apportionment	916,048,868		916,048,868	
SC Apportionment Ratio				
Property in SC	5,406,677,784	N/A		
Property Everywhere	15,691,294,755	N/A		
Property Factor	0.344565	N/A		
Payroll SC	271,558,066	N/A		
Payroll Everywhere	860,711,523	N/A		
Payroll Factor	0.315504	N/A		
Reciepts SC	2,339,976,856		2,339,976,856	
Reciepts Everywhere	8,693,833,448	3,838,233,098	12,532,066,546	Reciepts Only
Receipts Factor	0.269154	(0.082434)	0.186719	
SC Apportionment Factor	0.298594	(0.112875)	0.186719	
Income Apportioned to SC	274,442,745	(103,399,016)	171,043,729	
Add: Income subject to direct allocation to SC	(4,409,845)		(4,409,845)	
Total SC Net Income	270,032,900	(103,399,016)	166,633,884	

AMENDED

1997

STATE OF SOUTH CAROLINA
'C' CORPORATION INCOME TAX RETURN
RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC1120
(Rev. 9/96) 3091

AS AMENDED USE PEEL-OFF LABEL

PLACE PEEL-OFF LABEL HERE

RETURN FOR 12/31/97 INCOME
PERIOD ENDING 12/31/98 LICENSE
RETURN DUE 09/15/98

FILE NO. 20090024-9
BUSINESS CODE 4911
EMPLOYER ID NO. 56-0205520

NAME DUKE ENERGY CORPORATION
STREET ADDRESS MAIL CODE PB05B
CITY CHARLOTTE STATE NC ZIP CODE 28242

A COPY OF FEDERAL FORM 1120, 1120A, 1120H or 1120F AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN

Extension Requested: Yes X No
Type of SC Return: Separate Consolidated X
If Final Return, Indicate Whether: Merged ☐ Reorganized ☐ Dissolved ☐ Withdrawn ☐
County or counties in SC Where Property is located: VARIOUS

City Audit Location: CHARLOTTE, NC State:
Telephone Number: (704) 382-8175
Total cost of land, buildings and land improvements in SC. ▶ 93,029,946
Total cost of depreciable personal property in SC. ▶ 5,474,179,877

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal Taxable Income Per Federal Form 1120 or 1120 A	1	880,009,612
2. Net Adjustment from line 12, Schedule A and B	2	81,673,704
3. Total Net Income As Reconciled (line 1 plus or minus line 2)	3	961,683,316
4. If Multi-state Corporation, enter amount from line 6, Schedule G; otherwise, enter amount from line 3	4	266,132,288
5. LESS: South Carolina net operating loss carryover, if applicable	5	0
6. South Carolina Net Income subject to tax (line 4 less line 5)	6	266,132,288
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7	13,306,614
8. Less tax deferred on income from foreign trade receipts (see instructions)	8	
9. Balance (line 7 less line 8)	9	13,306,614
10. Non-refundable credits from line 3, Schedule C	10	<332,120>
11. Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11	12,974,494
12. Interest on DISC-deferred tax liability ____; or Foreign Trade deferred tax liability ____	12	0
13. Total tax and/or interest (add lines 11 and 12)	13	12,974,494
14. Payments: (a) Tax Withheld (see instructions) ____ (b) Paid by Declaration ____ (c) Paid with Tentative Return ____ (d) Credit from line 29b ____		
15. Total Payments (add lines 14a through 14d)	15	13,306,614
16. Balance of Tax and/or Interest Due (line 13 less line 15)	16	(332,120)
17. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total.	17	0
18. TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18	0
19. OVERPAYMENT (line 15 less line 13) 371,515 To be applied as follows: (a) Estimated Tax ▶ ____ (b) License Fee ▶ ____ (c) Refunded ▶		332,120

PART II COMPUTATION OF LICENSE FEE

20. Total Capital And Paid In Surplus (Multi-State Corporations See Schedule E)	20	32,969,289
21. FEE DUE - Line 20 x .001, plus $15.00 (Fee cannot be less than $25.00)	21	5,640,751
22. Less Application of INFRASTRUCTURE GRANTS RURAL DEV ACT	22	85,000
23. Balance (line 21 less line 22)	23	5,555,751
24. Payments: (a) Paid With Tentative Return ____ (b) Credit from line 19b ____		
25. Total Payments (add line 24 (a) and (b))	25	6,005,979
26. Balance Of Fee Due (line 23 less line 25)	26	(450,228)
27. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total	27	0
28. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28	(450,228)
29. OVERPAYMENT (line 25 less line 23) 406,584 To be applied as follows: (a) Estimated Tax ▶ ____ (b) Income Tax ▶ ____ (c) Refunded ▶		450,228
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28)	30	(782,348)

Make checks payable to: SC Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

▶ Signature of officer ____ Date ____ ▶ Title ____

Paid Preparer's Use Only

Preparer's signature ▶ ____ Date ____ Check if self-employed ▶ ☐ Preparer's social security no ____

Firm's name (or yours if self-employed) and address ▶ DELOITTE AND TOUCHE LLP
2500 ONE PPG PLACE
Pittsburgh, PA 15222

E.I. No. ▶ 13-3891517
Zip code ▶ 15222

AS ORIGINALLY FILED

STF SCA2611F.1

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SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	76,175,748	
2. Federal Net Operating Loss	2.		
3. MUNI BOND INTEREST	3.	2,166,555	
4.	4.		
5. Other Additions (attach schedule)	5.	15,445,712	
6. Total Additions (add lines 1 through 5)			6. 93,788,015

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.	33,333	
8. SC DEPR IN EXCESS OF FEDERAL	8.	8,648,381	
9. SC LOSSES IN EXCESS OF FEDERAL	9.	3,432,597	
10. Other Deductions (attach schedule)	10.		
11. Total Deductions (add lines 7 through 10)			11. 12,114,311
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120			12. 81,673,704

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I)	1.	332,120
2. Tax (line 9, Part I, SC1120)	2.	13,306,614
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120)	3.	332,120
4. Credit Carryover (line 1 less line 3)	4.	0

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation DUKE ENERGY CORPORATION
2. Date of this Report 9/15/98 Fed. E.I. No. 56-0205520
3. Incorporated under the Laws of the State of NC on 05/01/17
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is
5. 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. LOMAX
6. Was the name of the Corporation changed during the year? YES Give old name DUKE POWER COMPANY
7. Date commenced business in the state of South Carolina was
8. Location of principal office (street address)
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of JEFFREY L.BOYER
   Located at (street address) 422 S. CHURCH STREET CHARLOTTE NC 28202-1904
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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
500,000,000	COMMON	

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
359,800,000	COMMON	

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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE

STF SC42611F.2

AS ORIGINALLY FILED

SCHEDULES F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

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 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
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains/losses on real property						
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED						
8. INCOME DIRECTLY ALLOCATED TO S.C.						
9. TOTALS TO APPORTIONMENT FACTORS						

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.
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	(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)			
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			%

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)		%

SAME AS ORIGINALLY FILED RETURN

AS ORIGINALLY FILED

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) 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) 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. 332,120
   (l) Credit for Hiring AFDC Recipients (TC-12) ..... l.
   (m) Additional AFDC Credit (TC-12-A) ..... m.
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) 3. 332,120

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name _____ S.C.I.D. NO. _____
2. Date of this report _____ Fed. E.I. No. _____
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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

For additional affiliated corporations duplicate Schedule J as needed.

STF SC42011F.4

AS ORIGINALLY FILED

DES00013702

SCHEDULE K 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 for Property Tax Purposes	1.	2,491,428,571
2. Fee Due: Line 1 × .001	2.	2,491,429

	Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):		
	$ 4,314,661,957	$1,038,701,009
4. Total Operating Revenues	$ 4,314,661,957	$1,038,701,009
5. Other Receipts, (Itemize):		
6. Total Other Receipts	$	$
7. Total Gross Receipts (Add Lines 4 and 6)		1,038,701,009
8. Fee Due (Line 7, Column B × .003)		$ 3,116,103
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 18, Part II, Page 1)		$ 5,607,532

Excerpts from 1976 Code of Laws as Amended
Code Section 12-20-100 as amended for taxable years beginning after 1995.

(A) In the place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigation company, waterworks 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:

(1) one dollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and used within this state in the conduct of business as determined by the department for property tax purposes for the preceding taxable year; and

(2) three dollars for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered from regulated business within this state during the preceding taxable year, except that with regard to electric cooperatives, only distribution electric cooperatives are subject to the gross receipts portion of the license fee under this subitem.

(B) The minimum license fee under this section is $25.

INSTRUCTIONS

Line 17 Instructions - If the company paid cash to provide infrastructure for a qualifying project, enter the amount on line 17. Attach a schedule to the return setting forth the name of the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amounts in cash that were 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 maximum credit for a 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 tax year. For more information see SC Revenue Ruling #96-11.

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

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

AS ORIGINALLY FILED

Duke Energy Corp
Income & License Fee Payments
1997

	Combined	Duke Energy Corp. 56-0205520	Crescent Resources Inc. 57-0443582	CLT Development Corp 56-1393851	Duke Engineering & Services Inc. 56-6027036	GT & W Inc. of Gastonia 56-1587250	DukeNet Communications Inc. 56-1879392	DE & S Resources Inc. 56-1953978	Intera Inc. 56-1934849	MP Supply Inc. 56-0322840	Duke Water Systems Inc. 56-1976339	Duke Merchandising Inc. 56-1928387	Crescent Communities Inc. 56-2030305	DukeSolutions Inc. 56-0904843
Income Tax:														
Paid by declaration	16,289,193	15,250,877	975,954	10,777	47,717		1,087	2,500	250					
Applied from 1996 overpayment	-	-	-	-	-				250					
Paid with Tentative Return	419,225	-	415,000	-	3,075									
Total Income Tax Paid	16,708,387													
Tax per return	13,306,614													
Overpayment	(3,401,773)	Apply overpayment to estimated tax												
License Fee:	5,640,751	5,607,538												
License Fee Due	6,605,879	5,972,760	5,358	25	2,419	25	23,902	25	38	25	25	25	25	1,427
Paid with tentative return	6,024,524	5,972,758	15,000	350	25	25	36,000	-	25	25	25	25	25	240
Overpayment of income tax applied	(1)	(1)												
Total License Fee Paid	6,024,523	5,972,758	15,000	350	25	25	36,000	-	25	25	25	25	25	240
Overpayment applied to estimated tax	(18,545)	(1)	9,742	325	(2,394)	-	12,098	(25)	(13)	-	-	-	-	(1,187)

AS ORIGINALLY FILED

5015

DES0013704

DUKE ENERGY CORPORATION
SOUTH CAROLINA LICENSE TAX FOR UTILITIES

	1998
Receipts Reported on Original Return	1,160,443,578
Less: Sales for Resale	(99,693,209)
Less: Rents	(13,163,137)
Less: Water Revenues	(6,034,354)
Less:Forfeited Discounts	(2,318,818)
Less: Bad Debt	
Less: Interdepartmental rents	
Less: Misc. Service Revenue/Other Electric Revenues	
Less: Interdepartmental sales	(533,051)
Adjusted Receipts	1,038,701,009

AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

ECONOMIC IMPACT ZONE PROPERTY INVESTMENT CREDIT

Attach to Forms SC1040, SC1041, SC1120, or SC1120S.

SC SCH. TC-11
(Rev. 7/97)
3326

19 97

Name as Shown on Tax Return: DUKE ENERGY CORPORATION

Social Security or Employer ID Number: 56-0205520

This schedule must be completed and filed with the income tax return in order to claim an investment tax credit for the cost basis of economic impact zone property. The definitions on the reverse side should be carefully read before completing this schedule, as there are certain requirements that must be met before qualifying for this tax credit.

			Cost Basis
1.	Economic Impact Zone Property (Qualifying Types)		
	a. Manufacturing	1a.	
	b. Production	1b.	
	c. Manufacturing or Production Control Software	1c.	
	d. Extraction	1d.	
	e. Furnishing Transportation	1e.	
	f. Furnishing Communications	1f.	
	g. Furnishing Electrical Energy	1g.	6,642,407
	h. Furnishing Gas	1h.	
	i. Furnishing Water	1i.	
	j. Furnishing Sewage Disposal Services	1j.	
2.	Total Cost Basis of Qualifying Property	2.	6,642,407
3.	Credit - Multiply line 2 by 5%	3.	332,120

STF SC20472F

AS ORIGINALLY FILED

Duke Power
A Duke Energy Company

Duke Power
Economic Development
325 West McBee Avenue
Greenville, SC 29601
(864) 370-5227 OFFICE
(864) 370-5193 FAX
jcogen@duke-energy.com

January 22, 1999

Anthony Masino @ Fax 704 339 5286
Deloitte & Touche
Charlotte NC

Subject: **Infrastructure Grants - 1997**
South Carolina Rural Development Act

During 1997 Duke Power made infrastructure grants under the *SC Rural Development Act* to the following qualifying projects:

Company	*County*	*Amount*
Belden Facility	Lancaster	$60,000
Synteen USA Project	Lancaster	$25,000
	Total	$ 85,000

Attached are letters documenting the requests for the grants. If I can provide additional information, please let me know.

Sincerely,

John J. P. Kincaid, Jr.
Director, South Carolina
Business Development

Attachments
/jl

transmitted via facsimile

(8 Pages)

AS ORIGINALLY FILED

LANCASTER COUNTY
ECONOMIC DEVELOPMENT CORPORATION

FILE

TAX ID #-
570830837

December 13 1996

Mr. James C. Rogers
Manager, Economic Development
Duke Power Company
325 W. McBee Avenue
Greenville, SC 29601

Re: Commitment of Funds to Synteen USA Project

Dear Jim,

In light of Duke Power Company's commitment of $25,000 to assist with infrastructure at the Synteen USA site in Lancaster Business Park, the Lancaster County Economic Development Corporation requests that those funds be made available to assist with the project. Synteen USA, Inc. has committed to locate a 100,000 square foot facility in the Park. The project qualifies under the South Carolina Rural Development Act.

Your assistance is appreciated.

Sincerely,

William D. Boan
Executive Director

Dated - 12/26/97
Check # 20993

LPA# 4645 $4150 PSECONDEV
12/18/96

[P.O. BOX 973. LANCASTER, S.C. 29721 803-285-9471]

Entered 12/20/96

AS ORIGINALLY FILED

LCEDC

LANCASTER COUNTY ECONOMIC DEVELOPMENT CORPORATION

December 4, 1997

James C. Rogers, PE
Manager, Economic Development
Duke Power
325 W. McBee Ave.
Greenville, SC 29601

Re: Infrastructure Assistance for Belden Project –

Dear Jim:

As per Duke Power's commitment, please remit $60,000 (sixty thousand) to be used for infrastructure at the Belden site on Highway 160, off U. S. Highway 521 in Lancaster County.

As previously discussed, the funds will be used and disbursed by us for various infrastructure qualifying under the Rural Development Act for the development of the Belden facility.

As always, we appreciate Duke Power's assistance in our industry recruiting efforts and thank you for your help and support.

Sincerely,

Billy

William D. Boan
Executive Director

Resp - 4645
WID - 045opseconcexp
SE -

Approved For Payment.
John P. Kincaid
12/4/97

PO Box 978 Lancaster SC 29721 803 285 6478

AS ORIGINALLY FILED

Monday, December 22, 1997

Mr. Billy Bean
Executive Director
Lancaster County Development Corporation
P. O. Box 973
Lancaster, SC 29721

Re: Assistance for Belden Project Infrastructure

Dear Billy:

Enclosed are two checks totaling $60,000 (sixty thousand) to be used for infrastructure delivery and improvements on the Belden Project on Highway 160 in northern Lancaster County.

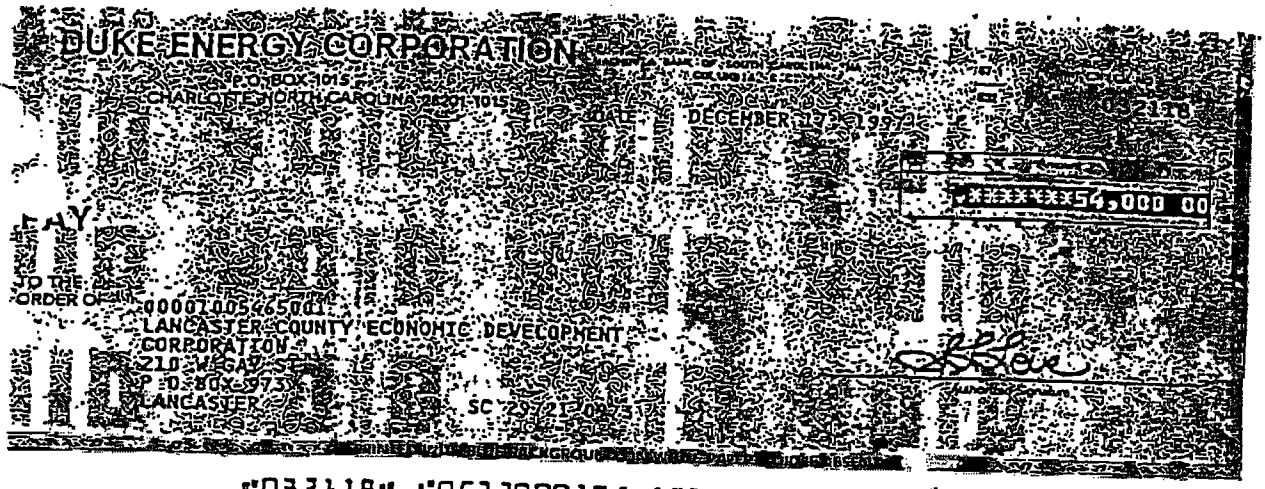
It was a privilege to assist with the site selection process for Belden. The selection of the current site and the ensuing business park that will result speaks well for Lancaster's perseverance in delivering on the commitments made to Belden.

Congratulations on a job well done.

Sincerely,

James C. Rogers, PE
Manager, Economic Development

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DUKE ENERGY CORPORATION
P.O. BOX 1015
CHARLOTTE, NORTH CAROLINA 28201-1015
DATE DECEMBER 17, 1997
032118
**54,000.00
PAY
TO THE ORDER OF
0000100546500I
LANCASTER COUNTY ECONOMIC DEVECOPMENT CORPORATION
210 W GAY ST
P O BOX 973
LANCASTER SC 29721-0973

"032118" :053200019: 1500 01394"

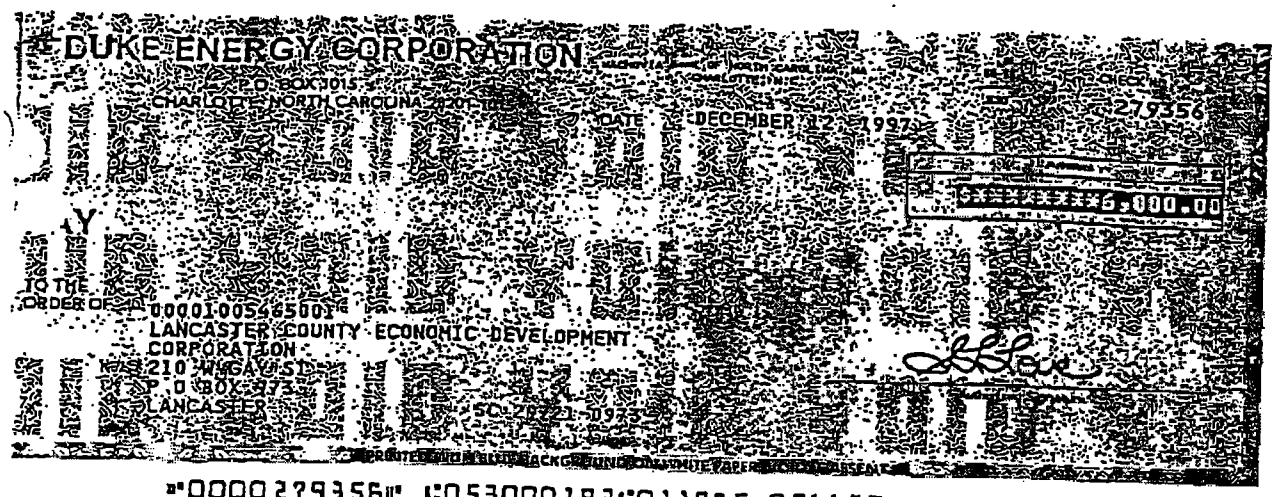
VENDOR NUMBER 0000100546500I | DATE 12/17/97 | **DUKE ENERGY CORPORATION** P.O.BOX 1015, CHARLOTTE, N.C. 28201 | CHECK NUMBER 032118

INV NO/ REF NO	VOUCHER REF NO	DATE	PO NUMBER	UNIT	QTY	UNIT PRICE	CHG CD	CHANGE AMT	GROSS AMT	DISCOUNT AMT	NET AMT
121197CMA	97L13711	12/16/97									
INF ASSISTANCE FOR MOLDEN PROJ CTOTAL OF $4,000)				0	0	.00		.00	54,000.00	.00	54,000.00

00383264

AS ORIGINALLY FILED

DES00013711


DUKE ENERGY CORPORATION
P.O. BOX 1015
CHARLOTTE, NORTH CAROLINA 28201-1015
DATE DECEMBER 12, 1997
279356
$6,000.00
TO THE ORDER OF
00001005465001
LANCASTER COUNTY ECONOMIC DEVELOPMENT CORPORATION
ATTN: JIM GAVIN
P O BOX 1173
LANCASTER SC 29721-1173

⑈0000279356⑈ ⑆053000183⑆011865 054439⑈

VENDOR NUMBER
00001005465001

DATE
12/12/97

DUKE ENERGY CORPORATION

P.O.BOX 1015, CHARLOTTE, N.C. 28201

CHECK NUMBER
279356

INV NO/ REF NO	VOUCHER REF NO	DATE	PO NUMBER	LINE	QTY	UNIT PRICE	CHG CD	CHARGE AMT	GROSS AMT	DISCOUNT AMT	NET AMT
121997CHA	97L18895	12/04/97									
INFRASTRUCTURE ASSISTANCE FOR BELDEN PROJECT				0	0	.00		.00	6,000.00	.00	6,000.00

00380915

AS ORIGINALLY FILED

AMENDED RETURN

STATE OF SOUTH CAROLINA
"C" CORPORATION INCOME TAX RETURN
RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

Mail this return to:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC1120
(Rev. 6-97) 3091

A COPY OF FEDERAL FORM 1120; 1120A, 1120H AND 1120F AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN

USE PEEL-OFF LABEL

PLACE PEEL OFF LABEL HERE

RETURN FOR 12 31 97 INCOME
PERIOD ENDING 12 31 98 LICENSE
RETURN DUE 09 15 98

FILE NO 20090024-9
BUSINESS CODE 4911
EMPLOYER ID NO. 56-0205520
NAME AND ADDRESS
DUKE ENERGY CORPORATION (FORMERLY DUKE POWER COMPANY)
422 S Church Street
P. O. Box 1244
Charlotte NC 28201-1244
Check box if this is a change of address ☐

Extension Requested: Yes X No
Type of SC Return: Separate Consolidated X
If Final Return, Indicate Whether: Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn ☐
County or Counties in SC Where Property is Located:
VARIOUS
☐ EFT See new information.
City: Audit Location: CHARLOTTE State: NC
Telephone Number: 704 382-8175
Total cost of land, buildings and land improvements in SC.
▶ 93,029,946
Total cost of depreciable personal property in SC.
▶ 5,476,179,877

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal Taxable Income per Federal Form 1120 or 1120 A	1.		880,009,612
2. Net Adjustment from line 12, Schedule A and B	2.		81,673,704
3. Total Net Income as Reconciled (line 1 plus or minus line 2)	3.		961,683,316
4. If Multi-state Corporation, enter amount from line 6, Schedule G; otherwise, enter amount from line 3	4.		266,132,288
5. LESS: South Carolina net operating loss carryover, if applicable	5.		
6. South Carolina Net Income subject to tax (line 4 less line 5)	6.		266,132,288
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7.		13,306,614
8. Less tax deferred on income from foreign trade receipts (see instructions)	8.		
9. Balance (line 7 less line 8)	9.		13,306,614
10. Non-refundable credits from line 3, Schedule C	10.	<	>
11. Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11.		13,306,614
12. Interest on DISC-deferred tax liability _____ : or Foreign Trade deferred tax liability	12.		
13. Total tax and/or interest (add lines 11 and 12)	13.		13,306,614
14. Payments: (a) Tax Withheld (see instructions) _____ (b) Paid by Declaration 16,289,162			
(c) Paid with Tentative Return 419,225 (d) Credit from line 29b _____			
15. Total Payments (add lines 14a through 14d)	15.		16,708,387
16. Balance of Tax and/or Interest Due (line 13 less line 15)	16.		-3,401,773
17. Interest Due ▶ _____ Penalty Due ▶ _____ (See penalty & interest instr.) Enter Total. ▶	17.		
18. TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18.		
19. OVERPAYMENT (line 15 less line 13) 3,401,773 To be applied as follows:			
(a) Estimated Tax ▶ 3,401,773 (b) License Fee ▶ (c) Refunded ▶			

PART II COMPUTATION OF LICENSE FEE

20. Total Capital And Paid In Surplus (Multi-State Corporations See Schedule E)	20.		1,458,075,267
21. FEE DUE - Line 20 x .001, plus $15.00 (Fee cannot be less than $25.00) SEE SEPARATE STATEMENT	21.		6,005,979
22. Less Application of Corporate Headquarters credit (TC-8)	22.		
23. Balance (line 21 less line 22)	23.		6,005,979
24. Payments: (a) Paid With Tentative Return 6,024,524 (b) Credit from line 19b _____			
25. Total Payments (add line 24(a) and (b))	25.		6,024,524
26. Balance Of Fee Due (line 23 less line 25)	26.		-18,545
27. Interest Due ▶ _____ Penalty Due ▶ _____ (See penalty & interest instr.) Enter total. ▶	27.		
28. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28.		
29. OVERPAYMENT (line 25 less line 23) 18,545 To be applied as follows:			
(a) Estimated Tax ▶ 18,545 (b) Income Tax ▶ _____ (c) Refunded ▶			
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28) ▶	30.		

Make check payable to: SC Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

Signature of officer 6/9/99 Date — Vice President Title

Paid Preparer's Use Only

Preparer's signature _____ Date _____ Check if self-employed ▶ ☐ Preparer's social security no. _____

Firm's name (or yours if self-employed) and address _____ E.I. No. ▶ _____ Zip Code ▶ _____

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Form SC1120 (Rev. 6-97)

STATE OF SOUTH CAROLINA

SC1120-T
(Rev. 9/16/96)
Corporation Tentative
Columbia, SC 29214-0006

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

SC FILE NO.

Return for the Period Ending 12 31 97

Complete all blank areas.

56-0205520
FED ID NO.

Return extended to 09 15 98

Signature [signature] Date 3/13/98

DUKE ENERGY CORPORATION
422 S. CHURCH STREET
PO BOX 1244, PB05B
CHARLOTTE NC 28201-1244
Corporate name and mailing address

1.	Tentative Tax Based on Net Income	15,250,877
2.	LESS: Estimated Tax Payments	15,250,877
		0
3.	Tentative Tax Due ▶	0
4.	Total Capital and Paid in Surplus 0 x .001 plus $15.00 but not less than $25.00 Tentative License Fee (N/A for Savings and Loan Associations or Banks) ▶	5,972,759
5.	Balance Remitted	5,972,759

cut here

INSTRUCTIONS FOR TENTATIVE CORPORATION TAX RETURN

In order to have a valid extension, a Tentative Corporation Tax Return (Form SC1120-T) must be completed and filed by the due date. Any amounts shown to be due on this form must be paid when the SC1120-T is filed. A penalty will be incurred for failure to pay at least ninety (90) percent of the total tax due by the original due date. South Carolina does not recognize an extension issued by the Internal Revenue Service or any other state.

Any request for an additional extension must be submitted in writing on or before the due date of the extended period. Do not file a second tentative return. The extended due date must be shown on Form SC1120-T. If a date is not shown, the extension will be considered valid for only 180 days.

A duplicate copy of this return must be attached to the completed return. No refund will be issued from a tentative return.

Taxpayers filing a consolidated return should file a single tentative return and attach a schedule listing each taxpayer. The license fees are computed separately and then added. The additional $15 applies to each taxpayer. The license fee is not applicable to savings and loan associations or banks.

Mail to: Corporation Tentative, Columbia SC 29214-0006.

AS ORIGINALLY FILED

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1.	Taxes on or Measured By Income	1.	76,175,748	
2.	Federal Net Operating Loss	2.		
3.		3.		
4.	MUNICIPAL BOND INTEREST	4.	2,166,555	
5.	Other Additions (attach schedule)	5.	15,445,712	
6.	Total Additions (add lines 1 through 5)			6. 93,788,015

DEDUCTIONS FROM FEDERAL NET INCOME

7.	Interest On Obligations Of The U.S.	7.	33,333	
8.	SC DEPRECIATION IN EXCESS OF FEDERAL	8.	8,648,381	
9.	SC LOSSES IN EXCESS OF FEDERAL	9.	3,432,597	
10.	Other Deductions (attach schedule)	10.		
11.	Total Deductions (add lines 7 through 10)			11. 12,114,311
12.	Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120			12. 81,673,704

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1.	Total Credits (from Schedule I)	1.	
2.	Tax (line 9, Part I, SC1120)	2.	13,306,614
3.	Lesser of line 1 or 2 (enter on line 10, Part I, SC1120)	3.	
4.	Credit Carryover (line 1 less line 3)	4.	

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation DUKE ENERGY CORPORATION (FORMERLY DUKE POWER COMPANY)
2. Date of this Report 9/15/98 Fed. E.I. No. 56-0205520
3. Incorporated under the Laws of the State of NC on 05/01/17
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is
5. Location of the Registered Office of the Corporation in the State of South Carolina is JOHN F. LONAX
   in the City of GREENVILLE Registered Agent at such address is 84 VILLA ROAD
6. Was the name of the Corporation changed during the year? YES Give old name DUKE POWER COMPANY
7. Date commenced business in the state of South Carolina was
8. Location of principal office (street address)
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of JEFFERY L. BOYER
   Located at (street address) 422 S. CHURCH STREET CHARLOTTE NC 28202-1904
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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 500000000 Class COMMON 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 359800000 Class COMMON 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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE
SCHEDULE ATTACHED	

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SCHEDULES E, F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE - MULTI-STATE CORPORATIONS

1. Total Capital and Paid-in-Surplus at end of Year SEE ATTACHED SCHEDULE $
2. S.C. PROPORTION: (line 1 X ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 20, Part II. $

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	Property to Be Excluded from Property Factor 6
1. Interest not connected with business	-41086390		-41086390	-13449577		
2. Dividends received	774,679		774,679			
3. Rents						
4. Gains/losses on real property	-2,270,666		-2,270,666	-4,493,463		
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated	-2,681		-2,681	-895		
7. TOTAL INCOME DIRECTLY ALLOCATED			-42585058			
8. INCOME DIRECTLY ALLOCATED TO S.C.				-17943935		
9. TOTALS TO APPORTIONMENT FACTORS						

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.	961,683,316
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	-42,585,058
3. Total net income subject to apportionment (line 1 less line 2)	3.	1,004,268,374
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2 or 3 and enter result here	4.	284,076,223
5. Add: Income subject to direct allocation to S.C. from Schedule F, line 8	5.	-17,943,935
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part I	6.	266,132,288

SCHEDULE H - 1 COMPUTATION OF FOUR FACTOR APPORTIONMENT RATIO

PLEASE SEE ATTACHED STATEMENT FOR APPORTIONMENT DETAIL BY ENTITY.	1. Property Within South Carolina (a) Beginning Period	1. Property Within South Carolina (b) Ending Period	2. Total Property Everywhere (a) Beginning Period	2. Total Property Everywhere (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 Sales (same as line 14.)			%
16. TOTAL of Ratios (add Column 3 - lines 10, 13, 14 and 15)			%
17. Arithmetical Average of Ratios			%

SCHEDULE H - 2 COMPUTATION OF GROSS RECEIPTS RATIO

PLEASE SEE ATTACHED STATEMENT FOR APPORTIONMENT DETAIL BY ENTITY.	1. In South Carolina	2. Total Everywhere	3. Ratio
1. Total Gross Receipts			
2. Less: Exclusion (see instructions)	< >	< >	
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

PLEASE SEE ATTACHED STATEMENT FOR APPORTIONMENT DETAIL BY ENTITY.	Amount	Ratio
1. Total Within South Carolina		
2. Total for System		
3. Ratio (South Carolina ÷ Total System)		%

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SCHEDULE I 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) 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 Family Independence Payment Recipients (TC-12) . . . . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2(a) through (m) and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name _____ S.C.I.D. NO. _____
2. Date of this report _____ Fed. E.I. No. _____
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 _____
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

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE K 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 for Property Tax Purposes	1.	2,491,428,571
2. Fee Due: Line 1 x .001	2.	2,491,429

		Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):			
		$	$ 1,154,409,224
ELECTRIC REVENUE		4,305,421,391	6,034,354
WATER REVENUE		9,240,566	
4. Total Operating Revenues	4.	$ 4,314,661,957	$ 1,160,443,578
5. Other Receipts, (Itemize):	5.		
6. Total Other Receipts	6.	$	$
7. Total Gross Receipts (Add Lines 4 and 6)	7.		1,160,443,578
8. Fee Due (Line 7, Column B x .003)	8.		$ 3,481,331
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16 Part II, Page 1)	9.		$ 5,972,760

Excerpts from 1976 Code of Laws as Amended
Code Section 12-20-100 as amended for taxable years beginning after 1995.

(A) In the place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigation company, waterworks 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:

(1) one dollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and used within this state in the conduct of business as determined by the department for property tax purposes for the preceding taxable year; and

(2) three dollars for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered from regulated business within this state during the preceding taxable year, except that with regard to electric cooperatives, only distribution electric cooperatives are subject to the gross receipts portion of the license fee under this subitem.

(B) The minimum license fee under this section is $25.

INSTRUCTIONS

Line 17 Instructions – If the company paid cash to provide infrastructure for a qualifying project, enter the amount on line 17. Attach a schedule to the return setting forth the name of the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amounts in cash that were 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 maximum credit for a 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 tax year. For more information see SC Revenue ruling #96-11 and SC Code of Laws Section 12-20-105.

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

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

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Duke Energy Corp.
Income & License Fee Payments
1997

	Combined	Duke Energy Corp. 56-0205520	Crescent Resources Inc. 57-0443582	CLT Development Corp. 56-1393851	Duke Engineering & Services Inc. 56-6027036	GT & W Inc. of Gastonia 56-1587250	DukeNet Communications Inc. 56-1879392	DE &S Resources Inc. 56-1953978	Intera Inc. 56-1934649	MP Supply Inc. 56-0322840	Duke Water Systems Inc. 56-1976539	Duke Merchandising Inc. 56-1926367	Crescent Communities Inc. 56-2030305	DukeSolutions Inc. 56-0904643
Income Tax:														
Paid by declaration	16,269,162	15,250,877	975,954	10,777	47,717		1,087	2,500	250				-	
Applied from 1996 overpayment	-							-						
Paid with Tentative Return	419,225	-	415,000	-	3,975				250				-	
Total Income Tax Paid	16,708,387													
Tax per return	13,306,614													
Overpayment	(3,401,773)	Apply overpayment to estimated tax												
License Fee:														
License Fee Due	6,005,979	5,972,760	5,256	25	2,419	25	23,902	25	38	25	25	25	25	1,427
Paid with tentative return	6,024,524	5,972,759	15,000	350	25	25	36,000	-	25	25	25	25	25	240
Overpayment of income tax applied	(1)	(1)												
Total License Fee Paid	6,024,523	5,972,758	15,000	350	25	25	36,000	-	25	25	25	25	25	240
Overpayment applied to estimated tax	(18,545)	(1)	9,742	325	(2,394)	-	12,098	(25)	(13)	-	-	-	-	(1,187)

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License Fee Calculation

Duke Energy Corp.
Combined SC Form 1120 (Amended)
1997

License Fee Calculation:

	Combined	Duke Energy Corp.	All other Subsidiaries	
20. Total Capital & Paid in Surplus	32,969,289	N/A	32,969,289	Schedule Attached
21. Fee due - Line 20 X $ .001 + $15.00 ($25 MIN.)	6,005,979	5,972,760	33,219	See Attached Schedule K for special calculation of license fee for Utilities
22. Less Application of Corp. HQ Credit	-			
23. Balance LN 21 - 22)	6,005,979	5,972,760	33,219	
24. Payments: (A) Paid with Tenative Return	6,024,524	5,972,759	51,765	
(B) Credit From Line 19 (B)				
25. Total Payments (Line 24A + 24B)	6,024,524	5,972,759	51,765	
26. Balance of Fee Due Line 23 -25)	(18,545)	1	(18,546)	
27. (A) Interest Due				
(B) Penalty Due				
Total Interest and Penalty				
28. Total License Fee, Int. & Penalty (LN 26 +27)	(18,545)	1	(18,546)	
29. Overpayment (LN25 -23) Applied As Follows:				
(A) Estimated Tax	(18,545)			
(B) Income Tax				
(C) Refunded				
30. Grand Total Inc. Tax & License Fee Due	-			

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DES0001372O

		CLT DEVELOP SOUTH CAROLINA	CREB COM SC SOUTH CAROLINA	CRESCENT RES SOUTH CAROLINA	DE&S RESOURCES SOUTH CAROLINA	DUKE E&S SOUTH CAROLINA	DUKENET SOUTH CAROLINA
		SOUTH CAROLINA CORP. TAX RETURN - FORM SC1120					
PART I - COMPUTATION OF INCOME TAX LIABILITY							
1. FEDERAL TAXABLE INCOME PER FED FORM 1120 LN 30	880,069,612	2,970,772	0	48,038,200	689,998	20,282,538	(41,093,709)
2. NET ADJUSTMENTS (FROM LINE 12, SCH A & B)	81,673,704	274,312	0	18,865,475	57,012	410,525	0
3. TOTAL NET INCOME AS RECON (LN1 PLUS OR MINUS 2)	961,683,316	3,244,584	0	66,963,675	747,010	20,693,063	(41,093,709)
4. IF MULTI-STATE CORP, ENTER AMT FROM LN 6 SCH C	266,132,288	0	0	10,252,942	18,812	489,701	(13,451,634)
5. LESS: S.C. NET OPERATING LOSS CARRYOVER	0	0	0	0	0	0	0
6. S.C. NET INCOME SUBJECT TO TAX (LN 4 - 5)	266,132,288	0	0	10,252,942	18,812	489,701	(13,451,634)
7. TAX: (5.0%)	13,306,614						
8. LESS TAX DEFER. ON INC FROM FOREIGN TRADE REC.	0						
9. BALANCE (LN 7 - 8)	13,306,614						
10. NONREFUNDABLE CREDITS FROM LINE 3, SCH. C	0						
11. BALANCE OF TAX (LN 9 - 10, NOT LESS THAN 0)	13,306,614						
12. INTEREST ON DISC-DEFERRED TAX LIAB. OR	0						
INTEREST ON FOREIGN TRADE DEFERRED TAX LIAB.	0						
TOTAL	0						
13. TOTAL TAX AND/OR INTEREST (LN 11 + 12)	13,306,614						
14. PAYMENTS: (A) TAX WITHHELD (W-2)	0	0	0	0	0	0	0
(B) PAID BY DECLARATION	16,289,162	10,777	0	875,954	2,500	47,717	1,087
(C) PAID WITH TENTATIVE RETURN	419,225	0	0	415,000	0	3,975	0
(D) CREDIT FROM LINE 29D	0	0	0	0	0	0	0
15. TOTAL PAYMENTS (LN 14A THRU 14D)	16,708,387						
16. BALANCE OF TAX AND/OR INT. DUE(LN 13 - 15)	(3,401,773)						
17. TOTAL INTEREST AND PENALTY DUE	0						
18. TOTAL INCOME TAX, INTEREST & PENALTY (LN 16+17)	0						

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DES0001372

SC Cons AMENDED
Year: 1997

	DUKE POWER SOUTH CAROLINA	DUKE MERCHAND SOUTH CAROLINA	DUKE WATER SOUTH CAROLINA	GTEN GASTONIA SOUTH CAROLINA	M-P SUPPLY SOUTH CAROLINA	INTERA 56-1934649	DUKESOLUTIONS 56-0904643
			SOUTH CAROLINA CORP. TAX RETURN - FORM SC1120				
PART I - COMPUTATION OF INCOME TAX LIABILITY							
1. FEDERAL TAXABLE INCOME PER FED FORM 1120 LN 30	851,802,560	0	0	606,589	331,915	4,272,362	(8,031,213)
2. NET ADJUSTMENTS (FROM LINE 12, SCH A & B)	62,666,480	0	0	0	0	0	0
3. TOTAL NET INCOME AS RECON (LN1 PLUS OR MINUS 2)	913,969,040	0	0	606,589	331,915	4,272,362	(8,031,213)
4. IF MULTI-STATE CORP, ENTER AMT FROM LN 6 SCH C	270,032,900	0	0	(83,113)	0	4,366	(1,131,686)
5. LESS: S.C. NET OPERATING LOSS CARRYOVER	0	0	0	0	0	0	0
6. S.C. NET INCOME SUBJECT TO TAX (LN 4 - 5)	270,032,900	0	0	(83,113)	0	4,366	(1,131,686)
7. TAX: (5.0%)							
8. LESS TAX DEFER. ON INC FROM FOREIGN TRADE REC.							
9. BALANCE (LN 7 - 8)							
10. NONREFUNDABLE CREDITS FROM LINE 3, SCH. C							
11. BALANCE OF TAX (LN 9 - 10, NOT LESS THAN 0)							
12. INTEREST ON DISC-DEFERRED TAX LIAB, OR INTEREST ON FOREIGN TRADE DEFERRED TAX LIAB. TOTAL							
13. TOTAL TAX AND/OR INTEREST (LN 11 + 12)							
14. PAYMENTS: (A) TAX WITHHELD (W-2)	0	0	0	0	0	0	0
(B) PAID BY DECLARATION	15,250,877	0	0	0	0	250	0
(C) PAID WITH TENTATIVE RETURN	0	0	0	0	0	250	0
(D) CREDIT FROM LINE 29B	0	0	0	0	0	0	0
15. TOTAL PAYMENTS (LN 14A THRU 14D)							
16. BALANCE OF TAX AND/OR INT. DUE(LN 13 - 15)							
17. TOTAL INTEREST AND PENALTY DUE							
18. TOTAL INCOME TAX, INTEREST & PENALTY (LN 16+17)							

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DES00013722

	DUKE POWER SOUTH CAROLINA	DUKE MERCHAND SOUTH CAROLINA	DUKE WATER SOUTH CAROLINA	GT&W GASTONIA SOUTH CAROLINA	M-P SUPPLY SOUTH CAROLINA	ENTERA 56-1934649	DUKESOLUTIONS 56-0904643
19. OVERPAYMENT (LN 15 - 11) TO APPLY AS FOLLOWS:							
* OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS							
(A) ESTIMATED TAX							
(B) LICENSE FEE							
(C) REFUNDED							

AS ORIGINALLY FILED

5034

SC Cons AMENDED
Year: 1997

		CLT DEVELOP SOUTH CAROLINA	CRES COM SC SOUTH CAROLINA	CRESCENT RES SOUTH CAROLINA	DE&S RESOURCES SOUTH CAROLINA	DUKE E&S SOUTH CAROLINA	DUKENET SOUTH CAROLINA
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS:	3,401,773						
- OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS	1,994,726						
(A) ESTIMATED TAX	3,260,417						
(B) LICENSE FEE	0						
(C) REFUNDED	141,356						

AS CURRENTLY FILED

5035

	CLT DEVELOP SOUTH CAROLINA	CRES CON SC SOUTH CAROLINA	CRESCENT RES SOUTH CAROLINA	DE&S RESOURCES SOUTH CAROLINA	DUKE E&S SOUTH CAROLINA	DUKENET SOUTH CAROLINA
SCHEDULE A/B ADD & DEDUCT TO FED NET INCOME						
1. TAXES ON OR MEASURED BY INCOME	76,175,748	274,212	0	3,897,718	57,012	410,525	0
2. FEDERAL NET OPERATING LOSS	0	0	0	0	0	0	0
3. MUNICIPAL BOND INTEREST	0	0	0	0	0	0	0
4. OTHER ADDITION #2	2,166,555	0	0	0	0	0	0
5. OTHER ADDITION #3 (ATTACH SCHEDULE)	15,445,712	0	0	14,967,757	0	0	0
6. TOTAL ADDITIONS (LN 1 THRU 5)	93,788,015	274,212	0	18,865,475	57,012	410,525	0
7. INTEREST ON U.S. OBLIGATIONS	33,333	0	0	0	0	0	0
8. FOREIGN DIVIDEND DEDUCTION	8,648,381	0	0	0	0	0	0
9. S. CAROLINA MUNICIPAL BOND INT.	3,432,597	0	0	0	0	0	0
10. JOBS CREDIT, OTHER (ATTACH SCHEDULE)	0	0	0	0	0	0	0
11. TOTAL DEDUCTIONS (LN 7 THRU 10)	12,114,311	0	0	0	0	0	0
12. NET ADJUSTMENTS (LN 6 - 11, TO PART I LN 2)	81,679,704	274,212	0	18,865,475	57,012	410,525	0
SCHEDULE C - SUMMARY OF CREDITS (FROM SCHEDULE I)						
1. TOTAL CREDITS (FROM SCHEDULE I)	0	0	0	0	0	0	0
2. TAX (LN 9, PART I, SC1120)	13,306,614						
3. LESSER OF LN 1 OR 2 (TO LN 10 PART I CORP RET)	0	0	0	0	0	0	0
4. CREDIT CARRYOVER (LN 1 LESS LN 3)	0	0	0	0	0	0	0

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5036

DES00013725

SC Cons AMENDED
Year: 1997

	DUKE POWER SOUTH CAROLINA	DUKE MERCHAND SOUTH CAROLINA	DUKE WATER SOUTH CAROLINA	CT&N GASTONIA SOUTH CAROLINA	M-P SUPPLY SOUTH CAROLINA	INTERA 56-1934649	DUKESOLUTIONS 56-0904643
		SCHEDULE A/S ADD & DEDUCT TO FED NET INCOME					
1. TAXES ON OR MEASURED BY INCOME	71,536,281	0	0	0	0	0	0
2. FEDERAL NET OPERATING LOSS	0	0	0	0	0	0	0
3. MUNICIPAL BOND INTEREST	0	0	0	0	0	0	0
4. OTHER ADDITION #3	2,166,558	0	0	0	0	0	0
5. OTHER ADDITION #3 (ATTACH SCHEDULE)	477,955	0	0	0	0	0	0
6. TOTAL ADDITIONS (LN 1 THRU 5)	74,180,791	0	0	0	0	0	0
7. INTEREST ON U.S. OBLIGATIONS	33,333	0	0	0	0	0	0
8. FOREIGN DIVIDEND DEDUCTION	6,648,381	0	0	0	0	0	0
9. S. CAROLINA MUNICIPAL BOND INT.	3,432,597	0	0	0	0	0	0
10. JOBS CREDIT, OTHER (ATTACH SCHEDULE)	0	0	0	0	0	0	0
11. TOTAL DEDUCTIONS (LN 7 THRU 10)	13,114,311	0	0	0	0	0	0
12. NET ADJUSTMENTS (LN 6 - 11, TO PART I LN 2)	61,066,480	0	0	0	0	0	0
		SCHEDULE C - SUMMARY OF CREDITS (FROM SCHEDULE I)					
1. TOTAL CREDITS (FROM SCHEDULE I)	0	0	0	0	0	0	0
2. TAX (LN 9, PART I, SC1120)							
3. LESSER OF LN 1 OR 2 (TO LN 10 PART I CORP RET)	0	0	0	0	0	0	0
4. CREDIT CARRYOVER (LN 1 LESS LN 3)	0	0	0	0	0	0	0

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DES00013726

SC Cons AMENDED
Year: 1997

	CLT DEVELOP SOUTH CAROLINA	CRES COM SC SOUTH CAROLINA	CRESCENT RES SOUTH CAROLINA	DEAS RESOURCES SOUTH CAROLINA	DUKE E&E SOUTH CAROLINA	DUKENET SOUTH CAROLINA
SCH G - TAXABLE INCOME FOR MULTISTATE OPERATIONS						
1. TOTAL NET INC AS RECON (LN 1 PART I)	961,687,116	3,244,584	0	66,963,675	747,010	20,693,063	(41,093,709)
2. LESS: INCOME ALLOCATED EVERYWHERE (SCH F, LN 7)	(42,585,058)	0	0	0	0	0	(41,089,071)
3. TOTAL NET INC SUB TO APPORT (LN 1 - 2)	1,004,268,174	3,244,584	0	66,963,675	747,010	20,693,063	(4,638)
4. APPORTIONABLE TO SC BY APPORT. RATIO B-1,2 OR 3	284,076,223	0	0	10,252,942	18,812	489,701	(1,162)
5. ADD: INC ALLOCATED TO S CAROLINA (SCH F LN 8)	(17,943,935)	0	0	0	0	0	(13,450,473)
6. TOTAL S.C. NET INCOME (LN 4 + 5, TO PART I LN 4)	266,132,288	0	0	10,252,942	18,812	489,701	(13,451,634)

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DES00013727

SC Cons AMENDED
Year: 1997

	DUKE POWER SOUTH CAROLINA	DUKE MERCHAND SOUTH CAROLINA	DUKE WATER SOUTH CAROLINA	GT&W GASTONIA SOUTH CAROLINA	M-P SUPPLY SOUTH CAROLINA	INTERA 56-1934649	DUKESOLUTIONS 56-0984643
	SCH G - TAXABLE INCOME FOR MULTISTATE OPERATIONS						
1. TOTAL NET INC AS RECON (LN 3 PART I)	913,945,040	0	0	606,589	331,915	4,272,362	(8,031,213)
2. LESS: INCOME ALLOCATED EVERYWHERE (SCH F, LN 7)	(2,099,828)	0	0	603,841	0	0	0
3. TOTAL NET INC SUB TO APPORT (LN 1 - 2)	916,048,868	0	0	2,748	331,915	4,272,362	(8,031,213)
4. APPORTIONABLE TO SC BY APPORT. RATIO H-1,2 OR 3	274,442,745	0	0	505	0	4,366	(1,131,686)
5. ADD: INC ALLOCATED TO S CAROLINA (SCH F LN 8)	(4,409,845)	0	0	(83,618)	0	0	0
6. TOTAL S.C. NET INCOME (LN 4 + 5, TO PART I LN 4)	270,032,900	0	0	(83,213)	0	4,366	(1,131,686)

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DES0001372B

	CLT DEVELOP SOUTH CAROLINA	CRES COM SC SOUTH CAROLINA	CRESCENT RES SOUTH CAROLINA	DE&S RESOURCES SOUTH CAROLINA	DUKE E&S SOUTH CAROLINA	DUKENET SOUTH CAROLINA
	NON-BUSINESS INCOME					
EVERYWHERE:						
INTEREST INCOME	(41,086,390)	0	0	0	0	(41,086,390)
DIVIDEND INCOME	774,679	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
NET GAIN OR LOSS	(2,270,666)	0	0	0	0	0
OTHER INCOME	1,192	0	0	0	0	1,192
LESS: RELATED EXPENSES	3,873	0	0	0	0	3,873
TOTAL EVERYWHERE	(42,585,058)	0	0	0	0	(41,089,071)
WITHIN:						
INTEREST INCOME	(13,449,577)	0	0	0	0	(13,449,577)
DIVIDEND INCOME	0	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
NET GAIN OR LOSS	(4,491,463)	0	0	0	0	0
OTHER INCOME	390	0	0	0	0	390
LESS: RELATED EXPENSES	1,265	0	0	0	0	1,265
TOTAL WITHIN	(17,943,935)	0	0	0	0	(13,450,472)

AS ORIGINALLY FILED

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DES00013729

	DUKE POWER SOUTH CAROLINA	DUKE MERCHAND SOUTH CAROLINA	DUKE WATER SOUTH CAROLINA	GTSW GASTONIA SOUTH CAROLINA	M-P SUPPLY SOUTH CAROLINA	INTERA 56-1934649	DUKESOLUTIONS 56-0904643
		NON-BUSINESS INCOME					
EVERYWHERE:							
INTEREST INCOME	0	0	0	0	0	0	0
DIVIDEND INCOME	774,479	0	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0	0
NET GAIN OR LOSS	(2,874,507)	0	0	603,841	0	0	0
OTHER INCOME	0	0	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0	0	0
TOTAL EVERYWHERE	(2,099,328)	0	0	603,841	0	0	0
WITHIN:							
INTEREST INCOME	0	0	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0	0
NET GAIN OR LOSS	(4,409,845)	0	0	(83,618)	0	0	0
OTHER INCOME	0	0	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0	0	0
TOTAL WITHIN	(4,409,845)	0	0	(83,618)	0	0	0

5041

DES0001373O

SC Cons AMENDED
Year: 1997

	CLT DEVELOP SOUTH CAROLINA	CRES COM SC SOUTH CAROLINA	CRESCENT RES SOUTH CAROLINA	DEALS RESOURCES SOUTH CAROLINA	DUKE E&S SOUTH CAROLINA	DUKENET SOUTH CAROLINA
SCH H-1 - COMPUTATION OF 3 FACTOR APPORTIONMENT						
PROPERTY RATIO						
WITHIN SOUTH CAROLINA						
COLUMN A - BEGINNING PERIOD						
1. LAND	0	0	35,463,950	0	0	0
2. BUILDINGS	0	0	16,262,111	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	284,830	0	50,749	14,826,635
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	0	0	27,590,400	0	0	0
6. EXCLUSIONS	0	0	0	0	0	0
7. TOTAL	0	0	79,521,291	0	50,749	14,826,635
COLUMN B - ENDING PERIOD						
1. LAND	0	0	32,243,336	0	0	0
2. BUILDINGS	0	0	21,520,561	0	0	34,232,191
3. MACHINERY AND EQUIPMENT	0	0	291,293	0	62,140	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	0	0	25,697,302	0	0	594,230
6. EXCLUSIONS	0	0	796,110	0	0	594,230
7. TOTAL	0	0	78,956,382	0	62,140	34,232,191
8. AVERAGE OF BEGINNING & ENDING PERIOD	0	0	79,238,837	0	56,445	24,529,513
9. RENTAL OR LEASE VALUE	0	0	0	0	2,924,264	0
10. TOTAL PROPERTY (COLUMN 1)	0	0	79,238,837	0	2,980,708	24,529,513

CONFIDENTIALITY PENDING

5042

DES0001373

SC Cons AMENDED
Year: 1997

	DUKE POWER SOUTH CAROLINA	DUKE MERCHAND SOUTH CAROLINA	DUKE WATER SOUTH CAROLINA	GT&W GASTONIA SOUTH CAROLINA	H-P SUPPLY SOUTH CAROLINA	INTERA 56-1934649	DUKESOLUTIONS 56-0904643
SCH H-1 - COMPUTATION OF 3 FACTOR APPORTIONMENT							
PROPERTY RATIO							
WITHIN SOUTH CAROLINA							
COLUMN A - BEGINNING PERIOD							
1. LAND	0	0	0	5,662,697	0	0	0
2. BUILDINGS	0	0	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	5,257,847,131	0	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0	0	0
7. TOTAL	5,257,847,131	0	0	5,662,697	0	0	0
COLUMN B - ENDING PERIOD							
1. LAND	0	0	0	5,033,858	0	0	0
2. BUILDINGS	0	0	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	5,446,790,420	0	0	0	0	0	744,492
4. INVENTORIES	0	0	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0	0	0
7. TOTAL	5,446,790,420	0	0	5,033,858	0	0	744,492
8. AVERAGE OF BEGINNING & ENDING PERIOD	5,352,318,776	0	0	5,348,278	0	0	372,246
9. RENTAL OR LEASE VALUE	54,359,008	0	0	0	0	0	0
10. TOTAL PROPERTY (COLUMN 1)	5,406,677,784	0	0	5,348,278	0	0	372,246

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5043

DES0001373Z

SC Cons AMENDED
Year: 1997

	CLT DEVELOP SOUTH CAROLINA	CRES CON SC SOUTH CAROLINA	CRESCENT RES SOUTH CAROLINA	DE&S RESOURCES SOUTH CAROLINA	DUKE E&S SOUTH CAROLINA	DUKENET SOUTH CAROLINA
EVERYWHERE						
COLUMN A - BEGINNING PERIOD						
1. LAND	0	0	109,361,496	0	0	0
2. BUILDINGS	11,346,373	0	61,227,281	0	0	31,384,110
3. MACHINERY AND EQUIPMENT	0	0	1,508,564	0	8,862,826	51,874,456
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	0	0	98,243,591	0	0	0
6. EXCLUSIONS	0	0	0	0	0	0
7. TOTAL	11,346,373	0	261,440,932	0	8,862,826	83,058,566
COLUMN B - ENDING PERIOD						
1. LAND	0	0	123,859,392	0	0	0
2. BUILDINGS	15,210,223	0	148,833,710	0	0	189,726,070
3. MACHINERY AND EQUIPMENT	0	0	1,870,722	0	11,652,358	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	0	0	117,177,169	0	3,939,829	4,295,653
6. EXCLUSIONS	0	0	39,130,231	0	0	4,295,653
7. TOTAL	15,210,223	0	351,610,762	0	15,592,187	189,726,070
8. AVERAGE OF BEGINNING & ENDING PERIOD	14,278,298	0	307,525,847	0	12,227,507	56,392,328
9. RENTAL OR LEASE VALUE	0	0	2,227,456	0	37,851,084	101,631,667
10. TOTAL PROPERTY (COLUMN 8)	14,278,298	0	309,753,303	0	50,078,591	198,023,995
10. PROPERTY RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	0.0000	0.0000	25.5813	0.0000	5.9521	12.3871

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DES00013733

SC Cons AMENDED
Year: 1997

	DUKE POWER SOUTH CAROLINA	DUKE MERCHAND SOUTH CAROLINA	DUKE WATER SOUTH CAROLINA	GT&W GASTONIA SOUTH CAROLINA	M-P SUPPLY SOUTH CAROLINA	INTERA 56-1934649	DUKESOLUTIONS 56-0904643
EVERYWHERE							
COLUMN A - BEGINNING PERIOD							
1. LAND	0	0	0	20,157,095	105,000	0	0
2. BUILDINGS	0	0	0	1,553,002	0	0	0
3. MACHINERY AND EQUIPMENT	14926427334	0	0	0	0	2,347,593	0
4. INVENTORIES	0	0	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0	0	0
7. TOTAL	14926427334	0	0	21,710,098	105,000	2,347,593	0
COLUMN B - ENDING PERIOD							
1. LAND	0	0	0	33,217,131	105,000	0	0
2. BUILDINGS	0	0	0	3,234,507	0	0	0
3. MACHINERY AND EQUIPMENT	15510750159	0	0	0	0	2,259,014	2,398,811
4. INVENTORIES	0	0	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0	0	0
7. TOTAL	15510750159	0	0	36,451,640	105,000	2,259,014	2,398,811
8. AVERAGE OF BEGINNING & ENDING PERIOD	15218588747	0	0	29,080,869	105,000	2,303,304	1,199,407
9. RENTAL OR LEASE VALUE	473,706,008	0	0	0	0	4,609,528	0
10. TOTAL PROPERTY (COLUMN 2)	15691294755	0	0	29,080,869	105,000	6,912,832	1,199,407
11. PROPERTY RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	34.4565	0.0000	0.0000	18.3911	0.0000	0.0000	31.0358

5045

DES0013734

SC Cons AMENDED
Year: 1997

	CLT DEVELOP SOUTH CAROLINA	CRES COM SC SOUTH CAROLINA	CRESCENT RES SOUTH CAROLINA	DEAS RESOURCES SOUTH CAROLINA	DUKE E&S SOUTH CAROLINA	DUKENET SOUTH CAROLINA
PAYROLL RATIO						
WITHIN SOUTH CAROLINA						
11. GROSS PAYROLL (COLUMN 1)	0	0	605,678	1,066,486	2,728,701	1,306,552
12. LESS: OFFICERS COMPENSATION & EXCLUSIONS	0	0	212,197	0	0	0
13. TOTAL PAYROLL (COLUMN 1)	0	0	393,481	1,066,486	2,728,701	1,306,552
EVERYWHERE						
11. GROSS PAYROLL (COLUMN 2)	91,038	0	14,024,443	14,121,666	105,180,891	4,786,280
12. LESS: OFFICERS COMPENSATION & EXCLUSION	0	0	7,397,391	0	0	0
13. TOTAL PAYROLL (COLUMN 2)	91,038	0	6,627,052	14,121,666	105,180,891	4,786,280
13. PAYROLL RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	0.0000	0.0000	5.9375	7.5521	2.5941	27.2979
SALES RATIO						
WITHIN SOUTH CAROLINA						
14. TOTAL SALES (COLUMN 1)	0	0	16,016,289	274	1,916,824	5,609,228
EVERYWHERE						
14. TOTAL SALES (COLUMN 2)	5,338,083	0	107,759,883	19,698,818	417,001,152	18,533,776
14. SALES RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	0.0000	0.0000	14.8629	0.0014	0.4597	30.2649
15. TOTAL SALES WITHIN S.C. (COLUMN 1)	0	0	16,016,289	274	1,916,824	5,609,228
15. TOTAL SALES EVERYWHERE (COLUMN 2)	5,338,083	0	107,759,883	19,698,818	417,001,152	18,533,776
15. EXTRA SALES RATIO (COLUMN 3)	0.0000	0.0000	14.8629	0.0014	0.4597	30.2649
16. TOTAL OF RATIOS	0.0000	0.0000	51.2446	7.5549	9.4698	100.2148
17. ARITHMETICAL AVERAGE OF RATIOS	0.0000	0.0000	15.3113	2.5183	2.3665	25.0537

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DES0001373S

	DUKE POWER SOUTH CAROLINA	DUKE MERCHAND SOUTH CAROLINA	DUKE WATER SOUTH CAROLINA	GT&W GASTONIA SOUTH CAROLINA	M-P SUPPLY SOUTH CAROLINA	INTERA 56-1934649	DUKESOLUTIONS 56-0904643
PAYROLL RATIO							
WITHIN SOUTH CAROLINA							
11. GROSS PAYROLL (COLUMN 1)	272,368,990	0	0	0	0	26,909	0
12. LESS: OFFICERS COMPENSATION & EXCLUSIONS	810,924	0	0	0	0	0	0
13. TOTAL PAYROLL (COLUMN 1)	271,558,066	0	0	0	0	26,909	0
EVERYWHERE							
11. GROSS PAYROLL (COLUMN 2)	874,026,188	0	0	0	0	8,773,258	0
12. LESS: OFFICERS COMPENSATION & EXCLUSION	13,314,665	0	0	0	0	0	0
13. TOTAL PAYROLL (COLUMN 2)	860,711,523	0	0	0	0	8,773,258	0
13. PAYROLL RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	31.5504	0.0000	0.0000	0.0000	0.0000	0.3067	0.0000
SALES RATIO							
WITHIN SOUTH CAROLINA							
14. TOTAL SALES (COLUMN 1)	2,339,976,856	0	0	0	0	0	139,987
EVERYWHERE							
14. TOTAL SALES (COLUMN 2)	8,693,833,448	0	0	0	0	12,052,684	2,491,404
14. SALES RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	26.9154	0.0000	0.0000	0.0000	0.0000	0.0000	5.6188
15. TOTAL SALES WITHIN S.C. (COLUMN 1)	2,339,976,856	0	0	0	0	0	139,987
15. TOTAL SALES EVERYWHERE (COLUMN 2)	8,693,833,448	0	0	0	0	12,052,684	2,491,404
15. EXTRA SALES RATIO (COLUMN 3)	26.9154	0.0000	0.0000	0.0000	0.0000	0.0000	5.6188
16. TOTAL OF RATIOS	119.8377	0.0000	0.0000	18.3911	0.0000	0.3067	42.2734
17. ARITHMETICAL AVERAGE OF RATIOS	29.9594	0.0000	0.0000	18.3911	0.0000	0.1022	14.0911

AS ORIGINALLY FILED

Form **1120**
Department of the Treasury
Internal Revenue Service

U.S. Corporation Income Tax Return

For calendar year 1997 or tax year beginning _____, 1997, ending _____, 19 ___

▶ Instructions are separate. See Instructions for Paperwork Reduction Act Notice.

OMB No. 1545-0123

1997

A Check if a:
1 Consolidated return (attach Form 851) [X]
2 Personal holding co. (attach Sch. PH) [ ]
3 Personal service corp. (as defined in Temporary Regs. sec. 1.441-4T - see instructions) [ ]

Use IRS label. Otherwise, print or type.

DUKE ENERGY CORPORATION
422 S Church Street
P. O. Box 1244
Charlotte NC 28201-1244

B Employer id. number: 56-0205520
C Date incorporated: 05/01/17
D Total assets (see instructions): 17,274,143,886

E Check applicable boxes: (1) [ ] Initial return (2) [ ] Final return (3) [■] Change of address

Income	1a Gross receipts or sales: 4,379,559,753	b Less returns and allowances:	c Bal ▶	1c	4,379,559,753
	2 Cost of goods sold (Schedule A, line 8)			2	1,303,730,999
	3 Gross profit. Subtract line 2 from line 1c			3	3,075,828,754
	4 Dividends (Schedule C, line 19)			4	2,563,197
	5 Interest			5	5,929,352
	6 Gross rents			6	281,857
	7 Gross royalties			7	
	8 Capital gain net income (attach Schedule D (Form 1120))			8	
	9 Net gain or (loss) from Form 4797, Part II, line 18 (attach Form 4797)			9	1,255,429
	10 Other income (see instructions - attach schedule) SEE SCH: OTHER INCOME			10	-440,137
	11 Total income. Add lines 3 through 10 ▶			11	3,085,418,452
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (Schedule E, line 4)			12	
	13 Salaries and wages (less employment credits)			13	207,410,830
	14 Repairs and maintenance			14	405,515,700
	15 Bad debts			15	7,833,161
	16 Rents			16	35,971,311
	17 Taxes and licenses SEE SCH: TAX AND LICENSES			17	341,859,154
	18 Interest			18	232,814,739
	19 Charitable contributions (see instructions for 10% limitation)			19	7,510,539
	20 Depreciation (attach Form 4562)	20: 559,229,329			
	21 Less depreciation claimed on Schedule A and elsewhere on return	21a:		21b	559,229,329
	22 Depletion			22	
	23 Advertising			23	2,901,367
	24 Pension, profit-sharing, etc., plans			24	17,692,876
	25 Employee benefit programs			25	45,632,666
	26 Other deductions (attach schedule) SEE SCH: OTHER DEDUCTIONS			26	367,375,702
	27 Total deductions. Add lines 12 through 26 ▶			27	2,231,747,374
	28 Taxable income before net operating loss deduction and special deductions. Subtract line 27 from line 11			28	853,671,078
	29 Less: a Net operating loss deduction (see instructions)	29a:			
	b Special deductions (Schedule C, line 20)	29b: 1,788,518		29c	1,788,518
Tax and Payments	30 Taxable income. Subtract line 29c from line 28			30	851,882,560
	31 Total tax (Schedule J, line 10)			31	298,158,896
	32 Payments: a 1996 overpayment credited to 1997	32a:			
	b 1997 estimated tax payments	32b:			
	c Less 1997 refund applied for on Form 4466	32c:	d Bal ▶ 32d:		
	e Tax deposited with Form 7004		32e:		
	f Credit for tax paid on undistributed capital gains (attach Form 2439)		32f:		
	g Credit for Federal tax on fuels (attach Form 4136). See instructions		32g: 310,304	32h	310,304
	33 Estimated tax penalty (see instructions). Check if Form 2220 is attached ▶ [ ]			33	
	34 Tax due. If line 32h is smaller than the total of lines 31 and 33, enter amount owed			34	297,848,592
	35 Overpayment. If line 32h is larger than the total of lines 31 and 33, enter amount overpaid			35	
	36 Enter amount of line 35 you want: Credited to 1998 estimated tax ▶ Refunded ▶			36	

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer _____ Date _____ ▶ Title _____

Paid Preparer's Use Only

Preparer's signature ▶ _____ Date _____ Check if self-employed [ ] Preparer's social security no. _____

Firm's name (or yours if self-employed) and address ▶ _____ EIN ▶ _____ ZIP code ▶ _____

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AS ORIGINALLY FILED

Schedule A Cost of Goods Sold (See instructions.)

1	Inventory at beginning of year	1	
2	Purchases	2	73,541,548
3	Cost of labor	3	
4	Additional section 263A costs (attach schedule)	4	
5	Other costs (attach schedule) SEE ATTACHED SCHEDULE A.	5	1,230,189,451
6	Total. Add lines 1 through 5	6	1,303,730,999
7	Inventory at end of year	7	
8	Cost of goods sold. Subtract line 7 from line 6. Enter here and on page 1, line 2	8	1,303,730,999

9a Check all methods used for valuing closing inventory:

(i) ☐ Cost as described in Regulations section 1.471-3

(ii) ☐ Lower of cost or market as described in Regulations section 1.471-4

(iii) ☐ Other (Specify method used and attach explanation.) ▶

b Check if there was a writedown of subnormal goods as described in Regulations section 1.471-2(c) ▶ ☐

c Check if the LIFO inventory method was adopted this tax year for any goods (if checked, attach Form 970) ▶ ☐

d If the LIFO inventory method was used for this tax year, enter percentage (or amounts) of closing inventory computed under LIFO 9d

e If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? ☐ Yes ☐ No

f Was there any change in determining quantities, cost, or valuations between opening and closing inventory? If "Yes," attach explanation. ☐ Yes ☐ No

Schedule C Dividends and Special Deductions (See instructions.)

		(a) Dividends received	(b) %	(c) Special deductions (a) x (b)
1	Dividends from less-than-20%-owned domestic corporations that are subject to the 70% deduction (other than debt-financed stock)	2,555,025	70	1,788,518
2	Dividends from 20%-or-more-owned domestic corporations that are subject to the 80% deduction (other than debt-financed stock)		80	
3	Dividends on debt-financed stock of domestic and foreign corporations (section 246A)		see instructions	
4	Dividends on certain preferred stock of less-than-20%-owned public utilities		42	
5	Dividends on certain preferred stock of 20%-or-more-owned public utilities		48	
6	Dividends from less-than-20%-owned foreign corporations and certain FSCs that are subject to the 70% deduction		70	
7	Dividends from 20%-or-more-owned foreign corporations and certain FSCs that are subject to the 80% deduction		80	
8	Dividends from wholly owned foreign subsidiaries subject to the 100% deduction (section 245(b))		100	
9	Total. Add lines 1 through 8. See instructions for limitation			1,788,518
10	Dividends from domestic corporations received by a small business investment company operating under the Small Business Investment Act of 1958		100	
11	Dividends from certain FSCs that are subject to the 100% deduction (section 245(c)(1))		100	
12	Dividends from affiliated group members subject to the 100% deduction (section 243(a)(3))		100	
13	Other dividends from foreign corporations not included on lines 3, 6, 7, 8, or 11			
14	Income from controlled foreign corporations under subpart F (attach Form(s) 5471)			
15	Foreign dividend gross-up (section 78)			
16	IC-DISC and former DISC dividends not included on lines 1, 2, or 3 (section 246(d))			
17	Other dividends	8,172		
18	Deduction for dividends paid on certain preferred stock of public utilities			
19	Total dividends. Add lines 1 through 17. Enter here and on line 4, page 1 ▶	2,563,197		
20	Total special deductions. Add lines 9, 10, 11, 12, and 18. Enter here and on line 29b, page 1 ▶			1,788,518

Schedule E Compensation of Officers (See instructions for line 12, page 1.)

Complete Schedule E only if total receipts (line 1a plus lines 4 through 10 on page 1, Form 1120) are $500,000 or more.

(a) Name of officer	(b) Social security number	(c) Percent of time devoted to business	Percent of corporation stock owned (d) Common	(e) Preferred	(f) Amount of compensation
1		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
		%	%	%	
2 Total compensation of officers					
3 Compensation of officers claimed on Schedule A and elsewhere on return					
4 Subtract line 3 from line 2. Enter the result here and on line 12, page 1					

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Schedule J Tax Computation (See instructions.)

1	Check if the corporation is a member of a controlled group (see sections 1561 and 1563) ▶ [x] Important: Members of a controlled group, see instructions.		
2a	If the box on line 1 is checked, enter the corporation's share of the $50,000, $25,000, and $9,925,000 taxable income brackets (in that order): (1) 50,000 (2) 25,000 (3) 9,925,000		
b	Enter the corporation's share of: (1) Additional 5% tax (not more than $11,750) 11,750 (2) Additional 3% tax (not more than $100,000) 100,000		
3	Income tax. Check this box if the corporation is a qualified personal service corporation as defined in section 448(d)(2) (see instructions) ▶ [ ]	3	298,158,896
4a	Foreign tax credit (attach Form 1118)	4a	
b	Possessions tax credit (attach Form 5735)	4b	
c	Check: [ ] Nonconventional source fuel credit [ ] QEV credit (attach Form 8834)	4c	
d	General business credit. Enter here and check which forms are attached: [ ] 3800 [ ] 3468 [ ] 5884 [ ] 6478 [ ] 6765 [ ] 8586 [ ] 8830 [ ] 8826 [ ] 8835 [ ] 8844 [ ] 8845 [ ] 8846 [ ] 8820 [ ] 8847 [ ] 8861	4d	
e	Credit for prior year minimum tax (attach Form 8827)	4e	
5	Total credits. Add lines 4a through 4e	5	
6	Subtract line 5 from line 3	6	298,158,896
7	Personal holding company tax (attach Schedule PH (Form 1120))	7	
8	Recapture taxes. Check if from: [ ] Form 4255 [ ] Form 8611	8	
9	Alternative minimum tax (attach Form 4626)	9	
10	Total tax. Add lines 6 through 9. Enter here and on line 31, page 1	10	298,158,896

Schedule K Other Information (See instructions.)

		Yes	No
1	Check method of accounting: a [ ] Cash b [x] Accrual c [ ] Other (specify) ▶		
2	See instructions and state the principal: a Business activity code no. ▶ 4911 b Business activity ▶ Electric Utility c Product or service ▶ Electric Utility		
3	At the end of the tax year, did the corporation own, directly or indirectly, 50% or more of the voting stock of a domestic corporation? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing: (a) name and identifying number, (b) percentage owned, and (c) taxable income or (loss) before NOL and special deductions of such corporation for the tax year ending with or within your tax year.	x	
4	Is the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? If "Yes," enter employer identification number and name of the parent corporation ▶		x
5	At the end of the tax year, did any individual, partnership, corporation, estate or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) If "Yes," attach a schedule showing name and identifying number. (Do not include any information already entered in 4 above.) Enter percentage owned ▶		x
6	During this tax year, did the corporation pay dividends (other than stock dividends and distributions in exchange for stock) in excess of the corporation's current and accumulated earnings and profits? (See secs. 301 and 316.) If "Yes," file Form 5452. If this is a consolidated return, answer here for the parent corporation and on Form 851, Affiliations Schedule, for each subsidiary.		x
7	Was the corporation a U.S. shareholder of any controlled foreign corporation? (See sections 951 and 957.) If "Yes," attach Form 5471 for each such corporation. Enter number of Forms 5471 attached ▶	x	
8	At any time during the 1997 calendar year, did the corporation have an interest in or a signature or other authority over a financial account (such as a bank account, securities account, or other financial account) in a foreign country? If "Yes," the corporation may have to file Form TD F 90-22.1. If "Yes," enter name of foreign country ▶	x	
9	During the tax year, did the corporation receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If "Yes," see instructions for other forms the corporation may have to file		x
10	At any time during the tax year, did one foreign person own, directly or indirectly, at least 25% of: (a) the total voting power of all classes of stock of the corporation entitled to vote, or (b) the total value of all classes of stock of the corporation? If "Yes," a Enter percentage owned ▶ b Enter owner's country ▶ c The corporation may have to file Form 5472. Enter number of Forms 5472 attached ▶		
11	Check this box if the corporation issued publicly offered debt instruments with original issue discount ▶ [x] If so, the corporation may have to file Form 8281.		
12	Enter the amt. of tax-exempt interest received or accrued during the tax year ▶ 2,272,703		
13	If there were 35 or fewer shareholders at the end of the tax year, enter the number ▶		
14	If the corporation has an NOL for the tax year and is electing to forego the carryback period, check here ▶ [ ]		
15	Enter the available NOL carryover from prior tax years (Do not reduce it by any deduction on line 29a.) ▶		

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AS ORIGINALLY FILED

Schedule L Balance Sheets per Books

Assets	Beginning of tax year (a)	Beginning of tax year (b)	End of tax year (c)	End of tax year (d)
1 Cash		12,488,650		14,287,180
2a Trade notes and accounts receivable	679,531,989		772,346,870	
b Less allowance for bad debts	7,134,455	672,397,534	8,137,557	764,209,313
3 Inventories		259,572,464		254,202,636
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach schedule)		97,868,307		105,687,168
7 Loans to stockholders				
8 Mortgage and real estate loans				
9 Other investments (attach schedule)		1,037,766,647		3,952,686,731
10a Buildings and other depreciable assets	14,813,460,606		15,239,647,168	
b Less accumulated depreciation	5,732,301,963	9,081,158,643	5,993,986,836	9,245,660,332
11a Depletable assets				
b Less accumulated depletion				
12 Land (net of any amortization)		236,127,635		244,650,014
13a Intangible assets (amortizable only)				
b Less accumulated amortization				
14 Other assets (attach schedule)		2,696,259,545		2,692,760,512
15 Total assets		14,093,639,425		17,274,143,886
Liabilities and Stockholders' Equity				
16 Accounts payable		282,166,936		366,452,651
17 Mortgages, notes, bonds payable in less than 1 year		94,025,529		17,772,577
18 Other current liabilities (attach schedule)		1,397,317,621		1,654,085,683
19 Loans from stockholders				
20 Mortgages, notes, bonds payable in 1 year or more		3,561,866,878		3,956,717,724
21 Other liabilities (attach schedule)		3,185,547,801		3,250,449,626
22 Capital stock: a Preferred stock	684,000,000		489,000,000	
b Common stock	1,896,140,938	2,580,140,938	4,283,655,875	4,772,655,875
23 Additional paid-in capital		-13,813,393		-15,865,090
24 Retained earnings - Appropriated (attach schedule)		4,429,887		6,513,148
25 Retained earnings - Unappropriated		3,001,957,228		3,265,361,692
26 Adjustments to shareholders' equity (attach schedule)				
27 Less cost of treasury stock				
28 Total liabilities and stockholders' equity		14,093,639,425		17,274,143,886

Note: You are not required to complete Schedules M-1 and M-2 below if the total assets on line 15, column (d) of Schedule L are less than $25,000.

Schedule M-1 Reconciliation of Income (Loss) per Books With Income per Return (See instructions.)

1 Net income (loss) per books	974,434,272	7 Income recorded on books this year not included on this return (itemize):	
2 Federal income tax	317,852,037	Tax-exempt interest 2,272,703	
3 Excess of capital losses over capital gains	116,511	SEE ATTACHED SCHEDULE M-1 536,090,878	538,363,581
4 Income subject to tax not recorded on books this year (itemize):		8 Deductions on this return not charged against book income this year (itemize):	
SEE ATTACHED SCHEDULE M-1	28,518,504	a Depreciation 559,229,329	
5 Expenses recorded on books this year not deducted on this return (itemize):		b Contributions carryover	
a Depreciation 432,988,033		SEE ATTACHED SCHEDULE M-1	
b Contributions carryover		285,893,092	845,122,421
c Travel and entertainment 2,400,272		9 Add lines 7 and 8	1,383,486,002
SEE ATTACHED: M-1 480,847,451	916,235,756	10 Income (line 28, page 1) - line 6 less line 9	853,671,078
6 Add lines 1 through 5	2,237,157,080		

Schedule M-2 Analysis of Unappropriated Retained Earnings per Books (Line 25, Schedule L)

1 Balance at beginning of year	3,001,957,228	5 Distributions: a Cash	755,002,483
2 Net income (loss) per books	974,434,272	b Stock	
3 Other increases (itemize):		c Property	
		6 Other decreases (itemize):	
SEE ATTACHED SCHEDULE M-2	46,055,936	SEE ATTACHED SCHEDULE M-2	2,083,261
4 Add lines 1, 2, and 3	4,022,447,436	7 Add lines 5 and 6	757,085,744
		8 Balance at end of year (line 4 less line 7)	3,265,361,692

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1997 FEDERAL INCOME TAX RETURN

DUKE ENERGY CORPORATION 56-0205520
Year: 1997

SCHEDULE A - COST OF GOODS SOLD

1 INVENTORY AT BEGINNING OF YEAR.	1	0
2 PURCHASES	2	73,541,548
3 COST OF LABOR	3	0
4 ADDITIONAL SECTION 263A COSTS (SCHEDULE). . .	4	0
5 OTHER COSTS (ATTACH SCHEDULE)	5	1,230,189,451
6 TOTAL - ADD LINES 1 THROUGH 5	6	1,303,730,999
7 INVENTORY AT END OF YEAR.	7	0
8 COST OF GOODS SOLD (ENTER ON LINE 2, PAGE 1).	8	1,303,730,999

SCHEDULE OF OTHER COSTS:

5 OTHER COSTS	
OPERATING EXPENSE	36,808,892
OTHER - NON-UTILITY	8,164,086
PURCHASED POWER	185,095,307
STEAM EXPENSES	67,131,336
NUCLEAR EXPENSES	189,581,839
HYDRO EXPENSES	19,881,647
COMBUSTION TURBINE	2,288,761
TRANSMISSION EXPENSES	28,235,572
DISTRIBUTION	60,847,284
WATER	2,124,456
FUEL, COAL & GAS, OIL	602,001,568
NUCELAR FUEL DISPOSAL COST	27,745,680
NUCLEAR FUEL - MISC.	283,023
TOTAL	1,230,189,451

AS ORIGINALLY FILED

DUKE ENERGY CORPORATION 56-0205520
Year: 1997

SCHEDULE C - DIVIDENDS (COLUMN A)

1	LESS-THAN-20% OWNED DOMESTIC CORPS AT 70%	2,555,025
2	20%-OR-MORE-OWNED DOMESTIC CORPS AT 80%	0
3	DEBT-FINANCED STOCK OF DOMESTIC CORPORATIONS	0
4	CERTAIN PREFD. STOCK OF PUBLIC UTIL. AT 42%	0
5	CERTAIN PREFD. STOCK OF PUBLIC UTIL. AT 48%	0
6	LESS-THAN-20%-OWNED FOREIGN CORPORATIONS AT 70%	0
7	20%-OR-MORE-OWNED FOREIGN CORPORATIONS AT 80%	0
8	WHOLLY-OWNED FOREIGN SUBSIDIARIES - 100% 245(B)	0
10	DOMES. CORPS RECEIVED BY SMALL BUS. INVESTMENT	0
11	CERTAIN FSC'S SUBJECT TO 100% SEC. 245(C)(1)	0
12	AFFILIATED GROUPS SUBJECT TO 100% SEC 243(A)(3)	0
13	OTHER DIVIDENDS FROM FOREIGN CORPORATIONS	0
14	INCOME FROM CONTROLLED FOREIGN CORPS. SUB-PART F	0
15	FOREIGN DIVIDEND GROSS-UP (SECTION 78)	0
16	IC-DISC OR FORMER DISC DIVIDENDS (SEC 246(D))	0
17	OTHER DIVIDENDS	8,172
19	TOTAL DIVIDENDS (ENTER ON LINE 4, PAGE 1)	2,563,197

SCHEDULE C - SPECIAL DEDUCTIONS (COLUMN C)

1	LESS-THAN-20%-OWNED DOMESTIC CORPORATIONS X 70%	1,788,518
2	20%-OR-MORE-OWNED DOMESTIC CORPORATIONS X 80%	0
3	DEBT-FINANCED STOCK OF DOMESTIC CORPORATIONS	0
4	PREFERRED STOCK OF PUBLIC UTILITIES X 42%	0
5	PREFERRED STOCK OF PUBLIC UTILITIES X 48%	0
6	LESS-THAN-20%-OWNED FOREIGN CORPORATIONS X 70%	0
7	20%-OR-MORE-OWNED FOREIGN CORPORATIONS X 80%	0
8	WHOLLY-OWNED FOREIGN SUBSIDIARIES - 100% 245(B)	0
9	TOTAL - ADD LINES 1 THROUGH 8	1,788,518
10	DOMES. CORPS RECEIVED BY SMALL BUS. INVESTMENT	0
11	CERTAIN FSC'S SUBJECT TO 100% SEC. 245(C)(1)	0
12	AFFILIATED GROUPS SUBJECT TO 100% SEC. 243(A)(3)	0
18	DEDUCTION FOR CERTAIN PFD STOCK OF PUB UTILITY	0
20	TOTAL SPECIAL DEDUCTIONS - ENTER ON LINE 29 (B)	1,788,518

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DUKE ENERGY CORPORATION 56-0205520
Year: 1997

SCHEDULE OF OTHER INCOME:

10	OTHER INCOME	
	MISC. OTHER INCOME	(440,137)
	DEFERRED DSM COSTS	(8,335,834)
	RETURN ON DEFERRED DSM COSTS	8,335,834
	TOTAL	(440,137)

SCHEDULE OF TAXES:

17	TAXES	
	PROPERTY TAXES	106,594,453
	NC STATE INCOME TAX	56,425,197
	GA. STATE INCOME TAX	15,111,084
	BUSINESS LICENSES, PERMITS	1,087
	MUNICIPAL TAXES	7,267,395
	NC FANCHISE	93,295,717
	INDUSTRIAL COMM.	323,403
	SC FRANCHISE TAX	6,203,036
	SC KILOWATT-HOUR	5,055,894
	SC PUBLIC SERVICE COMM	1,255,852
	PAYROLL TAXES	49,805,887
	FEDERAL HWY USE TAX	37,642
	MISCELLANEOUS OTHER TAXES	482,507
	TOTAL	341,859,154

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DUKE ENERGY CORPORATION 56-0205520
Year: 1997

SCHEDULE OF OTHER DEDUCTIONS:

26 OTHER DEDUCTIONS	
MISC OFFICE EXPENSES	7,173,123
INJURIES AND DAMAGES	76,102,895
REGULATORY EXPENSES	3,414,108
MISCELLANEOUS DEDUCTIONS - OTHER	149,486,214
CLUB DUES	245,040
INDUSTRY ASSOC. DUES	4,923,306
DUES TO VARIOUS ORG.	602,262
RESEARCH & DEVELOPMENT	23,837,963
PROPERTY INSURANCE	(1,199,095)
CIVIC & POLITICAL	(207,556)
AMORT. DEBT DISC/PREMIUM	16,606,013
DEFERRED COMPENSATION	12,388,118
SDCP EXPENSES	5,008,155
SUPP. RETIREMENT EXPENSES	686,148
EXT. DECOMM. RESERVE	37,056,000
LOSSES INCURRED	30,047,004
AMORT. OF LIMITED TERM ELECT PIT	705,339
SOFTWARE AMORTIZATION	500,665
TOTAL	367,375,702

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DUKE ENERGY CORPORATION 56-0205520
Year: 1997

SUPPORT SCHEDULE FOR BEGINNING-YEAR BALANCE SHEET

6 OTHER CURRENT ASSETS (ATTACH SCHEDULE)	
PREPAID EXPENSES	11,700,289
ACCRUED INTEREST	17,088
RETIREMENT PLAN PRE-FUNDING	80,000,000
MISCELLANEOUS	6,150,930
TOTAL	97,868,307
9 OTHER INVESTMENTS (ATTACH SCHEDULE)	
INVESTMENTS IN SUBSIDIARIES	659,034,376
INVESTMENT IN COMMON STOCK	4,568,793
CASH SURRENDER VALUE - LIFE INSURANC	11,536,516
DECOMMISSIONING TRUST FUNDS	362,626,962
TOTAL	1,037,766,647
14 OTHER ASSETS (ATTACH SCHEDULE)	
PRELIMINARY SURVEY & INVESTIGATION	4,753,954
CLEARING - OTHER	314,094
DEFERRED CHARGES	866,125
ACCUM DEF INCOME TAX - FED	524,996,435
ACCUM DEF INCOME TAX - STATE	1
UNAMORT DEBT EXP	5,520,000
UNAMORT LOSS-REACQ DEBT	164,322,460
DEFERRED DSM COSTS	106,999,786
DEFERRED DSM INCENTIVES	(6,695,939)
DEFERRED CATAWBA PURCHASE CAPACITY	414,057,770
RETURN - DEFERRED CATAWBA PUR. CAP.	477,941,730
DOE CLEAN-UP FEE LIABILITY	94,716,981
REGULATORY TAX ASSET	903,785,156
EMISSION ALLOWANCE ACCRUAL	4,680,992
TOTAL	2,696,259,545
18 OTHER CURRENT LIABILITIES (ATTACH SCHEDULE) . . .	
ACCRUED SALARIES & WAGES	4,666,783
FEDERAL INCOME TAX PAYABLE	(27,581,869)
DIVIDENDS PAYABLE	4,187,575
State Income Tax - Current	(1,160,044)
FRANCHISE TAX PAYABLE	7,524,678
SALES TAX PAYABLE	2,370,229
PAYROLL TAXES PAYABLE	5,267,576
TAXES - PROPERTY	292,821
EMPLOYEE TAXES WITHHELD	11,271,064
OTHER WITHHOLDINGS PAYABLE	7,364,420
ADMITTED LIABILITIES	489,374
TAXES - OTHER	1,030,013
INTEREST	64,191,606
AFFILIATES PAYABLE	2,701,786
MISCELLANEOUS	149,359,402

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ACCRUED LIABILITIES	13,747,261
DEPOSITS	30,174
RETIRMENT PLAN COSTS	66,190
GREENSBORO TRANSIT	105,208
NANTAHALA ENERGY BANK	5,906,431
EMPLOYEE BENEFITS	16,380,275
PROCEEDS - SALE OF LAND RIGHTS	48,800
DEFERRED COMPENSATION	83,322,065
FLYASH RESERVE	227,406
CHARITABLE GIVING PROGAM	6,000,000
OTHER REGULATORY LIABILITY	414,848,821
EPA AUCTION PROCEEDS	930,531
STEAM GEN. REG. LIABILITY	12,032,797
ACCRUED DECOMMISSIONING COST	362,626,960
RESERVE FUNDS FOR DECK	21,001
FED ITC	249,048,287
TOTAL	1,397,317,621

21 OTHER LIABILITIES (ATTACH SCHEDULE)	
DEFERRED FEDERAL INCOME TAXES	2,534,203,067
DEFERRED STATE INCOME TAXES	332,469,077
PROV FOR RATE REFUND	4,569,813
RESERVE - INJURIES & DAMAGE	68,580,100
ENVIRONMENTAL RESERVE	11,695,439
PROPERTY INSURANCE RESERVE	92,156,309
MISCELLANEIOUS OPERATING RESERVES	47,157,015
DOE ENRICHMENT CLEANUP FEE	94,716,981
TOTAL	3,185,547,801

24 RETAINED EARNINGS-APPROPRIATED (ATTACH SCHEDULE).	
RETAINED EARNINGS--APPROPRIATED	4,429,887
26 ADJUSTMENTS TO SHAREHOLDERS' EQUITY (ATTACH SCH).	0

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DUKE ENERGY CORPORATION 56-0205520
Year: 1997

SUPPORT SCHEDULE FOR ENDING-YEAR BALANCE SHEET

6 OTHER CURRENT ASSETS (ATTACH SCHEDULE)	
PREPAID EXPENSES	20,415,914
ACCRUED INTEREST	312,967
RETIREMENT PLAN PRE-FUNDING	80,000,000
SHORT TERM INVESTMENTS	270
MISCELLANEOUS	4,958,017
TOTAL	105,687,168
9 OTHER INVESTMENTS (ATTACH SCHEDULE)	
INVESTMENTS IN SUBSIDIARIES	3,432,042,630
INVESTMENT IN COMMON STOCK	4,762,167
CASH SURRENDER VALUE - LIFE INSURANC	44,783,366
DECOMMISSIONING TRUST FUNDS	471,098,568
TOTAL	3,952,686,731
14 OTHER ASSETS (ATTACH SCHEDULE)	
PRELIMINARY SURVEY & INVESTIGATION	4,449,480
CLEARING - OTHER	71,137
DEFERRED CHARGES	24,231,846
ACCUM DEF INCOME TAX - FED	548,656,395
UNAMORT DEBT EXP	15,832,830
UNAMORT LOSS-REACQ DEBT	182,753,601
DEFERRED DSM COSTS	105,192,097
DEFERRED DSM INCENTIVES	(8,031,597)
DEFERRED CATAWBA PURCHASE CAPACITY	284,987,856
RETURN - DEFERRED CATAWBA PUR. CAP.	550,569,409
DOE CLEAN-UP FEE LIABILITY	87,141,826
REGULATORY TAX ASSET	889,614,894
EMISSION ALLOWANCE ACCRUAL	7,290,738
TOTAL	2,692,760,512
18 OTHER CURRENT LIABILITIES (ATTACH SCHEDULE)	
ACCRUED SALARIES & WAGES	2,487,432
FEDERAL INCOME TAX PAYABLE	(18,853,683)
DIVIDENDS PAYABLE	3,583,982
State Income Tax - Current	6,772,691
FRANCHISE TAX PAYABLE	7,838,661
SALES TAX PAYABLE	11,115,199
PAYROLL TAXES PAYABLE	6,540,582
TAXES - PROPERTY	292,820
EMPLOYEE TAXES WITHHELD	9,796,932
OTHER WITHHOLDINGS PAYABLE	7,608,391
ADMITTED LIABILITIES	408,544
TAXES - OTHER	906,509
INTEREST	60,478,548
AFFILIATES PAYABLE	2,979,774
MISCELLANEOUS	255,518,308

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DES00013747

DUKE ENERGY CORPORATION 56-0205520
Year: 1997

ACCRUED LIABILITIES	14,577,990
DEPOSITS	87,039
RETIRMENT PLAN COSTS	45,137,690
GREENSBORO TRANSIT	114,624
NANTAHALA ENERGY BANK	7,489,573
EMPLOYEE BENEFITS	17,675,536
PROCEEDS - SALE OF LAND RIGHTS	5,088
DEFERRED COMPENSATION	96,783,105
FLYASH RESERVE	875,433
CHARITABLE GIVING PROGAM	8,000,000
OTHER REGULATORY LIABILITY	395,527,753
EPA AUCTION PROCEEDS	1,188,942
ACCRUED DECOMMISSIONING COST	471,098,567
RESERVE FUNDS FOR DECK	42,001
FED ITC	238,007,652
TOTAL	1,654,085,683

21 OTHER LIABILITIES (ATTACH SCHEDULE) . . . . . .

DEFERRED FEDERAL INCOME TAXES	2,571,581,850
DEFERRED STATE INCOME TAXES	311,094,891
PROV FOR RATE REFUND	4,704,836
RESERVE - INJURIES & DAMAGE	83,716,634
ENVIRONMENTAL RESERVE	19,658,577
PROPERTY INSURANCE RESERVE	100,463,176
MISCELLANEIOUS OPERATING RESERVES	72,087,836
DOE ENRICHMENT CLEANUP FEE	87,141,826
TOTAL	3,250,449,626

24 RETAINED EARNINGS-APPROPRIATED (ATTACH SCHEDULE).

RETAINED EARNINGS--APPROPRIATED	6,513,148

26 ADJUSTMENTS TO SHAREHOLDERS' EQUITY (ATTACH SCH). : 0

AS ORIGINALLY FILED

DES00013748

DUKE ENERGY CORPORATION 56-0205520
Year: 1997

SCHEDULE M-1

1 NET INCOME PER BOOKS.	974,434,272
2 FEDERAL INCOME TAX.	317,852,037
3 EXCESS CAPITAL LOSSES OVER CAPITAL GAINS.	116,511
4 INCOME SUBJECT TO TAX NOT RECORDED ON BOOKS:	
NC ENTERPRISE FUND K-1	28,723
KANNAPOLIS ENERGY PARTNERS K-1	160,729
Book Gain/Loss on Property	1,053,088
Tax Gains/Losses	223,897
TAX GAIN ON SALE OF WORLD COM	5,013,487
EXPIRED 1031 EXCHANGES	60,893
Demand Side Management (DSM) Defer	3,143,347
Nantahala Energy Bank	1,583,142
Westinghouse Settlement	10,651,670
CATAWBA RESERVE REVERSAL	1,541,013
Catawba Billing True-Up	925,771
Duke Grantor Trust Earnings	11,417
Decommissioning - Nonqual Fund Int	4,121,327
TOTAL	28,518,504
5 EXPENSES RECORDED ON BOOKS NOT IN THIS RETURN	
A DEPRECIATION.	432,988,033
B CONTRIBUTIONS CARRYOVER	0
C TRAVEL AND ENTERTAINMENT.	2,400,272
OTHER:	
Contributions	2,000,000
Lobbying	1,736,292
Penalties	330,478
Acquisition Adjustment (Acct. 425)	340,255
PAYMENTS FOR NFL PSL TICKETS	102,771
Exec. Life Insurance Exp.	1,261,546
Bad Debts	1,003,102
Contributions in Aid (CIAC's)	6,041,928
Amort. of Computer Software	228,584
Capitalized Property Taxes	1,505,013
Transmission Tower Leasing	518,155
Fuel Tax Credit Addback	309,330
Merger Costs	16,658,280
Accrued Vacation	6,677,811
Insurance Reserves	15,055,704
Purchased capacity capital cost -	129,069,914
Bond Loss Amortization	11,615,863
McGuire Low Level Radioactive Wast	740,000
Capitalized interest - 1984 TEFRA	11,547,207
Capitalized Fringe Benefits	1,017,630
Retirement Plan Expense	43,115,808
Spent Fuel Canisters	898,351
Flyash Reserve	648,027
Environmental Reserve	7,963,138
Nuclear Insurance Reserve	8,306,867
OPEB Expense	17,041,682

AS ORIGINALLY FILED

DES00013749

SDCP Accruals	18,995,526
Deferrals to Comp. Def. Plan-Emp.	(297,049)
Supplemental Security Accruals	3,632,086
Nuclear Fuel Book Burned Exp.	113,603,950
Decommissioning Book Reserve	59,179,202
TOTAL	480,847,451
TOTAL LINE 5.	916,235,756
6 TOTAL OF LINES 1 THROUGH 5.	2,237,157,080
7 INCOME RECORDED ON BOOKS NOT IN THIS RETURN	
A TAX-EXEMPT INTEREST	2,272,703
OTHER:	
Amortization of Dfd ITC	11,040,635
COLI CSV and Proceeds	1,133,901
PALMETTO SEED PARTNERSHIP K-1	8,500
PIEDMONT VENTURE PARTNERS K-1	176,962
Equity in Subsidiaries	387,107,470
Book AFUDC Equity	36,955,314
LOSS ON DISPOSITION OF ASSETS	5,540,208
Return on P.C. Levelization - NC	72,627,679
Return on P.C. Levelization - SC	10,000,000
Return On Emission Allowances	2,609,746
BELL SOUTH FEE INCOME	162,502
Unbilled Electric Revenues	8,727,961
TOTAL	536,090,878
TOTAL LINE 7.	538,363,581
8 DEDUCTIONS IN THIS RETURN NOT ON BOOKS	
A DEPRECIATION.	559,229,329
B CONTRIBUTIONS CARRYOVER	0
OTHER:	
Interest on Life Insurance Policy	9,741,280
Hydro Lease	1,312,257
Decommissioning - Qual External Fu	37,056,000
Merger Expenses	1,468,174
Other Miscellaneous	3,500
Deferred Merger Cost	452,327
Surplus Inventory Write-off	16,304,391
Cost of Coal Consumed	1,357,199
Non-Capital Spares Used in Repairs	690,165
ADR Repair Allowance	5,435,323
Cost of Removal	57,906,524
Tax Depreciation - Capitalized Int	30,482
Initial Clearing & Grading for R/W	70,078,769
Tax Depreciation - Capitalized Pro	1,084
NC Franchise Tax	1,178,894
Employee Benefits	679,628
Operating Expenses	1,683,131
Loss on Bond Redemptions	30,047,004
Interest on NC Loan Assistance	1,192,954
Self-Developed Software	23,743,656

AS ORIGINALLY FILED

DES00013750

Executive Incentive Payouts	10,093,851
Greensboro Transit Principal Payme	105,208
DSOP	511,835
Comp Deferral Executive 15 Payouts	(1,220,663)
Payouts from Comp. Def. - Non-Emp	223,066
ESOP Dividend Distributions	343,857
Duke Grantor Trust Earnings	138,688
Restricted Stock Option Payout	4,280
Stock Options Exercised	13,734,565
DOE Interest Expense	1,595,663
TOTAL	285,893,092
TOTAL LINE 8.	845,122,421
9 TOTAL OF LINES 7 AND 8.	1,383,486,002
10 TAXABLE INCOME (LINE 28, PAGE1) - LINE 6 LESS 9 .	853,671,078

AS ORIGINALLY FILED

DUKE ENERGY CORPORATION 56-0205520
Year: 1997

SCHEDULE M-2

1	BALANCE AT BEGINNING OF YEAR.	3,001,957,228
2	NET INCOME PER BOOKS.	974,434,272
3	OTHER INCREASES (ITEMIZE)	
	MERGERS	45,920,010
	RETAINED EARN-OTHER INCREASES	135,926
	TOTAL	46,055,936
4	TOTAL OF LINES 1, 2, AND 3.	4,022,447,436
5	DISTRIBUTIONS: A CASH	755,002,483
	B STOCK.	0
	C PROPERTY	0
6	OTHER DECREASES (ITEMIZE)	
	RETAINED EARN-OTHER DECREASES	2,083,261
7	TOTAL OF LINES 5 AND 6.	757,085,744
8	BALANCE AT END OF YEAR (LINE 4 LESS LINE 7) . . .	3,265,361,692

AS ORIGINALLY FILED

DES00013752

Form **4136**

Department of the Treasury
Internal Revenue Service (99)

Credit for Federal Tax Paid on Fuels

▶ See the instructions for Form 4136.
▶ Attach this form to your income tax return.

OMB No. 1545-0162

1997

23

Name (as shown on your income tax return)
DUKE ENERGY CORPORATION

Taxpayer identification number
56-0205520

Caution: You cannot claim any amounts on Form 4136 that you claimed on Form 8849, Form 843, or Schedule C (Form 720).

1 Nontaxable Use of Gasoline

	Type of use	Rate	Gallons	Amount of credit	CRN
a Off-highway business use		.184	113,095		
b Use on a farm for farming purposes					301
c Other nontaxable use				20,809	

2 Nontaxable Use of Gasohol

	Type of use	Rate	Gallons	Amount of credit	CRN
a Gasohol containing at least 10% alcohol					
b Gasohol containing at least 7.7% alcohol but less than 10% alcohol					312
c Gasohol containing at least 5.7% alcohol but less than 7.7% alcohol					

3 Nontaxable Use of Undyed Diesel Fuel (Lines 3a, b, and c)
Sales by Registered Ultimate Vendors of Undyed Diesel Fuel (Line 3d)

Claimant certifies that the diesel fuel did not contain visible evidence of dye.
If any of the diesel fuel included in this claim did contain visible evidence of dye, attach a detailed explanation and check here . . . . . ☐

	Type of use	Rate	Gallons	Amount of credit	CRN
Lines 3a, b, and c: Claimant has the name and address of the person(s) who sold the diesel fuel to the claimant and the date(s) of the purchase(s), and if exported, the required proof of export.					
a Heating oil					
b Off-highway business use		.244	1,186,456		303
c Other nontaxable use (excluding use on a farm for farming purposes)					
d Claimant, a registered ultimate vendor, sold diesel fuel for use by the buyer on a farm for farming purposes, or to a state or local government for its exclusive use. Claimant obtained the required certificate from the buyer and has no reason to believe any of the information in the certificate is false.				289,495	

4 Nontaxable Use of Special Fuels

	Type of use	Rate	Gallons	Amount of credit	CRN
a Special motor fuels (other than LPG, LNG, or fuels used in intercity or local buses)					
b Liquefied petroleum gas (LPG) or liquefied natural gas (LNG)					304
c Special motor fuels used in intercity or local buses					
d Compressed natural gas (credit rate per thousand cubic feet)			MCF		

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5 Nontaxable Use of Aviation Gasoline

	Type of use	Rate	Gallons	Amount of credit	CRN
a Used in commercial aviation (other than foreign trade)					
b Other nontaxable use					307

6 Nontaxable Use of Aviation Fuel (other than gasoline)

	Type of use	Rate	Gallons	Amount of credit	CRN
a Used in commercial aviation (other than foreign trade)					
b Other nontaxable use					310

7 Gasohol Blenders

Claimant bought gasoline taxed at the full rate ($.183/.184) and blended it with alcohol to make gasohol. The gasohol was used or sold for use in a trade or business. For each batch of gasohol, claimant has the required information relating to the purchase of the gasoline and alcohol used to make the gasohol and to support the amount claimed.	Rate	Gallons of gasoline	Amount of credit	CRN
Percentage of alcohol in the gasohol				
a At least 10% alcohol				
b At least 7.7% alcohol but less than 10% alcohol				302
c At least 5.7% alcohol but less than 7.7% alcohol				

8 Use of Undyed Diesel Fuel–Train and Intercity and Local Bus

Claimant certifies that the diesel fuel did not contain visible evidence of dye.
If any of the diesel fuel included in this claim did contain visible evidence of dye, attach a detailed explanation and check here . . . . . ☐

Claimant has the name and address of the person(s) who sold the diesel fuel to the claimant and the date(s) of the purchase(s).	Rate	Gallons	Amount of credit	CRN
a Diesel-powered trains				
b Intercity and local buses				305

9 Total Income Tax Credit

Add lines 1 through 8. Enter here and on Form 1040, line 59 (also check box b on line 59); Form 1120, line 32g; Form 1120-A, line 28g; Form 1120S, line 23c; Form 1041, line 25g; or the proper line of other returns . . . . . ▶ 9 310,304

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SCHEDULE D
(Form 1120)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

To be filed with Forms 1120, 1120-A, 1120-IC-DISC, 1120-F, 1120-FSC, 1120-H, 1120-L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, 990-C, and certain Forms 990-T

OMB No. 1545-0123

1997

Name

DUKE ENERGY CORPORATION

Employer identification number

56-0205520

Part I Short-Term Capital Gains and Losses – Assets Held One 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) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) less (e))
1					-351,634

2	Short-term capital gain from installment sales from Form 6252, line 26 or 37	2	
3	Short-term gain or (loss) from like-kind exchanges from Form 8824	3	
4	Unused capital loss carryover (attach computation)	4	
5	Net short-term capital gain or (loss). Combine lines 1 through 4	5	-351,634

Part II Long-Term Capital Gains and Losses – Assets Held More Than One Year

6					235,123

7	Enter gain from Form 4797, line 7 or 9	7	
8	Long-term capital gain from installment sales from Form 6252, line 26 or 37	8	
9	Long-term gain or (loss) from like-kind exchanges from Form 8824	9	
10	Net long-term capital gain or (loss). Combine lines 6 through 9	10	235,123

Part III Summary of Parts I and II

11	Enter excess of net short-term capital gain (line 5) over net long-term capital loss (line 10)	11	
12	Net capital gain. Enter excess of net long-term capital gain (line 10) over net short-term capital loss (line 5)	12	
13	Add lines 11 and 12. Enter here and on Form 1120, page 1, line 8, or the proper line on other returns	13	
	Note: If losses exceed gains, see Capital losses in the instructions.		

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Form 1120 Schedule D (1997)

DES00013755

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization
(Including Information on Listed Property)

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

OMB No. 1545-0172

1997

67

Name(s) shown on return	Business or activity to which this form relates	Identifying number
DUKE ENERGY CORPORATION	Electric Utility	56-0205520

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "listed property," complete Part V before you complete Part I.)

1	Maximum dollar limitation. If an enterprise zone business, see instructions	1	$18,000
2	Total cost of section 179 property placed in service. See instructions	2	
3	Threshold cost of section 179 property before reduction in limitation	3	$200,000
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	18,000

	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
6			

7	Listed property. Enter amount from line 27	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from 1996. See instructions	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	18,000
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 1998. Add lines 9 and 10, less line 12 ▶	13	

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation For Assets Placed In Service ONLY During Your 1997 Tax Year (Do Not Include Listed Property.)

Section A - General Asset Account Election

14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See instructions ▶ ☐

Section B - General Depreciation System (GDS) (See instructions.)

	(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 deduction
15a	3-year property						2,477,152
b	5-year property						30,097,892
c	7-year property						5,376,256
d	10-year property						179
e	15-year property						10,857,263
f	20-year property						13,741,309
g	25-year property			25 yrs.		S/L	
h	Residential rental property			27.5 yrs.	MM	S/L	
				27.5 yrs.	MM	S/L	
i	Nonresidential real property			39 yrs.	MM	S/L	
					MM	S/L	107,037

Section C - Alternative Depreciation System (ADS) (See instructions.)

16a	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.) (See instructions.)

17	GDS and ADS deductions for assets placed in service in tax years beginning before 1997	17	381,672,375
18	Property subject to section 168(f)(1) election	18	
19	ACRS and other depreciation	19	114,899,866

Part IV Summary (See instructions.)

20	Listed property. Enter amount from line 26	20	
21	Total. Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	21	559,229,329
22	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	22	

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Form **4626**

Department of the Treasury
Internal Revenue Service

Alte..iative Minimum Tax – Corpc..ations

▶ See separate instructions.
▶ Attach to the corporation's tax return.

OMB No. 1545-0175

1997

Name: DUKE ENERGY CORPORATION

Employer identification number: 56-0205520

1	Taxable income or (loss) before net operating loss deduction			1	851,882,560
2	Adjustments and preferences:				
a	Depreciation of post-1986 property	2a	66,846,410		
b	Amortization of certified pollution control facilities	2b			
c	Amortization of mining exploration and development costs	2c			
d	Amortization of circulation expenditures (personal holding companies only)	2d			
e	Adjusted gain or loss	2e	-5,696,808		
f	Long-term contracts	2f			
g	Installment sales	2g			
h	Merchant marine capital construction funds	2h			
i	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	2i			
j	Tax shelter farm activities (personal service corporations only)	2j			
k	Passive activities (closely held corporations and personal service corporations only)	2k			
l	Loss limitations	2l			
m	Depletion	2m			
n	Tax-exempt interest from specified private activity bonds	2n			
o	Charitable contributions	2o			
p	Intangible drilling costs	2p			
q	Accelerated depreciation of real property (pre-1987)	2q	-623,870		
r	Accelerated depreciation of leased personal property (pre-1987) (personal holding companies only)	2r			
s	Other adjustments	2s			
t	Combine lines 2a through 2s			2t	60,525,732
3	Preadjustment alternative minimum taxable income (AMTI). Combine lines 1 and 2t			3	912,408,292
4	Adjusted current earnings (ACE) adjustment:				
a	Enter the corporation's ACE from line 10 of the worksheet in the instructions	4a	944,408,488		
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount (see examples in the instructions)	4b	32,000,196		
c	Multiply line 4b by 75% (.75). Enter the result as a positive amount	4c	24,000,147		
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments (see instructions). Note: You must enter an amount on line 4d (even if line 4b is positive)	4d	803,080,547		
e	ACE adjustment: • If you entered a positive number or zero on line 4b, enter the amount from line 4c here as a positive amount. • If you entered a negative number on line 4b, enter the smaller of line 4c or line 4d here as a negative amount.			4e	24,000,147
5	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe alternative minimum tax			5	936,408,439
6	Alternative tax net operating loss deduction (see instructions)			6	
7	Alternative minimum taxable income. Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions			7	936,408,439

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Form 4626 (1997)

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8	Enter the amount from line 7 (alternative minimum taxable income)	8	936,408,439
9	Exemption phase-out computation (if line 8 is $310,000 or more, skip lines 9a and 9b and enter -0- on line 9c):		
a	Subtract $150,000 from line 8 (if you are completing this line for a member of a controlled group, see the instructions). If zero or less, enter -0- (9a)		
b	Multiply line 9a by 25% (.25) (9b)		
c	Exemption. Subtract line 9b from $40,000 (if you are completing this line for a member of a controlled group, see the instructions). If zero or less, enter -0-	9c	
10	Subtract line 9c from line 8. If zero or less, enter -0-	10	936,408,439
11	Multiply line 10 by 20% (.20)	11	187,281,688
12	Alternative minimum tax foreign tax credit. See instructions	12	
13	Tentative minimum tax. Subtract line 12 from line 11	13	187,281,688
14	Regular tax liability before all credits except the foreign tax credit and possessions tax credit	14	298,158,896
15	Alternative minimum tax. Subtract line 14 from line 13. Enter the result on the appropriate line of the corporation's income tax return (e.g., Form 1120, Schedule J, line 9). If zero or less, enter -0-	15	

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DES00013758

Form **4797**

Department of the Treasury
Internal Revenue Service (99)

Sales of Business Property
(Also Involuntary Conversions and Recapture Amounts Under Sections 179 and 280F(b)(2))

▶ Attach to your tax return. ▶ See separate instructions.

OMB No. 1545-0184

1997

27

Name(s) shown on return: DUKE ENERGY CORPORATION

Identifying number: 56-0205520

1 Enter here the gross proceeds from the sale or exchange of real estate reported to you for 1997 on Form(s) 1099-S (or a substitute statement) that you will be including on line 2, 10, or 22 1

Part I Sales or Exchanges of Property Used in a Trade or Business and Involuntary Conversions From Other Than Casualty or Theft - Property Held More Than 1 Year

(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) GAIN or (LOSS) for entire year. Subtract (f) from the sum of (d) and (e)	(h) 28% RATE GAIN or (LOSS) * (see instr. below)
2						-3,758,058	

3	Gain, if any, from Form 4684, line 39	3	
4	Section 1231 gain from installment sales from Form 6252, line 26 or 37	4	
5	Section 1231 gain or (loss) from like-kind exchanges from Form 8824	5	
6	Gain, if any, from line 32, from other than casualty or theft	6	
7	Combine lines 2 through 6 in columns (g) and (h). Enter gain or (loss) here, and on the appropriate line as follows: **Partnerships**- Enter the gain or (loss) on Form 1065, Schedule K, line 6a and 6b. 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, column (g) is a gain and the S corporation is subject to the capital gains tax. **All others**- If line 7, column (g) is zero or a loss, enter the amount on line 11 below and skip lines 8 and 9. If line 7, column (g) 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 or (loss) in each column as a long-term capital gain or (loss) on Schedule D and skip lines 8, 9, and 12 below.	7	-3,758,058
8	Nonrecaptured net section 1231 losses from prior years (see instructions)	8	
9	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 only the gain in column (g) on Schedule D (Form 1120S), line 14, and skip lines 11 and 12 below. **All others** - If line 9, column (g) is zero, enter the gain from line 7, column (g) on line 12 below. If line 9, column (g) is more than zero, enter the amount from line 8, column (g) on line 12 below, and enter the gain or (loss) in each column of line 9 as a long-term capital gain or (loss) on Schedule D.	9	

* Corporations (other than S corporations) should not complete column (h). Partnerships and S corporations must complete column (h). All others must complete column (h) only if line 7, column (g), is a gain. 28% rate gain or loss includes all gains and losses in column (g) from sales, exchanges, or conversions (including installment payments received) either (a) before 5/7/97 or (b) after 7/28/97 for assets held more than 1 year but not more than 18 months.

Part II Ordinary Gains and Losses

10 Ordinary gains and losses not included on lines 11 through 17 (include property held 1 year or less):

						5,013,487

11	Loss, if any, from line 7, column (g)	11	-3,758,058
12	Gain, if any, from line 7, column (g) or amount from line 8, column (g) if applicable	12	
13	Gain, if any, from line 31	13	
14	Net gain or (loss) from Form 4684, lines 31 and 38a	14	
15	Ordinary gain from installment sales from Form 6252, line 25 or 36	15	
16	Ordinary gain or (loss) from like-kind exchanges from Form 8824	16	
17	Recapture of section 179 expense deduction for partners and S corporation shareholders from property dispositions by partnerships and S corporations (see instructions)	17	
18	Combine lines 10 through 17 in column (g). Enter gain or (loss) here, and on the appropriate line as follows:	18	1,255,429
a	For all except individual returns: Enter the gain or (loss) from line 18 on the return being filed.		
b	For individual returns: (1) If the loss on line 11 includes a loss from Form 4684, line 35, column (b)(ii), enter that part of the loss here and on line 22 of Schedule A (Form 1040). Identify as from "Form 4797, line 18b(1)." See instructions	18b(1)	
	(2) Redetermine the gain or (loss) on line 18, excluding the loss, if any, on line 18b(1). Enter here and on Form 1040, line 14	18b(2)	

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Form 4797 (1997)

DUKE ENERGY CORPORATION 56-0205520

Adjusted Current Earnings Worksheet

▶ See ACE Worksheet Instructions.

1	Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626				1	912,408,292
2	ACE depreciation adjustment:					
a	AMT depreciation			252,425,283		
b	ACE depreciation:					
	(1) Post-1993 property	2b(1)				
	(2) Post-1989, pre-1994 property	2b(2)				
	(3) Pre-1990 MACRS property	2b(3)				
	(4) Pre-1990 original ACRS property	2b(4)				
	(5) Property described in sections 168(f)(1) through (4)	2b(5)				
	(6) Other property	2b(6)	230,215,076			
	(7) Total ACE depreciation. Add lines 2b(1) through 2b(6)			2b(7) 230,215,076		
c	ACE depreciation adjustment. Subtract line 2b(7) from line 2a				2c	22,210,207
3	Inclusion in ACE of items included in earnings and profits (E&P):					
a	Tax-exempt interest income			3a 2,272,703		
b	Death benefits from life insurance contracts			3b 1,133,901		
c	All other distributions from life insurance contracts (including surrenders)			3c		
d	Inside buildup of undistributed income in life insurance contracts			3d 12,286,915		
e	Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)			3e		
f	Total increase to ACE from inclusion in ACE of items included in E&P. Add lines 3a through 3e				3f	15,693,519
4	Disallowance of items not deductible from E&P:					
a	Certain dividends received			4a 1,788,518		
b	Dividends paid on certain preferred stock of public utilities that are deductible under section 247			4b		
c	Dividends paid to an ESOP that are deductible under section 404(k)			4c		
d	Nonpatronage dividends that are paid and deductible under section 1382(c)			4d		
e	Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list)			4e		
f	Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e				4f	1,788,518
5	Other adjustments based on rules for figuring E&P:					
a	Intangible drilling costs			5a		
b	Circulation expenditures			5b		
c	Organizational expenditures			5c		
d	LIFO inventory adjustments			5d		
e	Installment sales			5e		
f	Total other E&P adjustments. Combine lines 5a through 5e				5f	
6	Disallowance of loss on exchange of debt pools				6	
7	Acquisition expenses of life insurance companies for qualified foreign contracts				7	
8	Depletion				8	
9	Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property				9	-7,692,048
10	Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626				10	944,408,488

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Deloitte & Touche

TAXPAYER *DUKE ENERGY CORPORATION*

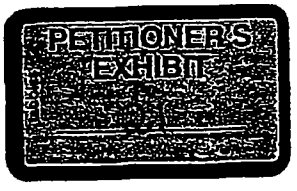
AMENDED CORPORATION TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1998

To be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of Tax	Total Tax $ Less: payments & credits $ Balance due (overpayment) $(13,050,354)
Overpayment	☒ Refunded to you $13,050,354. ☐ 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	IMMEIDATELY Certified mail recommended, with return receipt. For metered mail, the meter date is not evidence of timely filing.
Special Instructions	



MISCSTATELTRS

DES00013761

STATE OF SOUTH CAROLINA
'C' CORPORATION INCOME TAX RETURN
RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC1120
(Rev. 9/96) 3091

A COPY OF FEDERAL FORM 1120, 1120A, 1120H or 1120F AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN

AS AMENDED USE PEEL-OFF LABEL

PLACE PEEL-OFF LABEL HERE

RETURN FOR 12/31/98 INCOME
PERIOD ENDING 12/31/99 LICENSE
RETURN DUE 03/15/99

FILE NO. 20090024-9
BUSINESS CODE 4911
EMPLOYER ID NO. 56-0205520

NAME DUKE ENERGY CORPORATION
STREET ADDRESS MAIL CODE PB05B
CITY CHARLOTTE STATE NC ZIP CODE 28242

Extension Requested: Yes X No
Type of SC Return: Separate X Consolidated
If Final Return, Indicate Whether: Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn ☐
County or counties in SC Where Property is located:
VARIOUS

City Audit Location: CHARLOTTE, NC State
Telephone Number: (704) 382-8175
Total cost of land, buildings and land improvements in SC. ▶
Total cost of depreciable personal property in SC. ▶

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal Taxable Income Per Federal Form 1120 or 1120 A	1	1,287,969,145
2. Net Adjustment from line 12, Schedule A and B	2	89,513,316
3. Total Net Income As Reconciled (line 1 plus or minus line 2)	3	1,377,482,461
4. If Multi-state Corporation, enter amount from line 6, Schedule G; otherwise, enter amount from line 3	4	176,603,208 *
5. LESS: South Carolina net operating loss carryover, if applicable	5	
6. South Carolina Net Income subject to tax (line 4 less line 5)	6	176,603,208
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7	8,830,160
8. Less tax deferred on income from foreign trade receipts (see instructions)	8	
9. Balance (line 7 less line 8)	9	8,830,160
10. Non-refundable credits from line 3, Schedule C	10	< >
11. Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11	8,830,160
12. Interest on DISC-deferred tax liability ____; or Foreign Trade deferred tax liability ____	12	
13. Total tax and/or interest (add lines 11 and 12)	13	8,830,160
14. Payments: (a) Tax Withheld (see instructions) ____ (b) Paid by Declaration ____ (c) Paid with Tentative Return ____ (d) Credit from line 29b ____		
15. Total Payments (add lines 14a through 14d)	15	21,880,515
16. Balance of Tax and/or Interest Due (line 13 less line 15)	16	0.00
17. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total.	17	
18. TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18	0.00
19. OVERPAYMENT (line 15 less line 13) 13,050,354 To be applied as follows: (a) Estimated Tax ▶ ____ (b) License Fee ▶ ____ (c) Refunded ▶		13,050,354

COPY

PART II COMPUTATION OF LICENSE FEE

20. Total Capital And Paid In Surplus (Multi-State Corporations See Schedule E)	20	
21. FEE DUE - Line 20 x .001, plus $15.00 (Fee cannot be less than $25.00)	21	
22. Less Application of Corporate Headquarters credit (TC-8)	22	
23. Balance (line 21 less line 22)	23	
24. Payments: (a) Paid With Tentative Return ____ (b) Credit from line 19b ____		
25. Total Payments (add line 24 (a) and (b))	25	
26. Balance Of Fee Due (line 23 less line 25)	26	
27. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total	27	
28. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28	
29. OVERPAYMENT (line 25 less line 23) ____ To be applied as follows: (a) Estimated Tax ▶ ____ (b) Income Tax ▶ ____ (c) Refunded ▶		
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28)	30	0.00

Make checks payable to: SC Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

▶ Signature of officer Date 12/12/2002 ▶ Title

Paid Preparer's Use Only

Preparer's signature ▶ David M. Hebly Date 12/11/2002 Check if self-employed ▶ ☐ Preparer's social security no. 172-60-8283

Firm's name (or yours if self-employed) and address ▶ DELOITTE AND TOUCHE LLP
2500 ONE PPG PLACE
E.I. No. ▶ 13-3891517
Zip code ▶ 15222

STF SC42811F.1 * SEE ATTACHED RECONCILIATION SCHEDULE BY AMENDED ENTITY

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income ..... 1. _____
2. Federal Net Operating Loss ..... 2. _____
3. _____ 3. _____
4. _____ 4. _____
5. Other Additions (attach schedule) ..... 5. _____
6. Total Additions (add lines 1 through 5) ..... 6. _____

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S. ..... 7. _____
8. _____ 8. _____
9. _____ 9. _____
10. Other Deductions (attach schedule) ..... 10. _____
11. Total Deductions (add lines 7 through 10) ..... 11. _____
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120 ..... 12. _____

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I) ..... 1. _____
2. Tax (line 9, Part I, SC1120) ..... 2. _____
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120) ..... 3. _____
4. Credit Carryover (line 1 less line 3) ..... 4. _____

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 _____ on _____
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is _____
5. 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. LOMAX
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 02/24/63
8. Location of principal office (street address) _____
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of _____
   Located at (street address) _____
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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? NO
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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE

STF SC42611F.2

AMENDED
5074

DES00013763

SCHEDULES E, F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE - MULTI-STATE CORPORATIONS

1. Total Capital and Paid-In-Surplus at end of Year	$
2. S.C. PROPORTION: (line 1 x ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 20, Part II.	$

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	Property to Be Excluded from Property Factor 6
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains/losses on real property						
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED						
8. INCOME DIRECTLY ALLOCATED TO S.C.						
9. TOTALS TO APPORTIONMENT FACTORS						

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.	
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.	176,603,208

SCHEDULE H - 1 COMPUTATION OF FOUR 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 Sales (same as line 14.)			%
16. TOTAL of Ratios (add Column 3 - lines 10, 13, 14 and 15)			%
17. Arithmetical Average of 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 (see instructions)	< >	< >	
3. Gross Receipts (for ratio)			
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			%

CHEDULE 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 NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add: (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. _____
   (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 AFDC Recipients (TC-12) ..... l. _____
   (m) Additional AFDC Credit (TC-12-A) ..... m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name _____ S.C.I.D. NO. _____
2. Date of this report _____ Fed. E.I. No. _____
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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 eddresses 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

For additional affiliated corporations duplicate Schedule J as needed.

STF SC42811F.4

AMENDED
5076

DES00013765

Adjustments to Crescent Resources
57-0443582
South Carolina Taxable Income

	As Filed	Adjustments	As Amended
Total Net Income as Reconciled	56,410,758		56,410,758
Add: State Adjustments	4,280,173	8,412,348	12,692,521
Total Net Income as Reconciled	60,690,931	8,412,348	69,103,279
Less: Income Subject to Direct Allocation	80,242,180	8,412,348	88,654,528
Add: Expenses Directly Allocated		67,210,598	67,210,598
Total Net Income Subject to Apportionment	(19,551,249)	67,210,598	47,659,349
SC Apportionment Ratio	0.184180	0.041311	0.225491
Income Apportioned to SC	(3,600,949)	14,347,703	10,746,754
Add: Income subject to direct allocation to SC	31,737,181	8,412,348	40,149,529
Less: Expenses Directly Allocated			30,438,083
Total SC Net Income	28,136,232	(7,678,032)	20,458,200

AMENDED

Adjustments to Duke Power
58-0205520
South Carolina Taxable Income

	As Filed	Adjustments	As Amended	
Total Net Income as Reconciled	1,377,482,461		1,377,482,461	
Less: Income subject to direct allocation	2,877,337		2,877,337	
Total Net Income Subject to Apportionment	1,373,496,476		1,373,496,476	
SC Apportionment Ratio				
Property In SC	5,568,745,657	N/A		
Property Everywhere	16,273,392,549	N/A		
Property Factor	0.342199	N/A		
Payroll SC	286,274,083	N/A		
Payroll Everywhere	842,561,988	N/A		
Payroll Factor	0.339766	N/A		
Reciepts SC	1,234,806,074	-	1,234,806,074	
Reciepts Everywhere	4,590,931,288	5,653,652,892	10,244,584,180	Reciepts Only
Receipts Factor	0.268965	(0.148434)	0.120533	
SC apportionment factor	0.304974	(0.184441)	0.120533	
Income Apportioned to SC	418,880,714	(253,329,063)	165,551,651	
Add: Income subject to direct allocation to SC	401,196		401,196	
Total SC Net Income	419,281,910	(253,329,063)	165,952,847	

AMENDED

5078

1773

STATE OF SOUTH CAROLINA
'C' CORPORATION INCOME TAX RETURN
RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC1120
(Rev. 9/96) 3091

A COPY OF FEDERAL FORM 1120, 1120A, 1120H or 1120F AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN

AS AMENDED USE PEEL-OFF LABEL

PLACE PEEL-OFF LABEL HERE

RETURN FOR 12/31/98 INCOME
PERIOD ENDING 12/31/99 LICENSE
RETURN DUE 03/15/99

FILE NO. 20090024-9
BUSINESS CODE 221100
EMPLOYER ID NO. 56-0205520

NAME DUKE ENERGY CORPORATION
STREET ADDRESS MAIL CODE PB05B
CITY CHARLOTTE STATE NC ZIP CODE 28201-1244

Extension Requested: Yes ___ No ___
Type of SC Return: Separate X Consolidated ___
If Final Return, Indicate Whether: Merged ☐
Reorganized ☐ Dissolved ☐ Withdrawn ☐
County or counties in SC Where Property is located:
VARIOUS

City Audit Location State
CHARLOTTE, NC
Telephone Number: (704) 382-8175
Total cost of land, buildings and land improvements in SC.
▶ 0
Total cost of depreciable personal property in SC.
▶ 0

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal Taxable Income Per Federal Form 1120 or 1120 A	1	1,287,969,145
2. Net Adjustment from line 12, Schedule A and B	2	89,513,316
3. Total Net Income As Reconciled (line 1 plus or minus line 2)	3	1,377,482,461
4. If Multi-state Corporation, enter amount from line 6, Schedule G; otherwise, enter amount from line 3	4	437,610,303 ✓
5. LESS: South Carolina net operating loss carryover, if applicable	5	0
6. South Carolina Net Income subject to tax (line 4 less line 5)	6	437,610,303 ✓
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7	21,880,515 ✓
8. Less tax deferred on income from foreign trade receipts (see instructions)	8	0
9. Balance (line 7 less line 8)	9	21,880,515
10. Non-refundable credits from line 3, Schedule C	10	< 472,454 >
11. Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11	21,408,061
12. Interest on DISC-deferred tax liability ___; or Foreign Trade deferred tax liability ___	12	0
13. Total tax and/or interest (add lines 11 and 12)	13	21,408,061
14. Payments: (a) Tax Withheld (see instructions) ___ (b) Paid by Declaration ___ (c) Paid with Tentative Return ___ (d) Credit from line 29b ___		
15. Total Payments (add lines 14a through 14d)	15	21,287,205
16. Balance of Tax and/or Interest Due (line 13 less line 15)	16	120,856
17. Interest Due ▶ ___ Penalty Due ▶ ___ (See penalty and interest instructions.) Enter total.	17	0
18. TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18	120,856
19. OVERPAYMENT (line 15 less line 13) ___ To be applied as follows: (a) Estimated Tax ▶ ___ (b) License Fee ▶ ___ (c) Refunded ▶ ___		

PART II COMPUTATION OF LICENSE FEE

20. Total Capital And Paid In Surplus (Multi-State Corporations See Schedule E)	20	1,493,369,769
21. FEE DUE - Line 20 x .001, plus $15.00 (Fee cannot be less than $25.00)	21	5,802,137
22. Less Application of Corporate Headquarters credit (TC-8) INFRASTRUCTURE GRANTS RURAL DEV ACT	22	300,000
23. Balance (line 21 less line 22)	23	5,502,137
24. Payments: (a) Paid With Tentative Return ___ (b) Credit from line 19b ___		
25. Total Payments (add line 24(a) and (b))	25	6,181,276
26. Balance Of Fee Due (line 23 less line 25)	26	(679,139)
27. Interest Due ▶ ___ Penalty Due ▶ ___ (See penalty and interest instructions.) Enter total	27	0
28. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28	(679,139)
29. OVERPAYMENT (line 25 less line 23) 406,584 To be applied as follows: (a) Estimated Tax ▶ ___ (b) Income Tax ▶ ___ (c) Refunded ▶ 679,139		
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28)	30	(558,283)

COPY

Make checks payable to: SC Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

▶ Signature of officer | Date | ▶ Title

Paid Preparer's Use Only

Preparer's signature ▶ | Date | Check if self-employed ▶ ☐ | Preparer's social security no.

Firm's name (or yours if self-employed) and address ▶ DELOITTE AND TOUCHE LLP
2500 ONE PPG PLACE
Pittsburgh, PA 15222

E.I. No. ▶ 13-3891517
Zip code ▶ 15222

AS ORIGINALLY FILED

STF SC42811F.1

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1. 99,990,402		
2. Federal Net Operating Loss	2.		
3.	3.		
4.	4. 2,645,618		
5. Other Additions (attach schedule)	5. (13,072,155)		
6. Total Additions (add lines 1 through 5)		6.	89,563,865

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7. 50,549		
8.	8.		
9.	9.		
10. Other Deductions (attach schedule)	10.		
11. Total Deductions (add lines 7 through 10)		11.	50,549
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120		12.	89,513,316

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I)	1.	472,454
2. Tax (line 9, Part I, SC1120)	2.	21,880,515
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120)	3.	472,454
4. Credit Carryover (line 1 less line 3)	4.	0

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation DUKE ENERGY CORPORATION
2. Date of this Report 09/09/99 Fed. E.I. No. 56-0205520
3. Incorporated under the Laws of the State of NC on 02/10/1964
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is
5. Location of the Registered Office of the Corporation in the State of South Carolina is
   In the City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
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
8. Location of principal office (street address) 84 VILLA RD.
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of JEFFREY L. BOYER
   Located at (street address) 422 S. CHURCH STREET CHARLOTTE, NC 28202
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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? NO
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
	COMMON	
	PREFERRED	

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
	COMMON	
	PREFERRED	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	$	4,792,179,391
Total paid in Capital Surplus	$	1,326,434,438
Total amount of stated Capital	$	6,118,613,829

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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE

SCHEDULES E, F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE - MULTI-STATE CORPORATIONS

1. Total Capital and Paid-In-Surplus at end of Year	$6,118,613,829
2. S.C. PROPORTION: (line 1 × ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 20, Part II.	$

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	Property to Be Excluded from Property Factor 6
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains/losses on real property						
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED						
8. INCOME DIRECTLY ALLOCATED TO S.C.						
9. TOTALS TO APPORTIONMENT FACTORS						

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.
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 FOUR 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 Sales (same as line 14.)			%
16. TOTAL of Ratios (add Column 3 - lines 10, 13, 14 and 15)			%
17. Arithmetical Average of 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 (see instructions)	< >	< >	
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	Ratio
1. Total Within South Carolina		
2. Total for System		
3. Ratio (South Carolina ÷ Total System)		%

STF SC42611F.3 SAME AS ORIGINALLY FILED

AS ORIGINALLY FILED
5081

DES00013770

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits)	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) South Carolina New Jobs Credit (TC-4)	d.	
(e) Scenic Rivers (TC-5)	e.	
(f) Infrastructure Construction or Improvement (TC-6)	f.	90,000
(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.	382,454
(l) Credit for Hiring AFDC Recipients (TC-12)	l.	
(m) Additional AFDC Credit (TC-12-A)	m.	
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C)	3.	472,454

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE ENERGY CORPORATION S.C.I.D. NO.
2. Date of this report 09/09/99 Fed. E.I. No. 56-0205520
3. Address MAIL CODE PB05B 422 S. CHURCH STREET CHARLOTTE, NC 28201-1244
4. Incorporated under the laws of the State of NC on 02/10/1964
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 GREENVILLE and Registered Agent at such address is JOHN F. LOMAX
7. Was the name of the Corporation changed during the year? NO Give old name
8. Date commenced business in the State of South Carolina was
9. Location of principal Office
   Nature of principal business in S.C.
10. The Corporation's books are in the care of
    Located at
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
	COMMON	
	PREFERRED	

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
	COMMON	
	PREFERRED	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	$	4,781,676,338
Total paid in Capital Surplus	$	(5,200,669)
Total amount of stated Capital	$	4,776,475,669

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

For additional affiliated corporations duplicate Schedule J as needed.

SCHEDULE K 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 for Property Tax Purposes	1.	2,474,285,714
2. Fee Due: Line 1 × .001	2.	2,474,286

		Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):			
		$ 4,499,635,315	$ 1,096,902,793
4. Total Operating Revenues	4.	$ 4,499,635,315	$ 1,096,902,793
5. Other Receipts, (Itemize):	5.		
6. Total Other Receipts	6.	$	$
7. Total Gross Receipts (add lines 4 and 6)	7.		1,096,902,793
8. Fee Due (line 7, Column B × .003)	8.		$ 3,290,708
9. Total License Fee Due (add lines 2 and 8) (Enter here and also on line 16 Part II, Page 1.)	9.		$ 5,764,994

Excerpts from 1976 Code of Laws as Amended
Code Section 12-20-100 as amended for taxable years beginning after 1995.

(A) In the place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigation company, waterworks 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:

(1) one dollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and used within this state in the conduct of business as determined by the department for property tax purposes for the preceding taxable year; and

(2) three dollars for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered from regulated business within this state during the preceding taxable year, except that with regard to electric cooperatives, only distribution electric cooperatives are subject to the gross receipts portion of the license fee under this subitem.

(B) The minimum license fee under this section is $25.

NEW INFORMATION

The signature section of the return contains a "check the box" authorization for release of confidential information. A check in the "yes" box authorizes the Director of the Department of Revenue or delegate to discuss the return, its attachments and any notices, adjustments or assessments with the preparer.

INSTRUCTIONS

Line 17 Instructions - If the company paid cash to provide infrastructure for a qualifying project, enter the amount on line 17. Attach a schedule to the return setting forth the name of the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amounts in cash that were 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 maximum credit for a 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 tax year. For more information see SC Revenue ruling #96-11.

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

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

		DUKE POWER 56-0205520	CLT DEVELOP 56-1393851	CRES CDM SC 56-2030305	CRESCENT RES 57-0443582	DE&S RESOURCES 56-1953976
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS:	2,914,180					
* OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS	332,904					
(A) ESTIMATED TAX	332,904					
(B) LICENSE FEE	2,581,276					
(C) REFUNDED	0					
PART II COMPUTATION OF LICENSE FEE						
20. TOTAL CAPITAL AND PAID IN SURPLUS	0	5,808,137 0	5,964,799 0	0	0	0
21. FEE DUE - LINE 20 X $.001 + $15.00 ($25 MIN)	6,181,276	6,[illegible]	25	25	6,[illegible]	25
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0	0
23. BALANCE (LN 21 - 22)	6,181,276					
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	3,600,000	3,600,000	0	0	0	0
(B) CREDIT FROM LINE 19(B)	2,581,276	2,581,276	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)	6,181,276					
26. BALANCE OF FEE DUE (LN 23 - 25)	0					
27. (A) INTEREST DUE	0					
(B) PENALTY DUE	0					
TOTAL INTEREST AND PENALTY	0					
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)	0					
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS:	0					
(A) ESTIMATED TAX	0					
(B) INCOME TAX	0					
(C) REFUNDED	0					
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE	0					

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5084

DES00013773

SC CONS WITH DUKE POWER
Year: 1998

	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976539	CT&W GASTONIA 56-1587250	M-P SUPPLY 56-0322810
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS: * OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS (A) ESTIMATED TAX (B) LICENSE FEE (C) REFUNDED						
PART II COMPUTATION OF LICENSE FEE						
20. TOTAL CAPITAL AND PAID IN SURPLUS	0	0	0	0	0	0
21. FEE DUE - LINE 20 X $.001 + $15.00 ($25 MIN)	2,388	27,007	25	25	25	25
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0	0
23. BALANCE (LN 21 - 22)						
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	0	0	0	0	0	0
(B) CREDIT FROM LINE 19(B)	0	0	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)						
26. BALANCE OF FEE DUE (LN 23 - 25)						
27. (A) INTEREST DUE (B) PENALTY DUE TOTAL INTEREST AND PENALTY						
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)						
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS: (A) ESTIMATED TAX (B) INCOME TAX (C) REFUNDED						
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE						

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5085

DES00013774

SC CONS WITH DUKE POWER
Year: 1998

	TECHTROL 56-1344719	INTERA 56-1934649	DCOMSRVINC 56-2117886	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904643	DETMI MGT, INC 84-1274542
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS: * OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS						
(A) ESTIMATED TAX						
(B) LICENSE FEE						
(C) REFUNDED						
PART II COMPUTATION OF LICENSE FEE						
20. TOTAL CAPITAL AND PAID IN SURPLUS	0	0	0	0	0	0
21. FEE DUE - LINE 20 X 5.00¢ + $15.00 ($25 MIN)	82	25	25	26	902	34
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0	0
23. BALANCE (LN 21 - 22)						
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	0	0	0	0	0	0
(B) CREDIT FROM LINE 19(B)	0	0	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)						
26. BALANCE OF FEE DUE (LN 23 - 25)						
27. (A) INTEREST DUE						
(B) PENALTY DUE						
TOTAL INTEREST AND PENALTY						
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)						
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS:						
(A) ESTIMATED TAX						
(B) INCOME TAX						
(C) REFUNDED						
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE						

AS ORIGINALLY FILED

5086

DES00013775

SC CONS WITH DUKE POWER
Year: 1998

	WATEREE POWER 56-0751405	GREENVILLE 56-0891274	SOUTHERN POWER 56-0891283	CRESCENT LIT 56-1799013	DSLLC 56-2096114	GLOBAL ASSET 88-0366429
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS: * OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS (A) ESTIMATED TAX (B) LICENSE FEE (C) REFUNDED						
PART II COMPUTATION OF LICENSE FEE						
20. TOTAL CAPITAL AND PAID IN SURPLUS	0	0	0	0	0	0
21. FEE DUE - LINE 20 X $.001 + $15.00 ($25 MIN)	25	25	25	25	25	25
22. LESS APPLICATION OF CORP. NO CREDIT	0	0	0	0	0	0
23. BALANCE (LN 21 - 22)						
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	0	0	0	0	0	0
(B) CREDIT FROM LINE 19(B)	0	0	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)						
26. BALANCE OF FEE DUE (LN 23 - 25)						
27. (A) INTEREST DUE (B) PENALTY DUE TOTAL INTEREST AND PENALTY						
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)						
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS: (A) ESTIMATED TAX (B) INCOME TAX (C) REFUNDED						
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE						

AS ORIGINALLY FILED

5087

DES00013776

DUKE ENERGY CORPORATION
SOUTH CAROLINA LICENSE TAX FOR UTILITIES

	1999
Receipts Reported on Original Return	1,223,282,387
Less: Sales for Resale	(102,215,651)
Less: Rents	(13,670,879)
Less: Water Revenues	(6,664,427)
Less:Forfeited Discounts	(2,473,500)
Less: Bad Debt	
Less: Interdepartmental rents	(788,424)
Less: Misc. Service Revenue/Other Electric Revenues	
Less: Interdepartmental sales	(566,713)
Adjusted Receipts	1,096,902,793

AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

ECONOMIC IMPACT ZONE PROPERTY INVESTMENT CREDIT

Attach to Forms SC1040, SC1041, SC1120, SC1120S or SC1120U.

SC SCH. TC-11-B
(Rev. 9/98)
3348
19 98

Name as Shown on Tax Return	Social Security or Employer ID Number
DUKE ENERGY CORPORATION	56-0205520

This schedule must be completed and filed with the income tax return in order to claim an investment tax credit for the cost basis of economic impact zone property. The definitions on the reverse side should be carefully read before completing this schedule, as there are certain requirements that must be met before qualifying for this tax credit.

Purpose: Use this form to claim the income tax investment credit for qualifying Economic Impact Zone Property for investments made after June 30, 1998.

Enter Economic Impact Zone Property on the schedule below. (Qualifying property is used as an integral part of manufacturing or production or used as an integral part of extracting of or furnishing transportation, communications, electrical energy, gas, water or sewage disposal services in the economic impact zone.)

		(1) Basis	(2) Credit Percentage	(3) Credit Amount (column 1 x column 2)
1.	Three-year Property		1%	1.
2.	Five-year Property		2%	2.
3.	Seven-year Property		3%	3.
4.	Ten-year Property		4%	4.
5.	Fifteen-year Property or greater	5,688,380	5%	5. 284,419
6.	Total of lines 1 through 5			6. 284,419
7.	Maximum Credit (Form SC1120U filers) For Investments made after June 30, 1998			7. $5,000,000
8.	Carryover of unused credits from 1997			8. 0
9.	Credit - Total of lines 6 and 8 Caution: SC1120U filers add the lesser of lines 6 or 7 to line 8			9. 284,419

Note: For taxable years beginning after 1997 for investments made before July 1, 1998, see Schedule TC-11-A.

An additional $98,035 of credit claimed by DukeNet (56-1879392)

STF SC#2816F

AS ORIGINALLY FILED

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STATE OF SOUTH CAROLINA
'C' CORPORATION INCOME TAX RETURN
RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

Mail this return to:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC1120
(Rev. 8/98) 3001

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

USE PEEL-OFF LABEL

PLACE PEEL OFF LABEL HERE

RETURN FOR 12 31 1998 INCOME
PERIOD ENDING 12 31 1999 LICENSE
RETURN DUE 03 15 1999

FILE NO 20090024-9
BUSINESS CODE 221100
EMPLOYER ID NO. 56-0205520

NAME AND ADDRESS
DUKE ENERGY CORPORATION
Mail Code P805B
422 S. Church Street
Charlotte NC 28201-1244
Check box if this is a change of address.

Extension Requested: Yes No
Type of SC Return: Separate X Consolidated
If Final Return, Indicate Whether: Merged
Reorganized Dissolved Withdrawn
County or Counties in SC Where Property is Located: Various
EFT
City Charlotte Audit Location State NC
Telephone Number: 704-382-8175
Total cost of land, buildings and land improvements in SC. ▶ 0
Total cost of depreciable personal property in SC. ▶ 0

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal Taxable Income per Federal Form 1120 or 1120 A	1.		1,287,969,145
2. Net Adjustment from line 12, Schedule A and B	2.		89,513,316
3. Total Net Income as Reconciled (line 1 plus or minus line 2)	3.		1,377,482,461
4. If Multi-state Corporation, enter amount from line 6, Schedule G; otherwise, enter amount from line 3	4.		437,610,303
5. LESS: South Carolina net operating loss carryover, if applicable	5.		0
6. South Carolina Net Income subject to tax (line 4 less line 5)	6.		437,610,303
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7.		21,880,515
8. Less tax deferred on income from foreign trade receipts (see instructions)	8.		0
9. Balance (line 7 less line 8)	9.		21,880,515
10. Non-refundable credits from line 3, Schedule C	10.	<	593,310 >
11. Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11.		21,287,205
12. Interest on DISC-deferred tax liability 0 ; or Foreign Trade Deferred Tax Liability 0	12.		0
13. Total tax and/or interest (add lines 11 and 12)	13.		21,287,205
14. Payments: (a) Tax Withheld (see instructions) 31,067 (b) Paid by Declaration 24,170,318 (c) Paid with Tentative Return 0 (d) Credit from line 29b 0			
15. Total Payments (add lines 14a through 14d)	15.		24,201,385
16. Balance of Tax and/or Interest Due (line 13 less line 15)	16.		-2,914,180
17. Interest Due ▶ 0 Penalty Due ▶ 0 (See penalty & interest instr.) Enter Total. ▶	17.		0
18. TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18.		0
19. OVERPAYMENT (line 15 less line 18) 2,914,180 To be applied as follows:			
(a) Estimated Tax ▶ 332,904 (b) License Fee ▶ 2,581,276 (c) Refunded ▶			0

PART II COMPUTATION OF LICENSE FEE

20. Total Capital And Paid In Surplus (Multi-State Corporations See Schedule E)	20.		0
21. FEE DUE - Line 20 x .001, plus $15.00 (Fee cannot be less than $25.00)	21.		6,181,276
22. Less Application of Corporate Headquarters credit (TC-8)	22.		0
23. Balance (line 21 less line 22)	23.		6,181,276
24. Payments: (a) Paid With Tentative Return 3,600,000 (b) Credit from Line 19b 2,581,276			
25. Total Payments (add line 24(a) and (b))	25.		6,181,276
26. Balance of Fee Due (line 23 less line 25)	26.		0
27. Interest Due ▶ 0 Penalty Due ▶ 0 (See penalty & interest instr.) Enter Total. ▶	27.		0
28. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28.		0
29. OVERPAYMENT (line 25 less line 23) 0 To be applied as follows:			
(a) Estimated Tax ▶ 0 (b) Income Tax ▶ 0 (c) Refunded ▶			0
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28)	30.		0

Please Sign Here

I, the undersigned, a 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.

Signature of officer | CARY FLYNN | Date 9/14/99 | VICE PRESIDENT - TAX (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

Paid Preparer's Use Only

Preparer's signature | Date | Check if self-employed ▶ ☐ | Preparer's social security no

Firm's name (or yours if self-employed) and address

AS ORIGINALLY FILED

E.I. No. ▶

ZIP Code ▶

DES00013779

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

SC1120-T
(Rev. 8/98)
3096

SC FILE NO.

56-0205520
FED EI NO.

Return for the Period Ending
12/31/98

Return extended to 09/15/99

Signature _____ Date 03/12/99

Duke Energy Corporation
422 S. Church Street P.O. Box 1244
Charlotte, NC 28201-1244
Corporate name and mailing address

Complete all blank areas.

1.	Tentative Tax Based on Net Income	21,630,790
2.	LESS: Estimated Tax Payments	24,080,499
3.	Tentative Tax Due	(2,449,709.00)
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 or Banks)	6,049,709
5.	Balance Remitted	3,600,000.00

Corporation Tentative, Columbia, SC 29214-0006

Official form is smaller than full page. Please cut to size along dashed lines before filing.

INSTRUCTIONS FOR TENTATIVE CORPORATION TAX RETURN

In order to have a valid extension, a Tentative Corporation Tax Return (Form SC1120-T) must be completed and filed by the due date. Any amounts shown to be due on this form must be paid when the SC1120-T is filed. A penalty will be incurred for failure to pay at least ninety (90) percent of the total tax due by the original due date. South Carolina does not recognize an extension issued by the Internal Revenue Service or any other state.

Any request for an additional extension must be submitted in writing on or before the due date of the extended period. Do not file a second tentative return. The extended due date must be shown on Form SC1120-T. If a date is not shown, the extension will be considered valid for only 180 days.

A duplicate copy of this return must be attached to the completed return. No refund will be issued from a tentative return.

Taxpayers filing a consolidated return should file a single tentative return and attach a schedule listing each taxpayer. The license fees are computed separately and then added. The additional $15 applies to each taxpayer. The license fee is not applicable to savings and loan associations or banks.

Failure to list members of the affiliated group may result in the group's inability to elect to file a consolidated return.

Mail to: South Carolina Department of Revenue, Corporation Tentative, Columbia SC 29214-0006.

STF SC42643F

AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

1998
UNDERPAYMENT OF ESTIMATED TAX BY CORPORATIONS

▶ Attach to your tax return.

SC2220
(Rev. 12/14/98)
3099

Name

DUKE ENERGY CORPORATION

Employer identification number

56-0205520

Part I Reasons for Filing – Check the boxes below that apply to the corporation. If any box is checked, the corporation must file form SC2220 with the corporation's tax return, even if it does not owe the penalty. If the box on line 1 or line 2 applies, the corporation may be able to lower or eliminate the penalty. See instructions.

1	X	The corporation is using the annualized income installment method.
2		The corporation is using the adjusted seasonal installment method.
3	X	The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

Part II Figuring Your Underpayment

1	Total tax (line 11, Form SC1120; or comparable line for other income tax returns). If the result is less than $100, do not complete the rest of this form. You do not owe the penalty.				21,287,205
2a	Enter the tax shown on your 1997 return (Caution: See instructions before completing this line)			13,306,614	
2b	Enter the lesser of line 1 or line 2a. If the corporation is required to skip line 2a, enter the amount from line 1 on line 2b			21,287,205	
		(a)	(b)	(c)	(d)
3	Installment due dates. Enter in columns (a) through (d) the installment due date (the 15th day of the 3rd, 6th, 9th, and 12th months your tax year)	3	03 16 1998	06 15 1998	09 15 1998	12 15 1998
4	Enter 25% of line 2b in columns (a) through (d) (see instructions for annualized income installment method or adjusted seasonal installment method). Complete lines 5 through 12 for one column before completing next column. (See instructions for amounts to be entered by a "large corporation".)	4	3,326,654	3,588,866	6,735,279	10,346,804
5	Estimated Tax paid or credited for each period. (For column (a) only, enter the amount from line 5 on line 9.)	5	7,520,318	2,850,000	3,600,000	10,200,000
6	Enter amount, if any, from line 12 of previous column	6		4,193,664	3,454,798	319,519
7	Add lines 5 and 6	7		7,043,664	7,054,798	10,519,519
8	Add amounts on lines 10 and 11 of the previous column and enter the result	8		0	0	0
9	Subtract line 8 from line 7. If zero or less, enter zero. (For column (a) only, enter the amount from line 5.)	9	7,520,318	7,043,664	7,054,798	10,519,519
10	If the amount on line 9 is zero, subtract line 7 from line 8 and enter the result. Otherwise, enter zero	10		0	0	
11	Underpayment. If line 8 is less than or equal to line 4, subtract line 9 from line 4 and enter the result. Then go to line 6 of the next column. Otherwise, go to line 12	11	0	0	0	0
12	Overpayment. If line 4 is less than line 9, subtract line 4 from line 9 and enter the result. Then go to line 6 of the next column	12	4,193,664	3,454,798	319,519	172,715

Go to Part III on page 2 to figure the penalty.

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DES00013781

Duke Energy Coproration
Schedule of Annualized Income to Accompany Form SC Form 2220
1998

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
First quarter based on prior year tax				
Quarterly income of all SC entities after SC allocation percentages and annualization		276,620,818	364,021,309	479,952,060
Annualized SC Tax at 5%		13,831,041	18,201,065	23,997,603
Amounts due by Quarter:				
1/4 of prior year liability	3,326,654			
50% due by 2nd quarter		6,915,520		
75% due by 3rd quarter			13,650,799	
100% due by 4th quarter				23,997,603
Less: Amounts Previously Due:				
1st Quarter		3,326,654	3,326,654	3,326,654
2nd Quarter			3,588,866	6,915,520
3rd Quarter				13,650,799
4th Quarter				
Total Line 4 - Form SC2220	3,326,654	3,588,866	6,735,279	10,346,804

allocation98.xls9/10/991:36 PM

AS ORIGINALLY FILED

Part III Figuring the Penalty

		(a)	(b)	(c)	(d)
13 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier. (Form 990-T filers: Use 5th month instead of 3rd month.)	13	03 16 1998	06 15 1998	09 15 1998	12 15 1998
14 Number of days from due date of installment on line 3 to the date shown on line 13	14	0	0	0	0
15 Number of days on line 14 after 3/15/98 and before 1/1/99	15	0	0	0	0
16 Underpayment on line 11 x Number of days on line 15 / 365 x 8%	16	$ 0	$ 0	$ 0	$ 0
17 Number of days on line 14 after 12/31/98 and before 4/1/99	17	0	0	0	0
18 Underpayment on line 11 x Number of days on line 17 / 365 x 7%	18	$ 0	$ 0	$ 0	$ 0
19 Number of days on line 14 after 3/31/99 and before 7/1/99	19	0	0	0	0
20 Underpayment on line 11 x Number of days on line 19 / 365 x *% 0.0000	20	$ 0	$ 0	$ 0	$ 0
21 Number of days on line 14 after 6/30/99 and before 10/1/99	21	0	0	0	0
22 Underpayment on line 11 x Number of days on line 21 / 365 x *% 0.0000	22	$ 0	$ 0	$ 0	$ 0
23 Number of days on line 14 after 9/30/99 and before 1/1/2000	23	0	0	0	0
24 Underpayment on line 11 x Number of days on line 23 / 365 x *% 0.0000	24	$ 0	$ 0	$ 0	$ 0
25 Number of days on line 14 after 12/31/99 and before 2/16/2000	25	0	0	0	0
26 Underpayment on line 11 x Number of days on line 25 / 365 x *% 0.0000	26	$ 0	$ 0	$ 0	$ 0
27 Add lines 16, 18, 20, 22, 24 and 26	27	$ 0	$ 0	$ 0	$ 0
28 Penalty. Add columns (a) through (d), of line 27. Enter the total here and on Form SC1120, line 17; or the comparable line for other income tax returns	28				$ 0

* For underpayments paid after March 31, 1999: For lines 20, 22, 24, and 26 use the penalty interest rate for each calendar quarter that the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS's web site at www.irs.ustreas.gov. You can also call 1-800-829-10< to get interest rate information.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1.	Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits)	1.	0	
2.	Add: (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.	0	
	(e) Scenic Rivers (TC-5)	e.	0	
	(f) Infrastructure Construction or Improvement (TC-6)	f.	390,000	
	(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	
	(j) Base Closure/Federal Facility Employment Reduction Hiring Credit (TC-10)	j.	0	
	(k) Economic Impact Zone Property Investment Credit (TC-11)	k.	203,310	
	(l) Credit for Hiring Family Independence Payment Recipients (TC-12)	l.	0	
	(m) Additional Family Independence Payments Credit (TC-12-A)	m.	0	
3.	Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C)	3.		593,310

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE ENERGY CORPORATION S.C.I.D. No.
2. Date of this report 09 09 99 Fed. E.I. No. 56-0205520
3. Address Mail Code P8OSB 422 S. Church Street Charlotte NC 28201-1244
4. Incorporated under the laws of the State of NC on 02/10/1964
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 Greenville and Registered Agent at such address is John F.Lemax
7. Was the name of the Corporation changed during the year? No Give old name
8. Date commenced business in the State of South Carolina was
9. Location of principal Office
   Nature of principal business in S.C.
10. The Corporation's books are in the care of
    Located at
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	4,781,676,338
Total paid in Capital Surplus	-5,200,669
Total amount of stated Capital	4,776,475,669

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
Schedule Attached	

For additional affiliated corporations duplicate Schedule J as needed.

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Duke Energy Corporation
Calculation of SC License Fee
1998

SC license fee calculation:

FMV of SC Property			2,474,285,714
Fee at .001			2,474,286
Operating Revenues:	Total	SC	
Electric Revenues	4,489,686,318	1,216,617,960	
Water Revenues	9,948,997	6,664,427	
Total Regulated revenues	4,499,635,315	1,223,282,387	
Fee at .003			3,669,847
Total SC License Fee			6,144,133

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Duke Energy Corporation
Attachment to SC1120-T
Tenative Corporation Tax Return and Conditional Extension
Tax Year ended December 31, 1998

Listing of Taxpayers included in this extension request

		Amount
Duke Energy Corporation	56-0205520	6,013,367
CLT Development Corp.	56-1393851	25
Crescent Communities of SC, Inc.	56-2030305	25
Crescent Resources, Inc.	57-0443582	7,746
DE & S Resources, Inc.	56-1953976	25
Duke Engineering & Services, Inc.	56-6027038	2,419
DumeNet Communications, Inc.	56-1879392	23,902
Duke Merchandising Corp.	56-1926367	25
Duke Water Systems, Inc.	56-1976539	25
GT & W, Inc. of Gastonia	56-1587250	25
MP Supply, Inc.	56-0322840	25
Techtrol, Inc.	56-1544719	40
Intera, Inc.	56-1934649	33
Duke Communications Services, Inc.	56-2117886	25
Duke Project Services, Inc.	56-0858436	25
Duke Solutions, Inc.	56-0904643	1,427
Duke Services, LLC	56-2117886	25
Carolina Centers Corporation	56-1124729	25
Duke Energy Global Asset Development, Inc.	88-0366429	425
Greenville Gas & Electric Light & Power Company	56-0891274	25
Southern Power Company	56-0891283	25
Wateree Power Company	56-0751405	25
Total License Fee		6,049,709

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SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1.	Taxes on or Measured By Income	1.	99,990,402	
2.	Federal Net Operating Loss	2.	0	
3.		3.	0	
4.		4.	2,645,618	
5.	Other Additions (attach schedule)	5.	-13,072,155	
6.	Total Additions (add lines 1 through 5)			6. 89,563,865
	DEDUCTIONS FROM FEDERAL NET INCOME			
7.	Interest On Obligations Of The U.S.	7.	50,549	
8.		8.	0	
9.		9.	0	
10.	Other Deductions (attach schedule)	10.	0	
11.	Total Deductions (add lines 7 through 10)			11. 50,549
12.	Net Adjustment (line 6 less line 11) Also enter on line 2, Part 1, SC1120			12. 89,513,316

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1.	Total Credits (from Schedule I)	1.	593,310
2.	Tax (line 9, Part 1, SC1120)	2.	21,880,515
3.	Lesser of line 1 or 2 (enter on line 10, Part 1, SC1120)	3.	593,310
4.	Credit Carryover (line 1 less line 3)	4.	0

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name DUKE ENERGY CORPORATION
2. Date of this report 09 09 99 Fed. E.I. No. 56-0205520
3. Incorporated under the laws of the State of NC on 02/10/1964
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is
5. Location of the Registered Office of the Corporation in the State of South Carolina is in the City of Greenville Registered Agent at such address is John F. Lomax
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
8. Location of principal Office (street address) 84 Villa Road
   Nature of principal business in S.C. Electric Utility
9. The Corporation's books are in the care of Jeffery L. Boyer
   Located at (street address) 422 S. Church Street Charlotte NC 28202
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFERRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	4,792,179,391
Total paid in Capital Surplus	1,326,434,438
Total amount of stated Capital	6,118,613,829

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 separate schedule).

NAME	BUSINESS ADDRESS AND OFFICE
Schedule Attached	

AS ORIGINALLY FILED

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SCHEDULES E, F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE – MULTI-STATE CORPORATIONS

1. Total Capital and Paid-in-Surplus at end of Year	6,118,613,829
2. S.C. PROPORTION: (line 1 X ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 20, Part II	1,493,369,769

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct. to SC 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	0	0	0	0		
2. Dividends received	0	0	0	0		
3. Rents	0	0	0	0	0	0
4. Gains/losses on real property	0	0	0	0		
5. Gains/losses on intangible pers. prop.	0	0	0	0		
6. Investment income directly allocated	0	0	0	0	0	0
7. TOTAL INCOME DIRECTLY ALLOCATED			83,119,517			
8. INCOME DIRECTLY ALLOCATED TO S.C.				32,138,377		
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, Page 1	1.	1,377,482,461
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	83,119,517
3. Total net income subject to apportionment (line 1 less line 2)	3.	1,294,362,944
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2, or 3 and enter result here	4.	405,471,926
5. Add: Income subject to direct allocation to S.C. from Schedule F, line 8	5.	32,138,377
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part 1	6.	437,610,303

SCHEDULE H – 1 COMPUTATION OF FOUR FACTOR APPORTIONMENT RATIO

PLEASE SEE ATTACHED STATEMENT FOR APPORTIONMENT DETAIL BY ENTITY.	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
1. Land	0	0	0	0
2. Buildings	0	0	0	0
3. Machinery and Equipment	0	0	0	0
4. Inventories	0	0	0	0
5. Other Property	0	0	0	0
6. Exclusions	< 0 >	< 0 >	< 0 >	< 0 >
7. TOTAL (add lines 1 - 5; subtract line 6)	0	0	0	0

	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)	0	0	
9. Rental or Lease Value	0	0	
10. TOTAL Property Add lines 8 and 9. (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	0	0	0.0000 %
11. GROSS Payroll	0	0	
12. Less: Officers Compensation and Exclusions	< 0 >	< 0 >	
13. TOTAL Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	0	0	0.0000 %
14. TOTAL Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	0	0	0.0000 %
15. TOTAL Sales (same as line 14)	0	0	0.0000 %
16. TOTAL of Ratios (add Column 3 - lines 10, 13, 14 and 15)			0.0000 %
17. Arithmetical Average of Ratios			0.0000 %

SCHEDULE H – 2 COMPUTATION OF GROSS RECEIPTS RATIO

PLEASE SEE ATTACHED STATEMENT FOR APPORTIONMENT DETAIL BY ENTITY.	1. In S.C.	2. Total Everywhere	3. Ratio
1. Total Gross Receipts	0	0	
2. Less: Exclusion (see instructions)	< 0 >	< 0 >	
3. Gross Receipts (for ratio)	0	0	
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			0.0000 %

SCHEDULE H – 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

PLEASE SEE ATTACHED STATEMENT FOR APPORTIONMENT DETAIL BY ENTITY.	Amount	Ratio
1. Total Within South Carolina	0	
2. Total for System	0	
3. Ratio (South Carolina ÷ Total System)		0.0000 %

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name CLT DEVELOPMENT S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-1393851
3. Address 400 SOUTH TRYON ST., SUITE 1300 CHARLOTTE NC 28201-1003
4. Incorporated under the laws of the State of NC on 12/22/1983
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 09/01/1989
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	1,000
Total paid in Capital Surplus	36,736,015
Total amount of stated Capital	36,737,015

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			
Robert S. Lilien	400 S Tryon Street	Charlotte	NC 28202	President
Fred A. Byers	400 S Tryon Street	Charlotte	NC 28202	Vice President
Robert W. McGee	400 S Tryon Street	Charlotte	NC 28202	Treas & Ast Sec
Henry C. Lomax, Jr.	400 S Tryon Street	Charlotte	NC 28202	Ast Secretary

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name CRESCENT COMMUNITIES OF SC, INC S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-2030305
3. Address 400 SOUTH TRYON ST., SUITE 1300 Charlotte NC 28201-1003
4. Incorporated under the laws of the State of NC on 02/01/1996
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	0
Total paid in Capital Surplus	0
Total amount of stated Capital	0

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			
H. THOMAS WEBB, III	400 S. TRYON ST., SUITE 1300	CHARLOTTE	NC 28201-1003	PRESIDENT
STEPHEN M. SCHREINER				VICE PRESIDENT
R. WAYNE MCGEE				TREASURER
SUSAN S. SAPPENFIELD				ASST. SECRETARY

For additional affiliated corporations duplicate Schedule J as needed.

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SC1120 DUKE ENERGY CORPORATION 56-0205520 Page

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name CRESCENT RESOURCES, INC. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 57-0443582
3. Address 400 S. Tryon Street, St. 1300 Charlotte NC 28201-1000
4. Incorporated under the laws of the State of SC on 07/08/1963
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 05/01/1963
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
10,000	COMMON STOCK	
	PREFERRED STOCK	

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
10,000	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	1,000,000
Total paid in Capital Surplus	33,283,998
Total amount of stated Capital	34,283,998

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			
Robert S. Lilien	400 S. Tryon St. Suite 1300	Charlotte	NC 28201	Chairman, CEO
Arthur W. Fields	400 S. Tryon St. Suite 1300	Charlott	NC 28201	President
R. Wayne McGee	400 S. Tryon St. Suite 1300	Charlotte	NC 28201	Senior VP & Treasurc
H. Thomas Webb III	400 S. Tryon St. Suite 1300	Charlotte	NC 28201	Senior VP Residentia

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY F...

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DEBS RESOURCES, INC. S.C.I.D. No. 25341719-1
2. Date of this report _____ Fed. E.I. No. 56-1953976
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-124
4. Incorporated under the laws of the State of NC on 01/24/1996
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 07/17/1998
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of Rickey A. McCarver
    Located at 422 S. Church Street Charlotte NC 28201
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
100	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	0
Total paid in Capital Surplus	0
Total amount of stated Capital	0

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			
Fredrick E. Henry, Jr.	422 S. Church Street	Charlotte	NC 28201	President
Michael C. Bolch	422 S.Church Street	Charlotte	NC 28201	Vice-President
Robert A. Joyner	422 S. Church Street	Charlotte	NC 28201	Treasurer
William J. Bouman, Jr.	422 South Church Street	Charlotte	NC 28201	Secretary

For additional affiliated corporations duplicate Schedule J as needed.

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE ENGINEERING & SERVICES, INC. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-6027038
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-124
4. Incorporated under the laws of the State of NC on 06/13/1934
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 11/16/1988
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-124
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
100	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	300
Total paid in Capital Surplus	100,768,362
Total amount of stated Capital	100,768,662

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 J as needed.

AS ORIGINALLY FILED

DES00013793

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKENET COMMUNICATIONS, INC. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-1879392
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of SC on 06/02/1994
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 11/21/1994
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
100	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	50,000
Total paid in Capital Surplus	97,093,862
Total amount of stated Capital	97,143,862

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

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY

DES00013794

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE MERCHANDISING CORP. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-1926367
3. Address 422 S. CHURCH STREET PO BOX 1244, P805B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 05/30/1995
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 07/17/1995
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
10	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    Total paid in Capital Stock 0
    Total paid in Capital Surplus 0
    Total amount of stated Capital 0
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
Steven H. Kessler, Jr.	President
William E. Poe, Jr.	Secretary
Benny L. Biddix	Treasurer

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

5106

DES00013795

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE WATER SYSTEMS, INC. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-1976539
3. Address 422 S. CHURCH STREET PO BOX 1244, P805B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 05/01/1996
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 06/28/1996
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
10	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	0
Total paid in Capital Surplus	0
Total amount of stated Capital	0

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
J. Michael Snow	President
William E. Poe, Jr.	Secretary
Sherwood L. Love	Treasurer

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013796

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . L _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name GT&U INC. OF GASTONIA S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-1587250
3. Address 422 S. CHURCH STREET PO BOX 1244, PB058 CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 12/07/1987
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 02/11/1994
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
100,000	COMMON STOCK	
	PREFERRED STOCK	

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
300	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	300
Total paid in Capital Surplus	0
Total amount of stated Capital	300

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
A. R. Mullinax	President
L. G. Bost	Vice-President
Edwin K. Bone	Treasurer
William W. Gregory, Jr.	Secretary

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013797

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name M-P SUPPLY, INC. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-0322840
3. Address 422 S. CHURCH STREET PO BOX 1244, P8058 CHARLOTTE NC 28201-124
4. Incorporated under the laws of the State of NC on 06/07/1910
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 02/01/1965
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
10,000	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	1,000,000
Total paid in Capital Surplus	0
Total amount of stated Capital	1,000,000

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		
Jeffrey M. Trepel	422 S. CHURCH STREET	CHARLOTTE	NC 28201-1244 VP & Secretary
Jeffrey L. Boyer	422 S. CHURCH STREET	CHARLOTTE	NC 28201-1244 Treasurer

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013798

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name TECHTROL, INC. S.C.I.D. No. 20359945-4
2. Date of this report _____ Fed. E.I. No. 56-1544719
3. Address 422 S CHURCH ST. PO Box 1244, P8058 CHARLOTTE NC 28201
4. Incorporated under the laws of the State of NC on 12/17/1986
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 10/12/1994
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at 422 S. Church Street Charlotte NC 28201-1244
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	0
Total paid in Capital Surplus	862,046
Total amount of stated Capital	862,046

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 J as needed.

AS ORIGINALLY FILED

DES00013799

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name INTERA, INC. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-1934649
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 07/24/1995
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
100,000	COMMON STOCK	
	PREFERRED STOCK	

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
1,000	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	1,000
Total paid in Capital Surplus	22,899,000
Total amount of stated Capital	22,900,000

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 J as needed.

AS ORIGINALLY FILED

DES00013800

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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-8) . . . . . 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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE COMMUNICATION SERVICES, INC. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-2117886
3. Address P.O. BOX 1007 400 SOUTH TRYON STREET CHARLOTTE NC 28201-100
4. Incorporated under the laws of the State of NC on 12/22/1998
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 05/25/1999
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of STEVE COLLIS
    Located at 400 SOUTH TRYON STREET CHARLOTTE NC 28201-100
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
100,000	COMMON STOCK	
ZERO	PREFERRED STOCK	

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
100	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	809,321
Total paid in Capital Surplus	0
Total amount of stated Capital	809,321

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		
WILLIAM L SHEPPARD	422 S CHURCH STREET	CHARLOTTE	NC 28202-1904 PRESIDENT
JAMES B MILLER	422 S CHURCH STREET	CHARLOTTE	NC 28202-1904 VP
SANDRA D WILLARD	422 S CHURCH STREET	CHARLOTTE	NC 28202-1904 SECRETARY

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013801

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE PROJECT SERVICES, INC S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-0858436
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 07/01/1966
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	7,577,929
Total paid in Capital Surplus	10,724,351
Total amount of stated Capital	18,302,280

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
Clarence L. Ray, Jr.	President
Richard B. Priory	Vice-President
Jeffrey N. Trepel	Secretary
Rance W. Hall	Treasurer

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013802

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKESOLUTIONS INC. S.C.I.D. No. 20553158-4
2. Date of this report _____ Fed. E.I. No. 56-0904643
3. Address 422 S. CHURCH STREET PO BOX 1244, PB058 CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 07/18/1968
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 09/19/1997
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at 422 S. Church Street Charlotte NC 28201-1244
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
166	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	100
Total paid in Capital Surplus	49,528,546
Total amount of stated Capital	49,528,646

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 J as needed.

AS ORIGINALLY FILED

DES00013803

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DETMI Management, Inc. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 84-1274542
3. Address STATE/LOCAL TAX DEPT. P. O. BOX 1642 HOUSTON TX 77251-16
4. Incorporated under the laws of the State of CO on 06/21/1994
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of DOUG STUVER
    Located at DUKE ENERGY CORPORATION 5400 WESTHEIMER COURT HOUSTON TX 77042
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
1000	COMMON STOCK	
	PREFERRED STOCK	

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
1000	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	60,000
Total paid in Capital Surplus	10,237,727
Total amount of stated Capital	10,297,727

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			
Bradley C. Karp	4914 Braeburn	Bellaire	TX 77401	President
Scot E. Allen	9435 Spring Circle	South Jordan	UT 84095	Vice President
Vacant				Secretary
Vacant				Treasurer

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013804

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name WATEREE POWER COMPANY S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-0751405
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-12
4. Incorporated under the laws of the State of SC on 02/16/1909
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 02/16/1909
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
10	COMMON STOCK	
	PREFERRED STOCK	

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
10	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    Total paid in Capital Stock 0
    Total paid in Capital Surplus 0
    Total amount of stated Capital 0
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

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013805

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name GREENVILLE GAS AND ELECTRIC LIGHT AND POWER COMPANY S.C.I.D. No. 21190037-1
2. Date of this report _____ Fed. E.I. No. 56-0891274
3. Address 422 S. CHURCH STREET PO BOX 1244, P8058 CHARLOTTE NC 28201-124
4. Incorporated under the laws of the State of SC on 01/28/1961
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	0
Total paid in Capital Surplus	0
Total amount of stated Capital	0

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

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013806

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name SOUTHERN POWER COMPANY S.C.I.D. No. 20090086-4
2. Date of this report _____ Fed. E.I. No. 56-0891283
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 12/01/1927
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
10	COMMON STOCK	
	PREFERRED STOCK	

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
10	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    Total paid in Capital Stock 0
    Total paid in Capital Surplus 0
    Total amount of stated Capital 0
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

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013807

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name CRESCENT LAND & TIMBER CORP. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-1799013
3. Address 400 STryon St Suite 1300 Charlotte NC 28201-1003
4. Incorporated under the laws of the State of NC on 10/29/1992
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
100	COMMON STOCK	
	PREFERRED STOCK	

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
100	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	0
Total paid in Capital Surplus	0
Total amount of stated Capital	0

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			
James H Short Jr	400 S Tryon Street Suite 1300	Charlotte	NC 28201	Vice President
R Wayne McGee	400 S Tryon Street Suite 1300	Charlotte	NC 28201	Treasurer
Henry Lomax	400 S Tryon Street Suite 1300	Charlotte	NC 28201	Secretary

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013808

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE SERVICES LLC S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-2096114
3. Address TAX DEPARTMENT, PB05B P. O. BOX 1244 CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 07/23/1998
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 07/24/1998
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of JAMES B MILLER
    Located at DUKE SERVICES LLC 422 S CHURCH STREET CHARLOTTE NC 28202-1904
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    Total paid in Capital Stock 0
    Total paid in Capital Surplus 0
    Total amount of stated Capital 0
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		
WILLIAM L SHEPPARD	422 S CHURCH STREET	CHARLOTTE	NC 28202-1904 PRESIDENT
JAMES B MILLER	422 S CHURCH STREET	CHARLOTTE	NC 28202-1904 GENERAL MANAGER
STEVEN L COLLIS	422 S CHURCH STREET	CHARLOTTE	NC 28202-1904 MGR FINANCIAL SUPPOR
SANDRA D WILLIARD	422 S CHURCH STREET	CHARLOTTE	NC 28202-1904 SEC & MGR BUS SUPORT

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013809

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) . . . . . 1. _____
2. Add: (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. _____
   (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 Family Independence Payment Recipients (TC-12) . . l. _____
   (m) Additional Family Independence Payments Credit (TC-12-A) . . . . . m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) . . . . . 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name Mobile Bay Energy, LLC (State Apportionment) S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 76-0560905
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	3,103
Total paid in Capital Surplus	969,501,200
Total amount of stated Capital	969,504,303

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

For additional affiliated corporations duplicate Schedule J as needed.

AS ORIGINALLY FILED

DES00013810

	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976539	GTAM GASTONIA 56-1587250	M-P SUPPLY 56-0322840
		NON-BUSINESS INCOME				
EVERYWHERE:						
INTEREST INCOME	0	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0	0
OTHER INCOME	0	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0	0
TOTAL EVERYWHERE	0	0	0	0	0	0
WITHIN:						
INTEREST INCOME	0	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0	0
OTHER INCOME	0	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0	0
TOTAL WITHIN	0	0	0	0	0	0

AS ORIGINALLY FILED
5122

SC CONS WITH DUKE POWER
Year: 1998

	TECHTROL 56-1544719	INTERA 56-1934649	OCOMSRVINC 56-2117886	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904643	OETHI MGT, INC 84-1274542
		********** *NON-BUSINESS INCOME* **********				
EVERYWHERE:						
INTEREST INCOME	0	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0	0
OTHER INCOME	0	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0	0
TOTAL EVERYWHERE	0	0	0	0	0	0
WITHIN:						
INTEREST INCOME	0	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0	0
OTHER INCOME	0	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0	0
TOTAL WITHIN	0	0	0	0	0	0

AS ORIGINALLY FILED

5123

DES0013812

SC CONS WITH DUKE POWER
Year: 1998

	MATERSE POWER 56-0751405	GREENVILLE 56-0891274	SOUTHERN POWER 56-0881283	CRESCENT L&T 56-1799013	DSLLC 56-2096114	GLOBAL ASSET 88-0366429
		********** *NON-BUSINESS INCOME* **********				
EVERYWHERE:						
INTEREST INCOME	0	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0	0
OTHER INCOME	0	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0	0
TOTAL EVERYWHERE	0	0	0	0	0	0
WITHIN:						
INTEREST INCOME	0	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0	0
OTHER INCOME	0	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0	0
TOTAL WITHIN	0	0	0	0	0	0

AS ORIGINALLY FILED

5124

	DUKE POWER 56-0205520	CLT DEVELOP 56-1393851	CRES CON SC 56-2030305	CRESCENT RES 57-0443582	DE&S RESOURCES 56-1953976
SCHEDULE H-2 GROSS RECEIPTS RATIO					
WITHIN SOUTH CAROLINA					
1. TOTAL GROSS RECEIPTS	0	0	0	0	0
2. LESS: EXCLUSION	0	0	0	0	0
3. GROSS RECEIPTS (FOR RATIO)	0	0	0	0	0
EVERYWHERE					
1. TOTAL GROSS RECEIPTS	0	0	0	0	0
2. LESS: EXCLUSION	0	0	0	0	0
3. GROSS RECEIPTS (FOR RATIO)	0	0	0	0	0
4. RATIO OF GROSS RECEIPTS	0.0000	0.0000	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

5125

SC CONS WITH DUKE POWER.
Year: 1998

	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976539	GT&W GASTONIA 56-1587250	H-P SUPPLY 56-0322840
		SCHEDULE R-2 GROSS RECEIPTS RATIO				
WITHIN SOUTH CAROLINA						
1. TOTAL GROSS RECEIPTS	0	0	0	0	0	0
2. LESS: EXCLUSION	0	0	0	0	0	0
3. GROSS RECEIPTS (FOR RATIO)	0	0	0	0	0	0
EVERYWHERE						
1. TOTAL GROSS RECEIPTS	0	0	0	0	0	0
2. LESS: EXCLUSION	0	0	0	0	0	0
3. GROSS RECEIPTS (FOR RATIO)	0	0	0	0	0	0
4. RATIO OF GROSS RECEIPTS	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

5126

SC CONS WITH DUKE POWER
Year: 1998

	TECHTROL 56-1544719	INTERA 56-1934649	DCOMSRVINC 56-2117886	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904643	DETMI MGT, INC 84-1274542
		SCHEDULE R-2 GROSS RECEIPTS RATIO				
WITHIN SOUTH CAROLINA						
1. TOTAL GROSS RECEIPTS	0	0	0	0	0	0
2. LESS: EXCLUSION	0	0	0	0	0	0
3. GROSS RECEIPTS (FOR RATIO)	0	0	0	0	0	0
EVERYWHERE						
1. TOTAL GROSS RECEIPTS	0	0	0	0	0	0
2. LESS: EXCLUSION	0	0	0	0	0	0
3. GROSS RECEIPTS (FOR RATIO)	0	0	0	0	0	0
4. RATIO OF GROSS RECEIPTS	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

5127

	WATEREE POWER 56-0751405	GREENVILLE 56-0891274	SOUTHERN POWER 56-0891283	CRESCENT L&T 56-1799013	OSLLC 56-2096114	GLOBAL ASSET 88-0366429
		SCHEDULE H-2 GROSS RECEIPTS RATIO				
WITHIN SOUTH CAROLINA						
1. TOTAL GROSS RECEIPTS	0	0	0	0	0	0
2. LESS: EXCLUSION	0	0	0	0	0	0
3. GROSS RECEIPTS (FOR RATIO)	0	0	0	0	0	0
EVERYWHERE						
1. TOTAL GROSS RECEIPTS	0	0	0	0	0	0
2. LESS: EXCLUSION	0	0	0	0	0	0
3. GROSS RECEIPTS (FOR RATIO)	0	0	0	0	0	0
4. RATIO OF GROSS RECEIPTS	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

5128

DES00013817

	DUKE POWER 56-0205520	CLT DEVELOP 56-1393851	CRES COM SC 56-2030305	CRESCENT RES 57-0443582	DE&S RESOURCES 56-1953976
SCHEDULE H-3 RATIO FOR PUBLIC SERVICE CORPS					
1. TOTAL WITHIN SOUTH CAROLINA	0	0	0	0	0
2. TOTAL FOR SYSTEM	0	0	0	0	0
3. RATIO	0.0000	0.0000	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

5129

DES0013818

	DUKE E&S 56-6027038	DURENET 56-1879192	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976529	GT&W GASTONIA 56-1587250	M-P SUPPLY 56-0322840
SCHEDULE W-3 RATIO FOR PUBLIC SERVICE CORPS						
1. TOTAL WITHIN SOUTH CAROLINA	0	0	0	0	0	0
2. TOTAL FOR SYSTEM	0	0	0	0	0	0
3. RATIO	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

5130

DES0001381 9

	TECHTROL 56-1544719	INTERA 56-1934649	DCOMSRVINC 56-2117886	DUKE PROJ SERV 56-0838436	DUKESOLUTIONS 56-0904643	DETHI MGT, INC 84-1274542
			SCHEDULE H-3 RATIO FOR PUBLIC SERVICE CORPS			
1. TOTAL WITHIN SOUTH CAROLINA	0	0	0	0	0	0
2. TOTAL FOR SYSTEM	0	0	0	0	0	0
3. RATIO	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

5131

09/10/1999 - 01:15:45 AM

SC CONS WITH DUKE POWER
Year: 1998

1998 CONSOL. SO. CAROLINA FORM 1120

	WATEREE POWER 56-0751405	GREENVILLE 56-0891274	SOUTHERN POWER 56-0891283	CRESCENT L&T 56-1799013	DSLLC 56-2096114	GLOBAL ASSET 88-0366429
			SCHEDULE H-3 RATIO FOR PUBLIC SERVICE CORPS			
1. TOTAL WITHIN SOUTH CAROLINA	0	0	0	0	0	0
2. TOTAL FOR SYSTEM	0	0	0	0	0	0
3. RATIO	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

5132

DES0001382

		DUKE POWER 56-0205520	CLT DEVELOP 56-1393851	CRES COM SC 56-2030305	CRESCENT RES 57-0443582	DE&S RESOURCES 56-1953976
		********** 'NON-BUSINESS INCOME' **********				
EVERYWHERE:						
INTEREST INCOME	0	0	0	0	0	0
DIVIDEND INCOME	754,082	754,082	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
NET GAIN OR LOSS	82,365,435	2,123,255	0	0	80,242,180	0
OTHER INCOME	0	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0	0
TOTAL EVERYWHERE	83,119,517	2,877,337	0	0	80,242,180	0
WITHIN:						
INTEREST INCOME	0	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0	0
NET GAIN OR LOSS	32,138,377	401,196	0	0	31,737,181	0
OTHER INCOME	0	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0	0
TOTAL WITHIN	32,138,377	401,196	0	0	31,737,181	0

AS ORIGINALLY FILED

	DUKE POWER 56-0205520	CLT DEVELOP 56-1393851	CRES CON SC 56-2030305	CRESCENT RES 57-0413582	DE&S RESOURCES 56-1953976
	SCH M-1 - COMPUTATION OF 4 FACTOR APPORTIONMENT				
PROPERTY RATIO					
WITHIN SOUTH CAROLINA					
COLUMN A - BEGINNING PERIOD					
1. LAND	0	0	0	32,243,336	0
2. BUILDINGS	0	0	0	21,520,561	0
3. MACHINERY AND EQUIPMENT	5,446,790,420	0	0	291,293	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	25,697,302	0
6. EXCLUSIONS	0	0	0	796,110	0
7. TOTAL	5,446,790,420	0	0	78,956,382	0
COLUMN B - ENDING PERIOD					
1. LAND	0	0	0	30,899,570	0
2. BUILDINGS	0	0	0	16,602,779	0
3. MACHINERY AND EQUIPMENT	5,520,728,910	0	0	422,872	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	11,076,845	0
6. EXCLUSIONS	0	0	0	306,414	0
7. TOTAL	5,520,728,910	0	0	58,695,652	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	5,483,759,665	0	0	68,826,017	0
9. RENTAL OR LEASE VALUE	84,985,992	0	0	0	0
10. TOTAL PROPERTY (COLUMN 1)	5,568,745,657	0	0	68,826,017	0

AS ORIGINALLY FILED

5134

DES0013823

	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976539	GT&W GASTONIA 56-1587250	H-P SUPPLY 56-0322840
SCH H-1 - COMPUTATION OF 4 FACTOR APPORTIONMENT						
PROPERTY RATIO						
WITHIN SOUTH CAROLINA						
COLUMN A - BEGINNING PERIOD						
1. LAND	0	0	0	0	5,033,858	0
2. BUILDINGS	0	34,232,191	0	0	0	0
3. MACHINERY AND EQUIPMENT	62,140	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	0	594,230	0	0	0	0
6. EXCLUSIONS	0	594,230	0	0	0	0
7. TOTAL	62,140	34,232,191	0	0	5,033,858	0
COLUMN B - ENDING PERIOD						
1. LAND	0	0	0	0	1,429,683	0
2. BUILDINGS	0	39,792,434	0	0	0	0
3. MACHINERY AND EQUIPMENT	170,321	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	35,815	1,204,819	0	0	0	0
6. EXCLUSIONS	0	1,204,819	0	0	0	0
7. TOTAL	206,136	39,792,434	0	0	1,429,683	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	134,138	37,012,313	0	0	3,231,771	0
9. RENTAL OR LEASE VALUE	516,704	41,200,090	0	0	0	0
10. TOTAL PROPERTY (COLUMN 1)	650,842	78,212,403	0	0	3,231,771	0

AS ORIGINALLY FILED

5135

DES0013824

	TECHTROL 56-1544719	INTERA 56-1934649	DCOMSRVINC 56-2117086	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904643	DETHI MGT, INC 84-1274542
			SCH H-1 - COMPUTATION OF % FACTOR APPORTIONMENT			
PROPERTY RATIO						
WITHIN SOUTH CAROLINA						
COLUMN A - BEGINNING PERIOD						
1. LAND	0	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	11,027	0	0	0	744,492	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	973	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0	0
7. TOTAL	12,000	0	0	0	744,492	0
COLUMN B - ENDING PERIOD						
1. LAND	0	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	0	0	744,492	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0	0
7. TOTAL	0	0	0	0	744,492	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	6,000	0	0	0	744,492	0
9. RENTAL OR LEASE VALUE	0	0	0	0	0	0
10. TOTAL PROPERTY (COLUMN 1)	6,000	0	0	0	744,492	0

AS ORIGINALLY FILED

5136

DES0001382S

	WATEREE POWER 56-0751405	GREENVILLE 56-0891274	SOUTHERN POWER 56-0891283	CRESCENT L&T 56-1799013	DSLLC 56-2096114	GLOBAL ASSET 88-0366429
SCH H-1 - COMPUTATION OF 4 FACTOR APPORTIONMENT						
PROPERTY RATIO						
WITHIN SOUTH CAROLINA						
COLUMN A - BEGINNING PERIOD						
1. LAND	0	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0	0
7. TOTAL	0	0	0	0	0	0
COLUMN B - ENDING PERIOD						
1. LAND	0	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0	0
7. TOTAL	0	0	0	0	0	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	0	0	0	0	0	0
9. RENTAL OR LEASE VALUE	0	0	0	0	0	0
10. TOTAL PROPERTY (COLUMN 1)	0	0	0	0	0	0

AS ORIGINALLY FILED

SC CONS WITH DUKE POWER
Year: 1998

	DUKE POWER 56-0205520	CLT DEVELOP 56-1393851	CRES COM SC 56-2030305	CRESCENT RES 57-0443582	DE&S RESOURCES 56-1953976
EVERYWHERE					
COLUMN A - BEGINNING PERIOD					
1. LAND	0	0	0	123,859,392	0
2. BUILDINGS	0	15,210,223	0	149,833,710	0
3. MACHINERY AND EQUIPMENT	15510750159	0	0	1,870,722	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	117,177,169	0
6. EXCLUSIONS	0	0	0	39,130,231	0
7. TOTAL	15510750159	15,210,223	0	353,610,762	0
COLUMN B - ENDING PERIOD					
1. LAND	6,129,930	0	0	172,090,018	0
2. BUILDINGS	30,560,192	4,110,257	0	229,159,020	0
3. MACHINERY AND EQUIPMENT	15972166677	0	0	1,885,575	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	14,412,400	0	0	105,822,871	0
6. EXCLUSIONS	14,412,400	0	0	41,812,557	0
7. TOTAL	16008856819	4,110,257	0	467,144,927	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	15759803489	9,660,240	0	410,377,845	0
9. RENTAL OR LEASE VALUE	513,589,160	0	0	2,129,976	0
10. TOTAL PROPERTY (COLUMN 2)	16273392649	9,660,240	0	412,507,821	0
10. PROPERTY RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	34.2199	0.0000	0.0000	16.6848	0.0000

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SC CONS WITH DUKE POWER
Year: 1998

	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976539	GT&W GASTONIA 56-1587250	M-P SUPPLY 56-0322840
EVERYWHERE						
COLUMN A - BEGINNING PERIOD						
1. LAND	0	0	0	0	33,217,133	105,000
2. BUILDINGS	0	109,726,070	0	0	3,234,507	0
3. MACHINERY AND EQUIPMENT	11,652,358	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	3,939,829	4,295,653	0	0	0	0
6. EXCLUSIONS	0	4,295,653	0	0	0	0
7. TOTAL	15,592,187	109,726,070	0	0	36,451,640	105,000
COLUMN B - ENDING PERIOD						
1. LAND	0	0	0	0	26,733,383	105,000
2. BUILDINGS	4,802,279	131,974,321	0	0	3,234,507	0
3. MACHINERY AND EQUIPMENT	12,832,566	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	7,848,718	3,089,279	0	0	0	0
6. EXCLUSIONS	0	3,089,279	0	0	0	0
7. TOTAL	25,483,563	131,974,321	0	0	29,967,890	105,000
8. AVERAGE OF BEGINNING & ENDING PERIOD	20,537,875	120,850,196	0	0	33,209,765	105,000
9. RENTAL OR LEASE VALUE	75,832,348	132,423,565	0	0	0	0
10. TOTAL PROPERTY (COLUMN 2)	96,370,223	273,273,761	0	0	33,209,765	105,000
10. PROPERTY RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	0.6754	28.6205	0.0000	0.0000	9.7314	0.0000

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SC CONS WITH DUKE POWER
Year: 1998

1998 CONSOL. SO. CAROLINA FORM 1120

	TECHTROL 56-1544719	INTERA 56-1934649	DCOMSRVINC 56-2117886	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904643	DETMI MGT, INC 84-1274542
EVERYWHERE						
COLUMN A - BEGINNING PERIOD						
1. LAND	0	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	385,881	2,259,014	0	1,475,918	2,398,813	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	34,054	0	3,971,134	2,440,666	0	0
6. EXCLUSIONS	0	0	0	0	0	0
7. TOTAL	419,935	2,259,014	3,971,134	3,916,584	2,398,813	0
COLUMN B - ENDING PERIOD						
1. LAND	0	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	385,753	438,728	0	1,475,918	9,092,286	0
4. INVENTORIES	0	0	0	0	0	0
5. OTHER PROPERTY	395,749	0	3,971,134	2,440,666	0	0
6. EXCLUSIONS	0	0	0	0	0	0
7. TOTAL	781,502	438,728	3,971,134	3,916,584	9,092,286	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	600,719	1,348,871	3,971,134	3,916,584	5,745,550	0
9. RENTAL OR LEASE VALUE	259,280	0	0	0	10,613,640	0
10. TOTAL PROPERTY (COLUMN 2)	859,999	1,348,871	3,971,134	3,916,584	16,359,190	0
10. PROPERTY RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	0.6977	0.0000	0.0000	0.0000	1.5509	0.0000

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SC CONS WITH DUKE POWER
Year: 1998

	WATEREE POWER 56-0751405	GREENVILLE 56-0891274	SOUTHERN POWER 56-0891283	CRESCENT LGT 56-1799813	DSLLC 56-2096114	GLOBAL ASSET 88-0366429
EVERYWHERE						
COLUMN A - BEGINNING PERIOD						
1. LAND	0	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	0	0	0	1,633,721,885
4. INVENTORIES	0	0	0	0	0	4,301,394
5. OTHER PROPERTY	0	0	0	0	0	59,100,157
6. EXCLUSIONS	0	0	0	0	0	57,350,777
7. TOTAL	0	0	0	0	0	1,639,772,659
COLUMN B - ENDING PERIOD						
1. LAND	0	0	0	0	0	2,382,791
2. BUILDINGS	0	0	0	0	0	172,668,397
3. MACHINERY AND EQUIPMENT	0	0	0	0	0	1,467,073,444
4. INVENTORIES	0	0	0	0	0	41,816
5. OTHER PROPERTY	0	0	0	0	0	90,577,935
6. EXCLUSIONS	0	0	0	0	0	83,955,976
7. TOTAL	0	0	0	0	0	1,648,788,407
8. AVERAGE OF BEGINNING & ENDING PERIOD	0	0	0	0	0	1,644,280,533
9. RENTAL OR LEASE VALUE	0	0	0	0	0	4,079,689
10. TOTAL PROPERTY (COLUMN 2)	0	0	0	0	0	1,648,360,222
10. PROPERTY RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

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SC CONS WITH DUKE POWER
Year: 1998

	DUKE POWER 56-0205520	CLT DEVELOP 56-1393851	CRES COM SC 56-2030305	CRESCENT RES 57-0413582	DEIS RESOURCES 56-1953976
PAYROLL RATIO					
WITHIN SOUTH CAROLINA					
11. GROSS PAYROLL (COLUMN 1)	287,088,251	0	0	554,322	2,243,493
12. LESS: OFFICERS COMPENSATION & EXCLUSIONS	814,158	0	0	194,146	0
13. TOTAL PAYROLL (COLUMN 1)	286,274,093	0	0	360,176	2,243,493
EVERYWHERE					
11. GROSS PAYROLL (COLUMN 2)	854,558,504	69,092	0	14,407,172	23,575,665
12. LESS: OFFICERS COMPENSATION & EXCLUSION	11,996,516	0	0	7,533,942	0
13. TOTAL PAYROLL (COLUMN 2)	842,561,988	69,092	0	6,873,230	23,575,665
13. PAYROLL RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	33.9766	0.0000	0.0000	5.2403	9.5161
SALES RATIO					
WITHIN SOUTH CAROLINA					
14. TOTAL SALES (COLUMN 1)	1,234,806,074	0	0	36,567,717	3,876,959
EVERYWHERE					
14. TOTAL SALES (COLUMN 2)	4,590,931,288	10,521,354	0	141,333,491	29,725,037
14. SALES RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	26.8966	0.0000	0.0000	25.8734	13.0427
15. TOTAL SALES WITHIN S.C. (COLUMN 1)	1,234,806,074	0	0	36,567,717	3,876,959
15. TOTAL SALES EVERYWHERE (COLUMN 2)	4,590,931,288	10,521,354	0	141,333,491	29,725,037
15. EXTRA SALES RATIO (COLUMN 3)	26.8966	0.0000	0.0000	25.8734	13.0427
16. TOTAL OF RATIOS	121.9897	0.0000	0.0000	73.6719	35.6015
17. ARITHMETICAL AVERAGE OF RATIOS	30.4974	0.0000	0.0000	18.4180	11.8672

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	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976539	GT&W GASTONIA 56-1587250	M-P SUPPLY 56-0322840
PAYROLL RATIO						
WITHIN SOUTH CAROLINA						
11. GROSS PAYROLL (COLUMN 1)	8,152,417	1,687,254	0	0	0	0
12. LESS: OFFICERS COMPENSATION & EXCLUSIONS	0	0	0	0	0	0
13. TOTAL PAYROLL (COLUMN 1)	8,152,417	1,687,254	0	0	0	0
EVERYWHERE						
11. GROSS PAYROLL (COLUMN 2)	151,280,802	6,304,855	0	0	0	0
12. LESS: OFFICERS COMPENSATION & EXCLUSION	0	0	0	0	0	0
13. TOTAL PAYROLL (COLUMN 2)	151,288,802	6,304,855	0	0	0	0
13. PAYROLL RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	5.3889	26.7612	0.0000	0.0000	0.0000	0.0000
SALES RATIO						
WITHIN SOUTH CAROLINA						
14. TOTAL SALES (COLUMN 1)	6,194,116	12,054,931	0	0	514,880	0
EVERYWHERE						
14. TOTAL SALES (COLUMN 2)	369,274,685	43,238,245	0	0	3,123,093	320,495
14. SALES RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	1.6774	27.8803	0.0000	0.0000	16.4862	0.0000
15. TOTAL SALES WITHIN S.C. (COLUMN 1)	6,194,116	12,054,931	0	0	514,880	0
15. TOTAL SALES EVERYWHERE (COLUMN 2)	369,274,685	43,238,245	0	0	3,123,093	320,495
15. EXTRA SALES RATIO (COLUMN 3)	1.6774	27.8803	0.0000	0.0000	16.4862	0.0000
16. TOTAL OF RATIOS	9.4191	111.1423	0.0000	0.0000	42.7038	0.0000
17. ARITHMETICAL AVERAGE OF RATIOS	2.3548	27.7856	0.0000	0.0000	14.2346	0.0000

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	TECHTROL 56-1344719	INTERA 56-1934649	DCOMSRVINC 56-2117886	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904643	DETHI MGT, INC 84-1274542
PAYROLL RATIO						
WITHIN SOUTH CAROLINA						
11. GROSS PAYROLL (COLUMN 1)	37,113	0	0	0	8,689	40,354
12. LESS: OFFICERS COMPENSATION & EXCLUSIONS	0	0	0	0	0	0
13. TOTAL PAYROLL (COLUMN 1)	37,113	0	0	0	8,689	40,354
EVERYWHERE						
11. GROSS PAYROLL (COLUMN 2)	1,407,020	0	274,644	18,447,989	16,666,135	21,874,543
12. LESS: OFFICERS COMPENSATION & EXCLUSION	0	0	0	0	0	0
13. TOTAL PAYROLL (COLUMN 2)	1,407,020	0	274,644	18,447,989	16,666,135	21,874,543
13. PAYROLL RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	2.6377	0.0000	0.0000	0.0000	0.0521	0.1845
SALES RATIO						
WITHIN SOUTH CAROLINA						
14. TOTAL SALES (COLUMN 1)	530,930	0	12,118	139,593	250,158	0
EVERYWHERE						
14. TOTAL SALES (COLUMN 2)	3,844,284	2,058,820	1,742,749	117,154,596	19,531,263	0
14. SALES RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	13.8109	0.0000	0.6953	0.1192	1.2808	0.0000
15. TOTAL SALES WITHIN S.C. (COLUMN 1)	530,930	0	12,118	139,593	250,158	0
15. TOTAL SALES EVERYWHERE (COLUMN 2)	3,844,284	2,058,820	1,742,749	117,154,596	19,531,263	0
15. EXTRA SALES RATIO (COLUMN 3)	13.8109	0.0000	0.6953	0.1192	1.2808	0.0000
16. TOTAL OF RATIOS	30.9572	0.0000	1.3906	0.2384	7.1616	0.1845
17. ARITHMETICAL AVERAGE OF RATIOS	7.7393	0.0000	0.3477	0.0596	1.7912	0.1845

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	WATEREE POWER 56-0751405	GREENVILLE 56-0891214	SOUTHERN POWER 56-0891283	CRESCENT L&T 56-1799013	DSLLC 56-2096114	GLOBAL ASSET 88-0365429
PAYROLL RATIO						
WITHIN SOUTH CAROLINA						
11. GROSS PAYROLL (COLUMN 1)	0	0	0	17,184	0	0
12. LESS: OFFICERS COMPENSATION & EXCLUSIONS	0	0	0	0	0	0
13. TOTAL PAYROLL (COLUMN 1)	0	0	0	17,184	0	0
EVERYWHERE						
11. GROSS PAYROLL (COLUMN 2)	0	0	0	226,898	0	12,248,115
12. LESS: OFFICERS COMPENSATION & EXCLUSION	0	0	0	0	0	0
13. TOTAL PAYROLL (COLUMN 2)	0	0	0	226,898	0	12,248,115
13. PAYROLL RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	0.0000	0.0000	0.0000	7.5734	0.0000	0.0000
SALES RATIO						
WITHIN SOUTH CAROLINA						
14. TOTAL SALES (COLUMN 1)	0	0	0	0	0	3,196
EVERYWHERE						
14. TOTAL SALES (COLUMN 2)	0	0	0	0	0	551,363,173
14. SALES RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	0.0000	0.0000	0.0000	0.0000	0.0000	0.0006
15. TOTAL SALES WITHIN S.C. (COLUMN 1)	0	0	0	0	0	3,196
15. TOTAL SALES EVERYWHERE (COLUMN 2)	0	0	0	0	0	551,363,173
15. EXTRA SALES RATIO (COLUMN 3)	0.0000	0.0000	0.0000	0.0000	0.0000	0.0006
16. TOTAL OF RATIOS	0.0000	0.0000	0.0000	7.5734	0.0000	0.0012
17. ARITHMETICAL AVERAGE OF RATIOS	0.0000	0.0000	0.0000	7.5734	0.0000	0.0003

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		DUKE POWER 56-0205520	CLT DEVELOP 56-1393851	CRES CON SC 56-2030305	CRESCENT RES 57-0443582	DEGS RESOURCES 56-1953976
	SOUTH CAROLINA CORP. TAX RETURN - FORM SC1120					
PART I - COMPUTATION OF INCOME TAX LIABILITY						
1. FEDERAL TAXABLE INCOME PER FED FORM 1120 LN 30	1,287,969,145	1,291,122,858	8,693,028	0	56,410,758	196,480
2. NET ADJUSTMENTS (FROM LINE 12, SCH A & B)	89,513,316	85,250,955	305,634	0	4,280,173	0
3. TOTAL NET INCOME AS RECON (LN1 PLUS OR MINUS 2)	1,377,482,461	1,376,373,813	8,998,662	0	60,690,931	196,480
4. IF MULTI-STATE CORP, ENTER AMT FROM LN 6 SCH G	(37,610,303)	419,281,910	0	0	28,136,232	23,317
5. LESS: S.C. NET OPERATING LOSS CARRYOVER	0	0	0	0	0	0
6. S.C. NET INCOME SUBJECT TO TAX (LN 4 - 5)	(37,610,303)	419,281,910	0	0	28,136,232	23,317
7. TAX: (5.0%)	21,880,515					
8. LESS TAX DEFER. ON INC FROM FOREIGN TRADE REC.	0					
9. BALANCE (LN 7 - 8)	21,880,515					
10. NONREFUNDABLE CREDITS FROM LINE 3, SCH. C	593,310					
11. BALANCE OF TAX (LN 9 - 10, NOT LESS THAN 0)	21,287,205					
12. INTEREST ON DISC-DEFERRED TAX LIAB, OR	0					
INTEREST ON FOREIGN TRADE DEFERRED TAX LIAB.	0					
TOTAL	0					
13. TOTAL TAX AND/OR INTEREST (LN 11 + 12)	21,287,205					
14. PAYMENTS: (A) TAX WITHHELD (W-2)	31,067	0	0	0	0	0
(B) PAID BY DECLARATION	24,170,318	24,170,318	0	0	0	0
(C) PAID WITH TENTATIVE RETURN	0	0	0	0	0	0
(D) CREDIT FROM LINE 29B	0	0	0	0	0	0
15. TOTAL PAYMENTS (LN 14A THRU 14D)	24,201,385					
16. BALANCE OF TAX AND/OR INT. DUE(LN 13 - 15)	(2,914,180)					
17. TOTAL INTEREST AND PENALTY DUE	0					
18. TOTAL INCOME TAX, INTEREST & PENALTY (LN 16+17)	0					

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	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976539	GT&N GASTONIA 56-1587250	H-P SUPPLY 56-0322840
SOUTH CAROLINA CORP. TAX RETURN - FORM SC1120						
PART I - COMPUTATION OF INCOME TAX LIABILITY						
1. FEDERAL TAXABLE INCOME PER FED FORM 1120 LN 30	(21,624,118)	(33,438,142)	0	0	1,362,764	308,037
2. NET ADJUSTMENTS (FROM LINE 12, SCH A & B)	452,839	(672,582)	0	0	20,844	0
3. TOTAL NET INCOME AS RECON (LN1 PLUS OR MINUS 2)	(21,171,279)	(34,110,724)	0	0	1,383,608	308,037
4. IF MULTI-STATE CORP, ENTER AMT FROM LN 6 SCH C						
5. LESS: S.C. NET OPERATING LOSS CARRYOVER	(498,541)	(9,477,869)	0	0	196,951	0
	0	0	0	0	0	0
6. S.C. NET INCOME SUBJECT TO TAX (LN 4 - 5)	(498,541)	(9,477,869)	0	0	196,951	0
7. TAX: (5.01)						
8. LESS TAX DEFER. ON INC FROM FOREIGN TRADE REC.						
9. BALANCE (LN 7 - 8)						
10. NONREFUNDABLE CREDITS FROM LINE 3, SCH. C						
11. BALANCE OF TAX (LN 9 - 10, NOT LESS THAN 0)						
12. INTEREST ON DISC-DEFERRED TAX LIAB, OR INTEREST ON FOREIGN TRADE DEFERRED TAX LIAB. TOTAL						
13. TOTAL TAX AND/OR INTEREST (LN 11 + 12)						
14. PAYMENTS: (A) TAX WITHHELD (W-2)	0	0	0	0	0	0
(B) PAID BY DECLARATION	0	0	0	0	0	0
(C) PAID WITH TENTATIVE RETURN	0	0	0	0	0	0
(D) CREDIT FROM LINE 29B	0	0	0	0	0	0
15. TOTAL PAYMENTS (LN 14A THRU 14D)						
16. BALANCE OF TAX AND/OR INT. DUE(LN 13 - 15)						
17. TOTAL INTEREST AND PENALTY DUE						
18. TOTAL INCOME TAX, INTEREST & PENALTY (LN 16+17)						

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	TECHTROL 56-1544719	INTERA 56-1934649	DCOMSRVINC 56-2117886	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904643	DETMI MGT, INC 84-1274542
			SOUTH CAROLINA CORP. TAX RETURN - FORM SC1120			
PART I - COMPUTATION OF INCOME TAX LIABILITY						
1. FEDERAL TAXABLE INCOME PER FED FORM 1120 LN 30	291,461	(535,103)	(531,731)	(2,154,879)	(8,273,165)	40,998,350
2. NET ADJUSTMENTS (FROM LINE 12, SCH A & B)	8,582	0	(25,572)	0	425	530,801
3. TOTAL NET INCOME AS RECKN (LN1 PLUS OR MINUS 2)	300,043	(535,103)	(557,303)	(2,154,879)	(8,272,740)	41,529,159
4. IF MULTI-STATE CORP, ENTER AMT FROM LN 6 SCH G	23,221	0	(1,938)	(1,284)	(148,181)	76,621
5. LESS: S.C. NET OPERATING LOSS CARRYOVER	0	0	0	0	0	0
6. S.C. NET INCOME SUBJECT TO TAX (LN 4 - 5)	23,221	0	(1,938)	(1,284)	(148,181)	76,621
7. TAX: (5.0%)						
8. LESS TAX DEFER. ON INC FROM FOREIGN TRADE REC.						
9. BALANCE (LN 7 - 8)						
10. NONREFUNDABLE CREDITS FROM LINE 3, SCH. C						
11. BALANCE OF TAX (LN 9 - 10, NOT LESS THAN 0)						
12. INTEREST ON DISC-DEFERRED TAX LIAB, OR INTEREST ON FOREIGN TRADE DEFERRED TAX LIAB. TOTAL						
13. TOTAL TAX AND/OR INTEREST (LN 11 + 12)						
14. PAYMENTS: (A) TAX WITHHELD (W-2)	0	31,067	0	0	0	0
(B) PAID BY DECLARATION	0	0	0	0	0	0
(C) PAID WITH TENTATIVE RETURN	0	0	0	0	0	0
(D) CREDIT FROM LINE 29B	0	0	0	0	0	0
15. TOTAL PAYMENTS (LN 14A THRU 14D)						
16. BALANCE OF TAX AND/OR INT. DUE(LN 13 - 15)						
17. TOTAL INTEREST AND PENALTY DUE						
18. TOTAL INCOME TAX, INTEREST & PENALTY (LN 16+17)						

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SC CONS WITH DUKE POWER
Year: 1998

	WATEREE POWER 56-0751405	GREENVILLE 56-0891274	SOUTHERN POWER 56-0891293	CRESCENT L&T 56-1799013	DSLLC 56-2096114	GLOBAL ASSET 88-0366429
			'SOUTH CAROLINA CORP. TAX RETURN - FORM SC1120'			
PART I - COMPUTATION OF INCOME TAX LIABILITY						
1. FEDERAL TAXABLE INCOME PER FED FORM 1120 LN 30	0	0	0	0	0	(44,857,453)
2. NET ADJUSTMENTS (FROM LINE 12, SCH A & B)	0	0	0	0	0	(638,793)
3. TOTAL NET INCOME AS RECON (LN1 PLUS OR MINUS 2)	0	0	0	0	0	(45,496,246)
4. IF MULTI-STATE CORP, ENTER AMT FROM LN 6 SCH G	0	0	0	0	0	(136)
5. LESS: S.C. NET OPERATING LOSS CARRYOVER	0	0	0	0	0	0
6. S.C. NET INCOME SUBJECT TO TAX (LN 4 - 5)	0	0	0	0	0	(136)
7. TAX: (5.0%)						
8. LESS TAX DEFER. ON INC FROM FOREIGN TRADE REC.						
9. BALANCE (LN 7 - 8)						
10. NONREFUNDABLE CREDITS FROM LINE 3, SCH. C						
11. BALANCE OF TAX (LN 9 - 10, NOT LESS THAN 0)						
12. INTEREST ON DISC-DEFERRED TAX LIAB, OR INTEREST ON FOREIGN TRADE DEFERRED TAX LIAB, TOTAL						
13. TOTAL TAX AND/OR INTEREST (LN 11 + 12)						
14. PAYMENTS: (A) TAX WITHHELD (W-2)	0	0	0	0	0	0
(B) PAID BY DECLARATION	0	0	0	0	0	0
(C) PAID WITH TENTATIVE RETURN	0	0	0	0	0	0
(D) CREDIT FROM LINE 29B	0	0	0	0	0	0
15. TOTAL PAYMENTS (LN 14A THRU 14D)						
16. BALANCE OF TAX AND/OR INT. DUE(LN 13 - 15)						
17. TOTAL INTEREST AND PENALTY DUE						
18. TOTAL INCOME TAX, INTEREST & PENALTY (LN 16+17)						

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5149

DES0001383B

		DUKE POWER 56-0205520	CLT DEVELOP 56-1193051	CRES COM SC 56-2030305	CRESCENT RES 57-0443582	DE&S RESOURCES 56-1957976
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS:	2,914,180					
* OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS	332,904					
(A) ESTIMATED TAX	332,904					
(B) LICENSE FEE	2,581,276					
(C) REFUNDED	0					
PART II COMPUTATION OF LICENSE FEE						
20. TOTAL CAPITAL AND PAID IN SURPLUS	0	0	0	0	0	0
21. FEE DUE - LINE 20 X $.001 + $15.00 ($25 MIN)	6,181,276	6,144,133	25	25	6,129	25
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0	0
23. BALANCE (LN 21 - 22)	6,181,276					
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	3,600,000	3,600,000	0	0	0	0
(B) CREDIT FROM LINE 19(B)	2,581,276	2,581,276	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)	6,181,276					
26. BALANCE OF FEE DUE (LN 23 - 25)	0					
27. (A) INTEREST DUE	0					
(B) PENALTY DUE	0					
TOTAL INTEREST AND PENALTY	0					
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)	0					
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS:	0					
(A) ESTIMATED TAX	0					
(B) INCOME TAX	0					
(C) REFUNDED	0					
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE	0					

AS ORIGINALLY FILED

5150

SC CONS WITH DUKE POWER
Year: 1998

	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976539	GT&H GASTONIA 56-1587250	H-P SUPPLY 56-0322840
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS: * OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS (A) ESTIMATED TAX (B) LICENSE FEE (C) REFUNDED						
PART II COMPUTATION OF LICENSE FEE						
20. TOTAL CAPITAL AND PAID IN SURPLUS	0	0	0	0	0	0
21. FEE DUE - LINE 20 X $.001 + $15.00 ($25 MIN)	2,388	27,007	25	25	25	25
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0	0
23. BALANCE (LN 21 - 22)						
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	0	0	0	0	0	0
(B) CREDIT FROM LINE 19(B)	0	0	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)						
26. BALANCE OF FEE DUE (LN 23 - 25)						
27. (A) INTEREST DUE (B) PENALTY DUE TOTAL INTEREST AND PENALTY						
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)						
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS: (A) ESTIMATED TAX (B) INCOME TAX (C) REFUNDED						
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE						

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5151

SC CONS WITH DUKE POWER
Year: 1998

	TECHTROL 56-1544719	INTERA 56-1934649	DCOMSRVINC 56-2117886	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904643	DETMI MGT, INC 84-1274542
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS: * OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS (A) ESTIMATED TAX (B) LICENSE FEE (C) REFUNDED						
PART II COMPUTATION OF LICENSE FEE						
20. TOTAL CAPITAL AND PAID IN SURPLUS	0	0	0	0	0	0
21. FEE DUE - LINE 20 X $.001 + $15.00 ($25 MIN)	82	25	25	26	902	34
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0	0
23. BALANCE (LN 21 - 22)						
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	0	0	0	0	0	0
(B) CREDIT FROM LINE 19(B)	0	0	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)						
26. BALANCE OF FEE DUE (LN 23 - 25)						
27. (A) INTEREST DUE (B) PENALTY DUE TOTAL INTEREST AND PENALTY						
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)						
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS: (A) ESTIMATED TAX (B) INCOME TAX (C) REFUNDED						
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE						

AS ORIGINALLY FILED

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DES0001384 1

SC CONS WITH DUKE POWER
Year: 1998

	WATEREE POWER 56-0751405	GREENVILLE 56-0891274	SOUTHERN POWER 56-0831283	CRESCENT L&T 56-1799013	DSLLC 56-2096134	GLOBAL ASSET 88-0366429
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS: * OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS (A) ESTIMATED TAX (B) LICENSE FEE (C) REFUNDED						
PART II COMPUTATION OF LICENSE FEE						
20. TOTAL CAPITAL AND PAID IN SURPLUS	0	0	0	0	0	0
21. FEE DUE - LINE 20 X $.001 + $15.00 ($25 MIN)	25	25	25	25	25	25
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0	0
23. BALANCE (LN 21 - 22)						
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	0	0	0	0	0	0
(B) CREDIT FROM LINE 13(B)	0	0	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)						
26. BALANCE OF FEE DUE (LN 23 - 25)						
27. (A) INTEREST DUE (B) PENALTY DUE TOTAL INTEREST AND PENALTY						
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)						
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS: (A) ESTIMATED TAX (B) INCOME TAX (C) REFUNDED						
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE						

AS ORIGINALLY FILED
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DES0001384

SC CONS WITH DUKE POWER
Year: 1998

1998 CONSOL. SO. CAROLINA FORM 1120

	DUKE POWER 56-0205520	CLT DEVELOP 56-1393851	CRES CON SC 56-2030305	CRESCENT RES 57-0413582	DE&S RESOURCES 56-1957976
SCHEDULE A/B ADD & DEDUCT TO FED NET INCOME					
1. TAXES ON OR MEASURED BY INCOME	99,990,402	95,728,041	305,634	0	4,280,173	0
2. FEDERAL NET OPERATING LOSS	0	0	0	0	0	0
3. MUNICIPAL BOND INTEREST	0	0	0	0	0	0
4. OTHER ADDITION #2	2,645,618	2,645,618	0	0	0	0
5. OTHER ADDITION #3 (ATTACH SCHEDULE)	(11,072,155)	(13,072,155)	0	0	0	0
6. TOTAL ADDITIONS (LN 1 THRU 5)	89,563,865	85,301,504	305,634	0	4,280,173	0
7. INTEREST ON U.S. OBLIGATIONS	50,549	50,549	0	0	0	0
8. FOREIGN DIVIDEND DEDUCTION	0	0	0	0	0	0
9. S. CAROLINA MUNICIPAL BOND INT.	0	0	0	0	0	0
10. JOBS CREDIT, OTHER (ATTACH SCHEDULE)	0	0	0	0	0	0
11. TOTAL DEDUCTIONS (LN 7 THRU 10)	50,549	50,549	0	0	0	0
12. NET ADJUSTMENTS (LN 6 - 11, TO PART I LN 2)	89,513,316	85,250,955	305,634	0	4,280,173	0
SCHEDULE C - SUMMARY OF CREDITS (FROM SCHEDULE I)					
1. TOTAL CREDITS (FROM SCHEDULE I)	593,310	405,275	0	0	90,000	0
2. TAX (LN 9, PART I, SC1120)	21,880,515					
3. LESSER OF LN 1 OR 2 (TO LN 10 PART I CORP RET)	593,310	0	0	0	0	0
4. CREDIT CARRYOVER (LN 1 LESS LN 3)	0	0	0	0	0	0
SCHEDULE E - COMPUTATION OF LICENSE FEE					
1. TOTAL CAPITAL AND PAID IN SURPLUS END OF YEAR	6,118,613,829	4,776,475,669	36,737,015	0	34,283,998	0
2. S.C. PROPORTION (LN 1 X APPROP RAT #-1,2 OR 3)	1,493,369,769	1,456,700,891	0	0	6,314,427	0

AS ORIGINALLY FILED

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SC CONS WITH DUKE POWER
Year: 1998

	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976539	GT&N GASTONIA 56-1587250	M-P SUPPLY 56-0322840
SCHEDULE A/B ADD & DEDUCT TO FED NET INCOME						
1. TAXES ON OR MEASURED BY INCOME	452,839	(672,582)	0	0	20,844	0
2. FEDERAL NET OPERATING LOSS	0	0	0	0	0	0
3. MUNICIPAL BOND INTEREST	0	0	0	0	0	0
4. OTHER ADDITION #2	0	0	0	0	0	0
5. OTHER ADDITION #3 (ATTACH SCHEDULE)	0	0	0	0	0	0
6. TOTAL ADDITIONS (LN 1 THRU 5)	452,839	(672,582)	0	0	20,844	0
7. INTEREST ON U.S. OBLIGATIONS	0	0	0	0	0	0
8. FOREIGN DIVIDEND DEDUCTION	0	0	0	0	0	0
9. S. CAROLINA MUNICIPAL BOND INT.	0	0	0	0	0	0
10. JOBS CREDIT, OTHER (ATTACH SCHEDULE)	0	0	0	0	0	0
11. TOTAL DEDUCTIONS (LN 7 THRU 10)	0	0	0	0	0	0
12. NET ADJUSTMENTS (LN 6 - 11, TO PART I LN 2)	452,839	(672,582)	0	0	20,844	0
SCHEDULE C - SUMMARY OF CREDITS (FROM SCHEDULE I)						
1. TOTAL CREDITS (FROM SCHEDULE I)	0	98,035	0	0	0	0
2. TAX (LN 9, PART I, SC1120)						
3. LESSER OF LN 1 OR 2 (TO LN 10 PART I CORP RET)	0	0	0	0	0	0
4. CREDIT CARRYOVER (LN 1 LESS LN 3)	0	0	0	0	0	0
SCHEDULE E - COMPUTATION OF LICENSE FEE						
1. TOTAL CAPITAL AND PAID IN SURPLUS END OF YEAR	100,768,662	97,143,862	0	0	300	1,000,000
2. S.C. PROPORTION (LN 1 X APPROP FAC H-1,2 OR 3)	2,372,900	26,992,005	0	0	43	0

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5155

DES0001384

	TECHTROL 56-1544719	INTERA 56-1934649	DCOMSRVINC 56-2117886	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904643	DETHI MGT, INC 84-1274542
SCHEDULE A/B ADD & DEDUCT TO FED NET INCOME						
1. TAXES ON OR MEASURED BY INCOME	8,582	0	(25,572)	0	425	530,801
2. FEDERAL NET OPERATING LOSS	0	0	0	0	0	0
3. MUNICIPAL BOND INTEREST	0	0	0	0	0	0
4. OTHER ADDITION #2	0	0	0	0	0	0
5. OTHER ADDITION #3 (ATTACH SCHEDULE)	0	0	0	0	0	0
6. TOTAL ADDITIONS (LN 1 THRU 5)	8,582	0	(25,572)	0	425	530,801
7. INTEREST ON U.S. OBLIGATIONS	0	0	0	0	0	0
8. FOREIGN DIVIDEND DEDUCTION	0	0	0	0	0	0
9. S. CAROLINA MUNICIPAL BOND INT.	0	0	0	0	0	0
10. JOBS CREDIT, OTHER (ATTACH SCHEDULE)	0	0	0	0	0	0
11. TOTAL DEDUCTIONS (LN 7 THRU 10)	0	0	0	0	0	0
12. NET ADJUSTMENTS (LN 6 - 11, TO PART I LN 2)	8,582	0	(25,572)	0	425	530,801
SCHEDULE C - SUMMARY OF CREDITS (FROM SCHEDULE I)						
1. TOTAL CREDITS (FROM SCHEDULE I)	0	0	0	0	0	0
2. TAX (LN 9, PART I, SC1120)	0	0	0	0	0	0
3. LESSER OF LN 1 OR 2 (TO LN 10 PART I CORP RET)	0	0	0	0	0	0
4. CREDIT CARRYOVER (LN 1 LESS LN 3)	0	0	0	0	0	0
SCHEDULE E - COMPUTATION OF LICENSE FEE						
1. TOTAL CAPITAL AND PAID IN SURPLUS END OF YEAR	862,046	22,900,000	809,321	18,302,280	49,528,646	10,297,727
2. S.C. PROPORTION (LN 1 X APPROP RAT #-1,2 OR 3)	66,716	0	2,814	10,908	887,157	18,999

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DES0013845

SC CONS WITH DUKE POWER
Year: 1998

1998 CONSOL. SC. CAROLINA FORM 1120

	WATEREE POWER 56-0731405	GREENVILLE 56-0891274	SOUTHERN POWER 56-0891283	CRESCENT L&T 56-1799013	DSLLC 56-2096114	GLOBAL ASSET 88-0386429
SCHEDULE A/B ADD & DEDUCT TO FED NET INCOME						
1. TAXES ON OR MEASURED BY INCOME	0	0	0	0	0	(638,783)
2. FEDERAL NET OPERATING LOSS	0	0	0	0	0	0
3. MUNICIPAL BOND INTEREST	0	0	0	0	0	0
4. OTHER ADDITION #2	0	0	0	0	0	0
5. OTHER ADDITION #3 (ATTACH SCHEDULE)	0	0	0	0	0	0
6. TOTAL ADDITIONS (LN 1 THRU 5)	0	0	0	0	0	(638,783)
7. INTEREST ON U.S. OBLIGATIONS	0	0	0	0	0	0
8. FOREIGN DIVIDEND DEDUCTION	0	0	0	0	0	0
9. S. CAROLINA MUNICIPAL BOND INT.	0	0	0	0	0	0
10. JOBS CREDIT, OTHER (ATTACH SCHEDULE)	0	0	0	0	0	0
11. TOTAL DEDUCTIONS (LN 7 THRU 10)	0	0	0	0	0	0
12. NET ADJUSTMENTS (LN 6 - 11, TO PART I LN 2)	0	0	0	0	0	(638,783)
SCHEDULE C - SUMMARY OF CREDITS (FROM SCHEDULE I)						
1. TOTAL CREDITS (FROM SCHEDULE I)	0	0	0	0	0	0
2. TAX (LN 9, PART I, SC1120)						
3. LESSER OF LN 1 OR 2 (TO LN 10 PART I CORP RET)	0	0	0	0	0	0
4. CREDIT CARRYOVER (LN 1 LESS LN 3)	0	0	0	0	0	0
SCHEDULE E - COMPUTATION OF LICENSE FEE						
1. TOTAL CAPITAL AND PAID IN SURPLUS END OF YEAR	0	0	0	0	0	969,504,303
2. S.C. PROPORTION (LN 1 X APPROP RAT S-1,2 OR 3)	0	0	0	0	0	2,909

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5157

DES0001384 6

	DUKE POWER 56-0205520	CLT DEVELOP 56-1393851	CRES COM SC 56-2030305	CRESCENT RES 57-0143582	DE&S RESOURCES 56-1953976
SCH G - TAXABLE INCOME FOR MULTISTATE OPERATIONS					
1. TOTAL NET INC AS RECON (LN 3 PART I)	1,377,482,461	1,376,373,813	8,998,662	0 60,690,931	196,480
2. LESS: INCOME ALLOCATED EVERYWHERE (SCH F, LN 7)	83,119,517	2,877,337	0	0 80,242,180	0
3. TOTAL NET INC SUB TO APPORT (LN 1 - 2)	1,294,362,944	1,373,496,476	8,998,662	0 (19,551,249)	196,480
4. APPORTIONABLE TO SC BY APPORT. RATIO H-1,2 OR 3	405,471,926	418,880,714	0	0 (3,600,949)	23,317
5. ADD: INC ALLOCATED TO S CAROLINA (SCH F LN 8)	32,138,377	401,196	0	0 31,737,181	0
6. TOTAL S.C. NET INCOME (LN 4 + 5, TO PART I LN 4)	437,610,303	419,281,910	0	0 28,136,232	23,317

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5158

DES0013847

	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976539	GT&W GASTONIA 56-1587250	M-P SUPPLY 56-0322840
			SCH G - TAXABLE INCOME FOR MULTISTATE OPERATIONS			
1. TOTAL NET INC AS RECON (LN 3 PART I)	(21,171,279)	(34,110,724)	0	0	1,383,608	308,037
2. LESS: INCOME ALLOCATED EVERYWHERE (SCH F, LN 7)	0	0	0	0	0	0
3. TOTAL NET INC SUB TO APPORT (LN 1 - 2)	(21,171,279)	(34,110,724)	0	0	1,383,608	308,037
4. APPORTIONABLE TO SC BY APPORT. RATIO H-1,2 OR 3	(498,541)	(9,477,869)	0	0	196,951	0
5. ADD: INC ALLOCATED TO S CAROLINA (SCH F LN 8)	0	0	0	0	0	0
6. TOTAL S.C. NET INCOME (LN 4 + 5, TO PART I LN 4)	(498,541)	(9,477,869)	0	0	196,951	0

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5159

DES0001384B

	TECHTROL 56-1514719	INTERA 56-1934649	DCOMSERVINC 56-2117886	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904641	DETHI MGT, INC 84-1274542
			SCH G - TAXABLE INCOME FOR MULTISTATE OPERATIONS			
1. TOTAL NET INC AS RECON (LN 3 PART I)	300,045	(535,103)	(557,303)	(2,154,879)	(8,272,740)	41,529,159
2. LESS: INCOME ALLOCATED EVERYWHERE (SCH F, LN 7)	0	0	0	0	0	0
3. TOTAL NET INC SUB TO APPORT (LN 1 - 2)	300,045	(535,103)	(557,303)	(2,154,879)	(8,272,740)	41,529,159
4. APPORTIONABLE TO SC BY APPORT. RATIO H-1,2 OR 3	23,221	0	(1,938)	(1,284)	(148,181)	76,621
5. ADD: INC ALLOCATED TO S CAROLINA (SCH F LN 8)	0	0	0	0	0	0
6. TOTAL S.C. NET INCOME (LN 4 + 5, TO PART I LN 4)	23,221	0	(1,938)	(1,284)	(148,181)	76,621

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DES0001384 9

	WATEREE POWER 56-0751405	GREENVILLE 56-0891274	SOUTHERN POWER 56-0891283	CRESCENT L&T 56-1799013	DSLLC 56-2096114	GLOBAL ASSET 88-0366429
			SCH C - TAXABLE INCOME FOR MULTISTATE OPERATIONS			
1. TOTAL NET INC AS RECON (LN 3 PART I)	0	0	0	0	0	(45,496,246)
2. LESS: INCOME ALLOCATED EVERYWHERE (SCH F, LN 7)	0	0	0	0	0	0
3. TOTAL NET INC SUB TO APPORT (LN 1 - 2)	0	0	0	0	0	(45,496,246)
4. APPORTIONABLE TO SC BY APPORT. RATIO H-1,2 OR 3	0	0	0	0	0	(136)
5. ADD: INC ALLOCATED TO S CAROLINA (SCH F LN 8)	0	0	0	0	0	0
6. TOTAL S.C. NET INCOME (LN 4 + 5, TO PART I LN 4)	0	0	0	0	0	(136)

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5161

DES0001385O

	DUKE POWER 56-0205520	CLT DEVELOP 56-1393851	CRES CON SC 56-2030305	CRESCENT RES 57-0443582	DE&S RESOURCES 56-1953976
	SCHEDULE I - NON-REFUNDABLE TAX CREDITS				
1. CREDIT CARRYOVER FROM PREVIOUS YEAR	0	0	0	0	0	0
2. ADD (A) DRIP/TRICKLE IRRIGATION SYSTEM(TC-1)	0	0	0	0	0	0
(B) MINORITY BUSINESS (TC-2)	0	0	0	0	0	0
(C) WATER RESOURCES (TC-3)	0	0	0	0	0	0
(D) S. C. NEW JOBS CREDIT (TC-4)	0	0	0	0	0	0
(E) SCENIC RIVERS (TC-5)	0	0	0	0	0	0
(F) INFRASTRUCTURE CONSTR/IMPROVEMENT(TC-6)	390,000	300,000	0	0	90,000	0
(G) PALMETTO SEED CAPITAL (TC-7)	0	0	0	0	0	0
(H) CORP EQ INCOME TAX APPLICATION (TC-8)	0	0	0	0	0	0
(I) CHILD CARE PROGRAM (TC-9)	0	0	0	0	0	0
(J) B/CLOSE FED FAC EMP HIRING CR (TC-10)	0	0	0	0	0	0
(K) ECON. IMPACT ZONE PROPERTY INV. CREDIT	203,310	105,275	0	0	0	0
(L) CR. FOR HIRING AFDC RECIPIENTS (TC-12)	0	0	0	0	0	0
(M) ADDITIONAL ADFC CREDIT (TC-12-A)	0	0	0	0	0	0
3. TOTAL CREDITS (LN 1 + 2, TO SCH C LN 1)	593,310	405,275	0	0	90,000	0

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5162

DES0001385 1

	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367	DUKE WATER 56-1976539	GT&W CASTONIA 56-1587250	M-P SUPPLY 56-0322840
		SCHEDULE I - NON-REFUNDABLE TAX CREDITS				
1. CREDIT CARRYOVER FROM PREVIOUS YEAR	0	0	0	0	0	0
2. ADD (A) DRIP/TRICKLE IRRIGATION SYSTEM(TC-1)	0	0	0	0	0	0
(B) MINORITY BUSINESS (TC-2)	0	0	0	0	0	0
(C) WATER RESOURCES (TC-3)	0	0	0	0	0	0
(D) S. C. NEW JOBS CREDIT (TC-4)	0	0	0	0	0	0
(E) SCENIC RIVERS (TC-5)	0	0	0	0	0	0
(F) INFRASTRUCTURE CONSTR/IMPROVEMENT(TC-6)	0	0	0	0	0	0
(G) PALMETTO SEED CAPITAL (TC-7)	0	0	0	0	0	0
(H) CORP HQ INCOME TAX APPLICATION (TC-8)	0	0	0	0	0	0
(I) CHILD CARE PROGRAM (TC-9)	0	0	0	0	0	0
(J) B/CLOSE FED FAC EMP HIRING CR (TC-10)	0	0	0	0	0	0
(K) ECON. IMPACT ZONE PROPERTY INV. CREDIT	0	98,035	0	0	0	0
(L) CR. FOR HIRING AFDC RECIPIENTS (TC-12)	0	0	0	0	0	0
(M) ADDITIONAL ADFC CREDIT (TC-12-A)	0	0	0	0	0	0
3. TOTAL CREDITS (LN 1 + 2, TO SCH C LN 1)	0	98,035	0	0	0	0

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DES0001385

SC CONS WITH DUKE POWER
Year: 1998

	TECHTROL 56-1344719	INTERA 56-1931649	DCOMSRVINC 56-2117886	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904643	DETMI MGT, INC 84-1274542
			"SCHEDULE I - NON-REFUNDABLE TAX CREDITS"			
1. CREDIT CARRYOVER FROM PREVIOUS YEAR	0	0	0	0	0	0
2. ADD (A) DRIP/TRICKLE IRRIGATION SYSTEM(TC-1)	0	0	0	0	0	0
(B) MINORITY BUSINESS (TC-2)	0	0	0	0	0	0
(C) WATER RESOURCES (TC-3)	0	0	0	0	0	0
(D) S. C. NEW JOBS CREDIT (TC-4)	0	0	0	0	0	0
(E) SCENIC RIVERS (TC-5)	0	0	0	0	0	0
(F) INFRASTRUCTURE CONSTR/IMPROVEMENT(TC-6)	0	0	0	0	0	0
(G) PALMETTO SEED CAPITAL (TC-7)	0	0	0	0	0	0
(H) CORP HQ INCOME TAX APPLICATION (TC-8)	0	0	0	0	0	0
(I) CHILD CARE PROGRAM (TC-9)	0	0	0	0	0	0
(J) S/CLOSE FED FNC DEP HIRING CR (TC-10)	0	0	0	0	0	0
(K) ECON. IMPACT ZONE PROPERTY INV. CREDIT	0	0	0	0	0	0
(L) CR. FOR HIRING AFDC RECIPIENTS (TC-12)	0	0	0	0	0	0
(M) ADDITIONAL ADFC CREDIT (TC-12-A)	0	0	0	0	0	0
3. TOTAL CREDITS (LN 1 + 2, TO SCH C LN 1)	0	0	0	0	0	0

AS ORIGINALLY FILED

5164

	WATEREE POWER 56-0751405	GREENVILLE 56-0891274	SOUTHERN POWER 56-0891283	CRESCENT L&T 56-1799013	DSLLC 56-2096114	GLOBAL ASSET 88-0366429
SCHEDULE I - NON-REFUNDABLE TAX CREDITS						
1. CREDIT CARRYOVER FROM PREVIOUS YEAR	0	0	0	0	0	0
2. ADD (A) DRIP/TRICKLE IRRIGATION SYSTEM(TC-1)	0	0	0	0	0	0
(B) MINORITY BUSINESS (TC-2)	0	0	0	0	0	0
(C) WATER RESOURCES (TC-3)	0	0	0	0	0	0
(D) S. C. NEW JOBS CREDIT (TC-4)	0	0	0	0	0	0
(E) SCENIC RIVERS (TC-5)	0	0	0	0	0	0
(F) INFRASTRUCTURE CONSTR/IMPROVEMENT(TC-6)	0	0	0	0	0	0
(G) PALMETTO SEED CAPITAL (TC-7)	0	0	0	0	0	0
(H) CORP NO INCOME TAX APPLICATION (TC-8)	0	0	0	0	0	0
(I) CHILD CARE PROGRAM (TC-9)	0	0	0	0	0	0
(J) B/CLOSE FED FAC EMP HIRING CR (TC-10)	0	0	0	0	0	0
(K) ECON. IMPACT ZONE PROPERTY INV. CREDIT	0	0	0	0	0	0
(L) CR. FOR HIRING AFDC RECIPIENTS (TC-12)	0	0	0	0	0	0
(M) ADDITIONAL ADFC CREDIT (TC-12-A)	0	0	0	0	0	0
3. TOTAL CREDITS (LN 1 + 2, TO SCH C LN 1)	0	0	0	0	0	0

AS ORIGINALLY FILED

5165

Duke Energy Company
Attachment made part of and attached to
1998 Form SC1120

Schedule A/B Additions and Subtractions from Federal Taxable Income - Duke Energy Return

Page 10 of Set 1:

Line 4. Other Additions # 2

Municipal Interest of other states	2,645,618

Line 5. Other Additions # 3 .

State Tax Refund included in Federal income	3,099,748
SC Depreciation in excess of Federal	9,955,287
SC Loss in excess of Federal	17,120
Total	13,072,155

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AS ORIGINALLY FILED

Duke Power Company

Statement Attached To and Made Part Of
1998 South Carolina Corporation Income Tax Return

Function	Federal Tax Depreciation	S.C. Tax Depreciation	Income Increase (decrease)
Furniture & Fixtures	$ 19,906,463	$ 19,906,463	$ -
EDP Equipment	22,391,242	22,391,242	-
Dispatch and Other Computers	205,437	205,437	-
Data Handling Equipment	755,998	755,998	-
Other General Plant	8,819,743	8,819,743	-
Hydro	50,918,553	51,138,395	(219,842)
Hydro - Structures	1,326,645	1,332,637	(5,992)
Nuclear	43,595,482	43,595,482	-
Nuclear Fuel	118,196,323	118,196,323	-
Nuclear - Structures	3,284,780	3,451,164	(166,384)
Steam	44,878,738	44,964,996	(86,258)
Steam - Structures	302,891	309,216	(6,325)
Other Production	29,834,746	29,834,905	(159)
Other Production - Structures	206	206	-
Transmission	30,204,006	32,460,439	(2,256,433)
Distribution	157,537,522	163,457,643	(5,920,121)
Easements,Relocations & First Clearing	9,103,821	9,103,821	-
Leased Structures	607,747	607,747	-
Water	1,924,991	2,112,983	(187,992)
Structures	11,513,218	12,618,999	(1,105,781)
Land Improvements	35,282	35,282	-
Vehicles	1,179,774	1,179,774	-
	$ 556,523,608	$ 566,478,895	$ (9,955,287)

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 Recover System.

AS ORIGINALLY FILED

DES00013856

Duke Energy Corporation

Officers as of Thursday, December 31, 1998

Name	Title	Business Address
C. N. Alexander, Jr. SSN : Not on file	Vice President, Group Human Resources	526 South Chruch Street, 28202-1802 PO Box 1006 (EC03E) Charlotte, North Carolina 28201-1006 USA
Tony Almeida SSN : Not on file	Vice President, Customer Services	(DT01N)
Henry B. Barron, Jr. SSN : 493-48-5430	Vice President, McGuire Nuclear Site	(MG01VP)
Sue A. Becht SSN : Not on file	Vice President, Investor Relations	422 S. Church Street, 28202-1904 PO Box 1244 (PB03E) Charlotte, North Carolina 28201-1244 USA
Richard W. Blackburn SSN : Not on file	Corporate Compliance Officer	PO Box 1006 (EC3XE) (526 South Church Street, 28202-1802) Charlotte, North Carolina 28201-1006 USA
Richard W. Blackburn SSN : Not on file	Secretary	PO Box 1006 (EC3XE) (526 South Church Street, 28202-1802) Charlotte, North Carolina 28201-1006 USA
Richard W. Blackburn SSN : Not on file	Executive Vice President and General Counsel	PO Box 1006 (EC3XE) (526 South Church Street, 28202-1802) Charlotte, North Carolina 28201-1006 USA
Roberta B. Bowman SSN : 040-42-7772	Vice President, Public Affairs	526 South Church Street, 28202-1904) PO Box 1006 (EC06B) Charlotte, North Carolina 28201-1006 USA
Jeffrey L. Boyer SSN : 246-98-8382	Vice President & Corporate Controller	422 S. Church Street, 28202-1904 PO Box 1244 (PB02K) Charlotte, North Carolina 28201-1244 USA
Theodore B. Bright SSN : 481-60-2954	Vice President, Electric System Support	526 South Church Street, 28202-1802 PO Box 1006 (EC11J) Charlotte, North Carolina 28201-1006 USA

DUKE ENERGY CORP. CORPORATE RECORDS SYSTEM

AS ORIGINALLY FILED

5168

DES00013857

Duke Energy Corporation
Officers as of Thursday, December 31, 1998

Name	*Title*	*Business Address*
Randolph D. Broome SSN : Not on file	Vice President, Sales & Service	526 South Church Street, 28202-1802 PO Box 1006 (EC2ZA) Charlotte, North Carolina 28201-1006 USA
Emmy Lou J. Burchette SSN : 237-88-3648	Vice President, Marketing	526 South Church Street, 28202-1802 PO Box 1006 (EC2ZE) Charlotte, NC 28201-1006 USA
William A. Coley SSN : 240-62-5433	Group President, Duke Power	P. O. Box 1006 (EC3XD) 526 South Church Street (28201-1006) Charlotte, North Carolina 28201-1006 USA
Lisa Crutchfield SSN : Not on file	Vice President, Energy Public Policy & Regulatory Affairs	422 South Church Street, 28202-1904 PO Box 1244 (PB05E) Charlotte, North Carolina 28201-1244 USA
Curtis H. Davis SSN : Not on file	Senior Vice President, Power Generation	526 South Church Street, 28202-1802 PO Box 1006 (EC11P) Charlotte, North Carolina 28201-1006 USA
Carol D. Denton SSN : Not on file	Assistant Secretary	422 South Church Street, 28202-1904 PO Box 1244 (PB05E Charlotte, North Carolina 28201-1244 USA
Donald H. Denton, Jr. SSN : Not on file	Senior Vice President, Corporate Planning	422 S. Church Street, 28202-1904 PO Box 1244 (PB04M) Charlotte, North Carolina 28201-1244 USA
Ricky R. Ealey SSN : 451-96-7732	Assistant Controller, Duke Power	422 South Church Street, 28202-1904 PO Box 1244 (PB2MC) Charlotte, North Carolina 28201-1244 USA
E. O. Ferrell, III SSN : Not on file	Senior Vice President, Electric Distribution	526 South Church Street, 28202-1802 PO Box 1006 (EC2ZE) Charlotte, North Carolina 28201-1006 USA
Cary D. Flynn SSN : 334-38-5714	Vice President, Tax	422 S. Church Street, 28202-1904 PO Box 1244 (PB05B) Charlotte, North Carolina 28201-1244 USA

Duke Energy Corporation
Officers as of Thursday, December 31, 1998

Name	Title	Business Address
Fred J. Fowler SSN: 448-42-3868	Group President, Energy Transmission	5400 Westheimer Court, WO8P32 (PO Box 1642, 77251-0000) Houston, Texas 77056-5310 USA
Leonard B. Gatewood SSN: 427-86-0028	Executive Vice President, Coordinated Energy Services	5400 Westheimer Court (P. O. Box 1642 - 77251-1642) Houston, Texas 77056-5310 USA
Donald E. Hatley SSN: Not on file	Vice President, Governmental Affairs	422 South Church Street, 28202-1904 PO Box 1244 (PB05C) Charlotte, North Carolina 28201-1244 USA
David L. Hauser SSN: 245-88-5895	Senior Vice President & Treasurer	422 South Church Street, 28202-1904 PO Box 1244 (PB04E) Charlotte, North Carolina 28201-1244 USA
James R. Hendricks, Jr. SSN: Not on file	Vice President, Corporate Environment, Health & Safety	526 South Church Street, 28202-1802 PO Box 1006 (EC12ZA) Charlotte, North Carolina 28201-1006 USA
Jimmy R. Hicks SSN: 560-62-6349	Senior Vice President, Retail Services	Post Office Box 1244, PB04F 422 South Church Street Charlotte, North Carolina 28201-1244 USA
J. W. Hillhouse, Jr. SSN: Not on file	Vice President, Central Region	526 South Church Street, 28202-1802 PO Box 1006 (EC01K) Charlotte, North Carolina 28201-1006 USA
James D. Hinton SSN: Not on file	Senior Vice President, Electric Transmission	526 South Church Street, 28202-1802 PO Box 1006 (EC10P) Charlotte, North Carolina 28201-1006 USA
John P. Holland SSN: Not on file	Vice President, Northwestern Region	Lewisville USA
Robert S. Lilien SSN: 239-72-6358	Senior Vice President, Diversified Businesses	400 South Tryon Street, (WC13A) Charlotte, North Carolina 28202-1904 USA

DUKE ENERGY CORP. CORPORATE RECORDS SYSTEM

AS ORIGINALLY FILED
5170

DES00013859

Duke Energy Corporation
Officers as of Thursday, December 31, 1998

Name	*Title*	*Business Address*
John F. Lomax SSN : 250-50-3676	Vice President, Business & Community Relations, SC	325 West McBee Avenue Greenville, South Carolina 29601 USA
Sherwood L. Love SSN : 224-64-3481	Assistant Treasurer - Cash Management	422 S. Church Street, 28202-1904 PO Box 1244 (PB03G) Charlotte, North Carolina 28201-1244 USA
Robert T. Lucas III SSN : 240-78-1342	Assistant Secretary	422 S. Church Street, 28202-1904 PO Box 1244 (PB05E) Charlotte, North Carolina 28201-1244 USA
David H. Maner SSN : Not on file	Vice President, Northern Region	Address not on file
Edward M. Marsh, Jr. SSN : 243-74-7595	Assistant Secretary	422 S. Church Street, 28202-1904 PO Box 1244 (PB05E) Charlotte, North Carolina 28201-1244 USA
William R. McCollum, Jr. SSN : Not on file	Vice President, Oconee Nuclear Site	(ON01VP)
Sandra P. Meyer SSN : 437-02-7565	Vice President, Duke Power Planning & Finance	526 South Church Street, 28202-1802 PO Box 1006 Charlotte, North Carolina 28201-1006 USA
Alva R. Mullinax SSN : 462-84-7687	Senior Vice President, Shared Services	422 South Church Street, 28202-1904 PO Box 1244 (PB04G) Charlotte, North Carolina 28201-1244 USA
J. W. Neal SSN : Not on file	Vice President, Audit Services	422 South Church Street, 28202-1904 PO Box 1244 (PB03A) Charlotte, North Carolina 28201-1244 USA
Johnny F. Norris, Jr. SSN : 413-76-2541	Senior Vice President, Energy Services	5400 Westheimer Court Houston, Texas 77056-5310 USA

DUKE ENERGY CORP. CORPORATE RECORDS SYSTEM
AS ORIGINALLY FILED
5171
DES00013860

Duke Energy Corporation
Officers as of Thursday, December 31, 1998

Name	*Title*	*Business Address*
Barbara B. Orr SSN : Not on file	Vice President, Southern Region	Address not on file
Richard J. Osborne SSN : 244-74-9841	Executive Vice President & Chief Financial Officer	PO Box 1006 (EC3XP) (526 South Church Street, 28202-1802) Charlotte, North Carolina 28201-1006 USA
Gary R. Peterson SSN : Not on file	Vice President, Catawba Nuclear Site	(CN01VP)
Richard B. Priory SSN : 136-36-8702	Chairman of the Board & CEO	P. O. Box 1006 (EC3XB) 526 South Church Street - 28201-1006 Charlotte, North Carolina 28201-1006 USA
Richard B. Priory SSN : 136-36-8702	President	P. O. Box 1006 (EC3XB) 526 South Church Street - 28201-1006 Charlotte, North Carolina 28201-1006 USA
William F. Reinke SSN : Not on file	Vice President, Business Initiatives	526 South Church Street, 28202-1802 PO Box 1006, (EC03S) Charlotte, North Carolina 28201-1006 USA
Christopher C. Rolfe SSN : Not on file	Vice President, Corporate Human Resources	422 South Church Street, 28202-1904 PO Box 1244 (PB04J) Charlotte, North Carolina 28201-1244 USA
Ellen T. Ruff SSN : 048-42-3578	Vice President & General Counsel, Electric Operations	422 S. Church Street, 28202-1904 PO Box 1244 (PB05E) Charlotte, North Carolina 28202-1244 USA
Ruth G. Shaw SSN : Not on file	Executive Vice President & Chief Administrative Officer	PO Box 1006 (EC3XG) (526 South Church Street, 28202-1802) Charlotte, North Carolina 28201-1006 USA
Phyllis T. Simpson SSN : Not on file	Assistant Secretary	Address not on file

DUKE ENERGY CORP. CORPORATE RECORDS SYSTEM

AS ORIGINALLY
5172

DES00013861

Duke Energy Corporation
Officers as of Thursday, December 31, 1998

Name	*Title*	*Business Address*
Cecil O. Smith, Jr. SSN : Not on file	Senior Vice President, Information Management	422 South Church Street, 28202-1904 PO Box 1244 (PB04K) Charlotte, North Carolina 28201-1244 USA
Neale H. Taylor SSN : Not on file	Vice President, Group Environment, Health & Safety	526 South Church Street, 28202-1802 PO Box 1006 (EC12I) Charlotte, North Carolina 28201-1006 USA
Norman E. Tucker, Jr. SSN : Not on file	President, Nantahala Power and Light	301 NPL Loop Franklin, North Carolina 28734 USA
Michael S. Tuckman SSN : 264-68-2377	Executive Vice President, Nuclear Generation	526 South Church Street, 28202-1802 Post Office Box 1006 (EC07H) Charlotte, North Carolina 28201-1006 USA
Richard T. Williams SSN : Not on file	Vice President, Business and Community Relations, NC	(DUR01A) Durham, North Carolina USA
Steven K. Young SSN : 140-58-6363	Vice President, Rates & Regulatory Affairs	422 South Church Street, 28202-1904 PO Box 1244 (PB02L) Charlotte, North Carolina 28201-1244 USA

DUKE ENERGY CORP. CORPORATE RECORDS SYSTEM

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5173

DES00013862

Duke Energy Corporation
Statements relating to Tax Credit Under
SC Code Section 12-6-3490
1998

Name of persons completing the projects are listed on the attached sheets.

Description of the projects - all for infrastructure - included on the attached sheets

The SC Code section under which each project qualifies is 12-6-3490(B)(1) and (2)

The amount of cash paid by Duke Energy for the projects is $300,000

Expected completion date for the latest project under which this credit is claimed is 12-31-99

Taxpayer herein agrees to an extension of the stature of limitations for the Duke Energy South Carolina income tax return (Form SC1120) for the year 1998 until December 31, 2002.

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AS ORIGINALLY FILED

LCEDC

LANCASTER COUNTY ECONOMIC DEVELOPMENT CORPORATION

September 8, 1998

James C. Rogers, PE
Manager, Economic Development
Duke Power
325 W. McBee Ave.
Greenville, SC 29601

Re: Infrastructure Assistance for Allegiance Health Care

Dear Jim:

As per Duke Power's commitment, please remit $60,000 (sixty thousand) to be used for infrastructure at the Allegiance Health Care site on Highway 160, off U. S. Highway 521 in Lancaster County.

As previously discussed, the funds will be used and disbursed by us for various infrastructure qualifying under the Rural Development Act for the development of the Allegiance Health Care facility.

As always, we appreciate Duke Power's assistance in our industry recruiting efforts and thank you for your help and support.

Sincerely,

William D. Boan
Executive Director

Resp 4645
WID 0450PSECONCEXP
BC 31
Approved For Payment.
9/22/98

PO Box 973, Lancaster, SC 29721, 803-285-9471, Fax 803-285-9472, Email:LCEDC@infoAve.Net

AS ORIGINALLY FILED

LCEDC

LANCASTER COUNTY ECONOMIC DEVELOPMENT CORPORATION

LPA # _____ VENDOR # _____
Resp. 4645 WBS 04505ECONCEXP
Acct. _____ SC _____ PUC _____ TAX _____
Approval _____
Ck # _____ Date 11/24/98

November 23,1998

James C. Rogers, PE
Manager, Economic Development
Duke Power
325 W. McBee Ave.
Greenville, SC 29601

Re: Infrastructure Assistance for Project Tanga / Sampla Belting

Dear Jim:

As per Duke Power's commitment, please remit $25,000 (twenty –five thousand) to be used for infrastructure at the Project Tanga / Sampla Belting Site in Lancaster County.

As previously discussed, the funds will be used and disbursed by us for various infrastructure qualifying under the Rural Development Act for the development of the Project Tanga / Sampla Belting facility. In the event that the project does not materialize, Lancaster County Economic Development Corporation will refund the entire amount.

As always, we appreciate Duke Power's assistance in our industry recruiting efforts and thank you for your help and support.

Sincerely,

WDBoan

William D. Boan
Executive Director

AS ORIGINALLY FILED

LCEDC

LANCASTER COUNTY ECONOMIC DEVELOPMENT CORPORATION

LPA # _____ VENDOR # _____
Resp. 4645 WBS D450PSECONCEXP
Acct. _____ FUC _____ FAU _____
Approved _____
Ck # _____ Date 11/25/98

November 23,1998

James C. Rogers, PE
Manager, Economic Development
Duke Power
325 W. McBee Ave.
Greenville, SC 29601

Re: Infrastructure Assistance for Eon Labs

Dear Jim:

As per Duke Power's commitment, please remit $60,000 (sixty thousand) to be used for infrastructure at the Eon Labs Site in Lancaster County.

As previously discussed, the funds will be used and disbursed by us for various infrastructure qualifying under the Rural Development Act for the development of the Eon Labs facility. In the event that the project does not materialize, Lancaster County Economic Development Corporation will refund the entire amount.

As always, we appreciate Duke Power's assistance in our industry recruiting efforts and thank you for your help and support.

Sincerely,

WD Boan

William D. Boan
Executive Director

PO Box 973, Lancaster, SC 29721, 803-285-9471, Fax 803-285-9472, Email:LCEDC@infoAve.Net

AS ORIGINALLY FILED
5177

DES00013866

ANDERSON COUNTY
ECONOMIC DEVELOPMENT

November 17, 1998

4645 0450PSECONCE
11/25/98

Mr. David M. Aman
Manager, Economic Development
Duke Power Company
325 McBee Avenue
Greenville, S. C. 29601

Advisory Board
W. Ray Parlain,
Chairman
Dennis Claramunt
John M. Greene
Al Norris
Dr. Jerry Neal
J. A. Young
Donnie Ray Colley
Jen Thomas
Rut Galloway
Hon. T. Ed Garrison
Bill McAbee
Lloyd Wilson
David M. Aman
Robert Foster

Ex Officio
Dr. William Ward
Dr. Don Garrison
Dr. Lee G. Royce
E.W. Nail, Jr.
William Patrick Flack

RE: Infrastructure Grant for Anderson County Industrial Park

Dear David:

In accordance with Duke Power's commitment, please remit $40,000 (forty thousand dollars) to be used for infrastructure needs for the Anderson County Industrial Park, located near Interstate 85 and Highway 81.

As previously discussed, the funds will be used and disbursed by us for various infrastructure qualifying under the Rural Development Act for the development of the Anderson County Industrial Park.

We appreciate Duke Power's assistance in our industrial recruiting efforts, and for your support of the new Anderson Industrial Park.

Sincerely,

Gerald K. Howard
Director
Division of Economic Development

GKH/vgj

Partners for Economic Development
3805 Airport Road Anderson SC 29626 864.260.4386 Fax 864.260.4369

THE GREENWOOD COUNTY ECONOMIC ALLIANCE, INC.

600 Monument Street • Suite 114, Box P-128 • Greenwood, SC 29646
Telephone (864) 388-1250 Fax (864) 388-1253
E-Mail: ecoall@emeraldis.com
URL: http://www.emeraldis.com/~ecoall

November 23, 1998

LPA # _____
Resp 1145 WD 045 OPSECONCEXP
Acct. _____ SC _____ SUC _____ TAX _____
Approved _____
Ck # _____ Date 11/25/98

Mr. James C. Rogers, PE
Manager, Economic Development
Duke Power
325 W. McBee Avenue
Greenville, S.C. 29601

Ref: Infrastructure Assistance for the Greenwood County Business Park

Dear Jim:

As per Duke Power's commitment, please remit $25,000 (twenty five thousand) to be used for infrastructure at the 175 acre Greenwood County Business Park located on U.S. 25 North in Greenwood County, South Carolina.

As previously discussed, the funds will be used and disbursed by the Greenwood County Economic Alliance at the park for various infrastructure qualifying under the Rural Development Act.

Sincerely,

Peter H. Arnoti
Executive Director

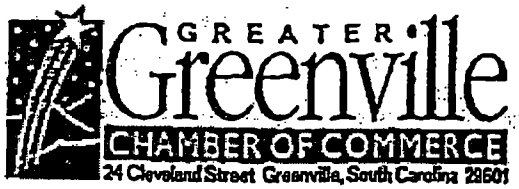
PHA/jm

Enclosure:

C: Mr. Jim Kier, County Manager

AS ORIGINALLY FILED

DES00013868



December 11, 1998

Mr. David Aman
Manager, Economic Development
Duke Power Company
325 W. Mcbee Avenue
Greenville, SC 29602

RE: Infrastructure Grant for Tennessee Metals Project

Dear David:

In accordance with Duke Power's commitment, please remit $25,000 (twenty five thousand dollars) to be used for infrastructure needs for the Tennessee Metals Project, located in Hughes Technology Park in Greenville, S.C. Tennessee Metals is a qualifying project for Enterprise Zone and Fee-in-Lieu Incentives.

As previously discussed, the funds will be used and disbursed by Welkin Capital Inc. For road construction qualifying under the Rural Development Act for the development of the Tennessee Metals facility. Please mail this check to the Greater Greenville Chamber of Commerce as we will hold this money in escrow until Welkin Capital Inc. requires funding for infrastructure.

We appreciate Duke Power's assistance in our industrial recruiting efforts, and for your continued support.

Yours sincerely,

J.R. "Rick" Cauthen
Vice President, Economic Development

REQ. NO. 4502 DATE 12.14.98
LOCAL PER. CONT. NO. 0450PSECONEXP
WID _____ SOURCE CODE _____
DISTRIBUTION _____
AUTH. _____ 12/14/98
WIRE _____

AS ORIGINALLY FILED

GREATER Greenville CHAMBER OF COMMERCE
24 Cleveland Street Greenville, South Carolina 29601

November 23, 1998

LPA # _____ VENDOR # _____
Resp. 4645 WBS 045045ECONDEXP
Acct. _____ SC _____ PUC _____
Approved _____
Ck # _____ Date 11/30/98

Mr. David Aman
Manager, Economic Development
Duke Power Company
325 W. McBee Avenue
Greenville, SC 29601

RE: Infrastructure Grant for Magna Corporation (Project Volcano)

Dear David:

In accordance with Duke Power's commitment, please remit $65,000 (sixty five thousand dollars) to be used for infrastructure needs for the Magna Corporation expansion, located in Greenville County on Moon Acres Road, Piedmont, S.C.

As previously discussed, the funds will be used and disbursed by us for various infrastructure qualifying under the Rural Development Act for the development of the Magna Corporation facility.

We appreciate Duke Power's assistance in our industrial recruiting efforts, and for you continued support.

Yours sincerely,

J. R. "Rick" Cauthen
Vice President, Economic Development

AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

INFRASTRUCTURE CREDIT

Attach this form to your return.

SC SCH. TC 6
3240
(Rev. 9/94)
19 98

Name of Corporation
CRESCENT RESOURCES, INC

Fed. E I#
57-0443582

Address of Corporation
400 SOUTH TRYON ST SUITE 1300

CHARLOTTE NC 28201

COMPUTATION OF TAX CREDIT

PART I WATER LINES

A separate Sch. TC-6 must be prepared for each water line project.

1.	Expenses of water lines project and related facilities. (Project must be dedicated to public use or deeded to a qualified private entity. See instructions, paragraph B)	1.	$ 34,853
2.	Expenses allocated to taxpayer's benefit. (See instructions, paragraph C)	2.	
3.	Subtract line 2 from line 1.	3.	34,853.00
4.	Contributions (See instructions, paragraph D)	4.	
5.	Combine lines 3 and 4.	5.	34,853.00
6.	Multiply amount on line 5 by 50%.	6.	17,426.50
7.	Maximum credit allowed per project.	7.	$10,000
8.	Enter the lesser of lines 6 or 7. Credit amount on line 8 is combined with credit amounts from other qualifying infrastructure projects and entered on line f, Sch. I, form SC1120.	8.	10,000

PART II SEWER LINES

A separate Sch. TC-6 must be prepared for each sewer line project.

1.	Expenses of sewer lines project and related facilities. (Project must be dedicated to public use or deeded to a qualified private entity. See instructions, paragraph B)	1.	$ 58,515
2.	Expenses allocated to taxpayer's benefit. (See instructions, paragraph C)	2.	
3.	Subtract line 2 from line 1.	3.	58,515.00
4.	Contributions (See instructions, paragraph D)	4.	
5.	Combine lines 3 and 4.	5.	58,515.00
6.	Multiply amount on line 5 by 50%.	6.	29,257.50
7.	Maximum credit allowed per project.	7.	$10,000
8.	Enter the lesser of lines 6 or 7. Credit amount on line 8 is combined with credit amounts from other qualifying infrastructure projects and entered on line f, Sch. I, form SC1120.	8.	10,000

AS ORIGINALLY FILED

DES00013871

PART III ROADS

A separate Sch. TC-6 must be prepared for each road project.

1. Expenses of road project. (Project must be dedicated to public use. See instructions, paragraph B)	1.	$ 76,132
2. Expenses allocated to taxpayer's benefit. (See instructions, paragraph C)	2.	
3. Subtract line 2 from line 1.	3.	76,132.00
4. Contributions (See instructions, paragraph D)	4.	
5. Combine lines 3 and 4.	5.	76,132.00
6. Multiply amount on line 5 by 50%.	6.	38,066.00
7. Maximum credit allowed per project.	7.	$10,000
8. Enter the lesser of lines 6 or 7. Credit amount on line 8 is combined with credit amounts from other qualifying infrastructure projects and entered on line f, Sch. I, form SC1120.	8.	10,000

Recapture of Infrastructure Credit if a Road is Removed from State Highway or Public Road System

1. Expenses (or contributions) of road project.	1.	
2. Expenses allocated to road project removed from state or public system.	2.	
3. Divide amount on line 2 by amount on line 1.	3.	%
4. Credit allowed for roads project.	4.	
5. Multiply amount on line 4 by percentage on line 3. Amount on line 5 must be added to income tax due.	5.	

AS ORIGINALLY FILED

DES00013872

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

INFRASTRUCTURE CREDIT

Attach this form to your return.

SC SCH. TC 6
3240
(Rev. 9/94)
1998

Name of Corporation
CRESCENT RESOURCES, INC

Fed. E I#
57-0443582

Address of Corporation
400 SOUTH TRYON ST SUITE 1300

CHARLOTTE NC 28201

COMPUTATION OF TAX CREDIT

PART I WATER LINES

A separate Sch. TC-6 must be prepared for each water line project.

1. Expenses of water lines project and related facilities. (Project must be dedicated to public use or deeded to a qualified private entity. See instructions, paragraph B)	1.	$ 123,997
2. Expenses allocated to taxpayer's benefit. (See instructions, paragraph C)	2.	
3. Subtract line 2 from line 1.	3.	123,997.00
4. Contributions (See instructions, paragraph D)	4.	
5. Combine lines 3 and 4.	5.	123,997.00
6. Multiply amount on line 5 by 50%.	6.	61,998.50
7. Maximum credit allowed per project.	7.	$10,000
8. Enter the lesser of lines 6 or 7. Credit amount on line 8 is combined with credit amounts from other qualifying infrastructure projects and entered on line f, Sch. I, form SC1120.	8.	10,000

PART II SEWER LINES

A separate Sch. TC-6 must be prepared for each sewer line project.

1. Expenses of sewer lines project and related facilities. (Project must be dedicated to public use or deeded to a qualified private entity. See instructions, paragraph B)	1.	$ 84,896
2. Expenses allocated to taxpayer's benefit. (See instructions, paragraph C)	2.	
3. Subtract line 2 from line 1.	3.	84,896.00
4. Contributions (See instructions, paragraph D)	4.	
5. Combine lines 3 and 4.	5.	84,896.00
6. Multiply amount on line 5 by 50%.	6.	42,448.00
7. Maximum credit allowed per project.	7.	$10,000
8. Enter the lesser of lines 6 or 7. Credit amount on line 8 is combined with credit amounts from other qualifying infrastructure projects and entered on line f, Sch. I, form SC1120.	8.	10,000

AS ORIGINALLY FILED

DES00013873

PART III ROADS

A separate Sch. TC-6 must be prepared for each road project.

1. Expenses of road project. (Project must be dedicated to public use. See instructions, paragraph B)	1.	$ 265,442
2. Expenses allocated to taxpayer's benefit. (See instructions, paragraph C)	2.	
3. Subtract line 2 from line 1.	3.	265,442.00
4. Contributions (See instructions, paragraph D)	4.	
5. Combine lines 3 and 4.	5.	265,442.00
6. Multiply amount on line 5 by 50%.	6.	132,721.00
7. Maximum credit allowed per project.	7.	$10,000
8. Enter the lesser of lines 6 or 7. Credit amount on line 8 is combined with credit amounts from other qualifying infrastructure projects and entered on line f, Sch. I, form SC1120.	8.	10,000

Recapture of Infrastructure Credit if a Road Is Removed from State Highway or Public Road System

1. Expenses (or contributions) of road project.	1.	
2. Expenses allocated to road project removed from state or public system.	2.	
3. Divide amount on line 2 by amount on line 1.	3.	%
4. Credit allowed for roads project.	4.	
5. Multiply amount on line 4 by percentage on line 3. Amount on line 5 must be added to income tax due.	5.	

AS ORIGINALLY FILED

DES00013874

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

INFRASTRUCTURE CREDIT

Attach this form to your return.

SC SCH. TC 6
3240
(Rev. 9/94)
19 98

Name of Corporation
CRESCENT RESOURCES, INC

Fed. E I #
57-0443582

Address of Corporation
400 SOUTH TRYON ST SUITE 1300

CHARLOTTE NC 28201

COMPUTATION OF TAX CREDIT

PART I WATER LINES

A separate Sch. TC-6 must be prepared for each water line project.

1.	Expenses of water lines project and related facilities. (Project must be dedicated to public use or deeded to a qualified private entity. See instructions, paragraph B)	1.	$ 182,731
2.	Expenses allocated to taxpayer's benefit. (See instructions, paragraph C)	2.	
3.	Subtract line 2 from line 1.	3.	182,731.00
4.	Contributions (See instructions, paragraph D)	4.	
5.	Combine lines 3 and 4.	5.	182,731.00
6.	Multiply amount on line 5 by 50%.	6.	91,365.50
7.	Maximum credit allowed per project.	7.	$10,000
8.	Enter the lesser of lines 6 or 7. Credit amount on line 8 is combined with credit amounts from other qualifying infrastructure projects and entered on line f, Sch. I, form SC1120.	8.	10,000

PART II SEWER LINES

A separate Sch. TC-6 must be prepared for each sewer line project.

1.	Expenses of sewer lines project and related facilities. (Project must be dedicated to public use or deeded to a qualified private entity. See instructions, paragraph B)	1.	$ 688,959
2.	Expenses allocated to taxpayer's benefit. (See instructions, paragraph C)	2.	
3.	Subtract line 2 from line 1.	3.	688,959.00
4.	Contributions (See instructions, paragraph D)	4.	
5.	Combine lines 3 and 4.	5.	688,959.00
6.	Multiply amount on line 5 by 50%.	6.	344,479.50
7.	Maximum credit allowed per project.	7.	$10,000
8.	Enter the lesser of lines 6 or 7. Credit amount on line 8 is combined with credit amounts from other qualifying infrastructure projects and entered on line f, Sch. I, form SC1120.	8.	10,000

AS ORIGINALLY FILED

DES00013875

PART III ROADS

A separate Sch. TC-6 must be prepared for each road project.

1. Expenses of road project. (Project must be dedicated to public use. See instructions, paragraph B)	1.	$ 292,18
2. Expenses allocated to taxpayer's benefit. (See instructions, paragraph C)	2.	
3. Subtract line 2 from line 1.	3.	292,183.0
4. Contributions (See instructions, paragraph D)	4.	
5. Combine lines 3 and 4.	5.	292,183.0
6. Multiply amount on line 5 by 50%.	6.	146,091.5
7. Maximum credit allowed per project.	7.	$10,000
8. Enter the lesser of lines 6 or 7. Credit amount on line 8 is combined with credit amounts from other qualifying infrastructure projects and entered on line f, Sch. I, form SC1120.	8.	10,00

Recapture of Infrastructure Credit if a Road is Removed from State Highway or Public Road System

1. Expenses (or contributions) of road project.	1.	
2. Expenses allocated to road project removed from state or public system.	2.	
3. Divide amount on line 2 by amount on line 1.	3.	
4. Credit allowed for roads project.	4.	
5. Multiply amount on line 4 by percentage on line 3. Amount on line 5 must be added to income tax due.	5.	

AS ORIGINALLY FILED

DES00013876

Deloitte & Touche

TAXPAYER *DUKE ENERGY CORPORATION*

INSTRUCTIONS FOR FILING

AMENDED CORPORATION INCOME TAX RETURN

STATE OF SOUTH CAROLINA

FOR THE YEAR ENDED

DECEMBER 31, 1999

To be signed and dated by	☐ Taxpayer ☐ Taxpayer and spouse ☒ Officer ☐
Amount of Tax	Total Tax $ Less: payments & credits $ Balance due (overpayment) $(13,013,930)
Overpayment	☒ Refunded to you $13,013,930. ☐ 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 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	



MISCSTATELTRS

STATE OF SOUTH CAROLINA
'C' CORPORATION INCOME TAX RETURN
RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

Mail This Return To:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC1120
(Rev. 9/95) 3091

A COPY OF FEDERAL FORM 1120, 1120A, 1120H or 1120F AND SUPPORTING SCHEDULES MUST BE ATTACHED AND MADE PART OF THIS RETURN

AS AMENDED (See PEEL-OFF LABEL)

PLACE PEEL-OFF LABEL HERE

RETURN FOR 12/31/1999 INCOME
PERIOD ENDING 12/31/2000 LICENSE
RETURN DUE 03/15/2000

FILE NO. 20090024-9
BUSINESS CODE 4911
EMPLOYER ID NO. 56-0205520

NAME DUKE ENERGY CORPORATION
STREET ADDRESS MAIL CODE PB05B
CITY CHARLOTTE STATE NC ZIP CODE 28242

Extension Requested: Yes X No
Type of SC Return: Separate X Consolidated
If Final Return, Indicate Whether: Merged ☐ Reorganized ☐ Dissolved ☐ Withdrawn ☐
County or counties in SC Where Property is located: VARIOUS

City Audit Location: CHARLOTTE, NC State:
Telephone Number: (704) 382-8175
Total cost of land, buildings and land improvements in SC. ▶
Total cost of depreciable personal property in SC. ▶

PART I COMPUTATION OF INCOME TAX LIABILITY

1. Federal Taxable Income Per Federal Form 1120 or 1120 A	1	1,350,747,216
2. Net Adjustment from line 12, Schedule A and B	2	119,382,335
3. Total Net Income As Reconciled (line 1 plus or minus line 2)	3	1,470,129,551
4. If Multi-state Corporation, enter amount from line 6, Schedule G; otherwise, enter amount from line 3	4	172,183,372 *
5. LESS: South Carolina net operating loss carryover, if applicable	5	
6. South Carolina Net Income subject to tax (line 4 less line 5)	6	172,183,372
7. TAX: Multiply amount on line 6 by .05 (5.0%)	7	8,609,169
8. Less tax deferred on income from foreign trade receipts (see instructions)	8	
9. Balance (line 7 less line 8)	9	8,609,169
10. Non-refundable credits from line 3, Schedule C	10	< >
11. Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11	8,609,169
12. Interest on DISC-deferred tax liability ____ or Foreign Trade deferred tax liability ____	12	
13. Total tax and/or interest (add lines 11 and 12)	13	8,609,169
14. Payments: (a) Tax Withheld (see instructions) ____ (b) Paid by Declaration ____ (c) Paid with Tentative Return ____ (d) Credit from line 29b ____		
15. Total Payments (add lines 14a through 14d)	15	21,623,099
16. Balance of Tax and/or Interest Due (line 13 less line 15)	16	0
17. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total.	17	
18. TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18	0
19. OVERPAYMENT (line 15 less line 13) 13,013,930 To be applied as follows: (a) Estimated Tax ▶ ____ (b) License Fee ▶ ____ (c) Refunded ▶		13,013,930

COPY

PART II COMPUTATION OF LICENSE FEE

20. Total Capital And Paid In Surplus (Multi-State Corporations See Schedule E)	20	
21. FEE DUE - Line 20 x .001, plus $15.00 (Fee cannot be less than $25.00)	21	
22. Less Application of Corporate Headquarters credit (TC-8)	22	
23. Balance (line 21 less line 22)	23	
24. Payments: (a) Paid With Tentative Return ____ (b) Credit from line 19b ____		
25. Total Payments (add line 24 (a) and (b))	25	
26. Balance Of Fee Due (line 23 less line 25)	26	
27. Interest Due ▶ ____ Penalty Due ▶ ____ (See penalty and interest instructions.) Enter total	27	
28. TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28	
29. OVERPAYMENT (line 25 less line 23) ____ To be applied as follows: (a) Estimated Tax ▶ ____ (b) Income Tax ▶ ____ (c) Refunded ▶		
30. GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28)	30	0

Make checks payable to: SC Department of Revenue.

Please Sign Here

I, the undersigned, a 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.

▶ Signature of officer ____ Date 12/12/2001 ▶ Title ____

Paid Preparer's Use Only

Preparer's signature ▶ [signature] Date 12/11/2001 Check if self-employed ▶ ☐ Preparer's social security no. 172-60-8283

Firm's name (or yours if self-employed) and address ▶ DELOITTE AND TOUCHE LLP
2500 ONE PPG PLACE

E.I. No. ▶ 13-3891517
Zip code ▶ 15222

STF SC42611F.1 * SEE ATTACHED RECONCILIATION SCHEDULE BY AMENDED ENTITY

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	100,588,052	
2. Federal Net Operating Loss	2.	0	
3.	3.	0	
4. WORKERS COMP RESERVE	4.	469,416	
5. Other Additions (attach schedule)	5.	27,668,196	
6. Total Additions (add lines 1 through 5)			6. 128,725,664

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.	41,495	
8.	8.	0	
9.	9.	0	
10. Other Deductions (attach schedule) SC DEPRECIATION ADJUSTMENT	10.	9,301,834	
11. Total Deductions (add lines 7 through 10)			11. 9,343,329
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120			12. 119,382,335

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I)	1.	367,501
2. Tax (line 9, Part I, SC1120)	2.	21,623,099
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120)	3.	367,501
4. Credit Carryover (line 1 less line 3)	4.	0

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name of Corporation DUKE ENERGY COMPANY
2. Date of this Report 9/15/00 Fed. E.I. No. 56-0205520
3. Incorporated under the Laws of the State of NC on 02/10/1964
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is
5. Location of the Registered Office of the Corporation in the State of South Carolina is in the City of GREENVILLE Registered Agent at such address is JOHN F. LOMAX
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
8. Location of principal office (street address)
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of JEFFREY BOYER
   Located at (street address) 422 S. CHURCH STREET CHARLOTTE, NC 28201-1244
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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? NO
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	$	4,898,453,389
Total paid in Capital Surplus	$	533,096,382
Total amount of stated Capital	$	5,431,549,771

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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE

STF SC42611F.2

AMENDED

SCHEDULES E, F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE - MULTI-STATE CORPORATIONS

1. Total Capital and Paid-in-Surplus at end of Year	$ 5,431,549,771
2. S.C. PROPORTION: (line 1 x ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 20, Part II.	$

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	Property to Be Excluded from Property Factor 6
1. Interest not connected with business	0	0	0	0		
2. Dividends received	0	0	0	0		
3. Rents	0	0	0	0	0	0
4. Gains/losses on real property	0	0	0	0		
5. Gains/losses on intangible pers. prop.	0	0	0	0		
6. Investment income directly allocated	0	0	0	0	0	0
7. TOTAL INCOME DIRECTLY ALLOCATED						
8. INCOME DIRECTLY ALLOCATED TO S.C.						
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.	
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.	186,639,219

SCHEDULE H - 1 COMPUTATION OF FOUR 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 Sales (same as line 14.)			%
16. TOTAL of Ratios (add Column 3 - lines 10, 13, 14 and 15)			%
17. Arithmetical Average of 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 (see instructions)	< >	< >	
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	Ratio
1. Total Within South Carolina		
2. Total for System		
3. Ratio (South Carolina ÷ Total System)		%

AMENDED

SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add: (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. 172,783
   (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. 194,718
   (l) Credit for Hiring AFDC Recipients (TC-12) ..... l. _____
   (m) Additional AFDC Credit (TC-12-A) ..... m. _____
3. Total Credits (add lines 1 and 2a through m and enter on line 1, Schedule C) 3. 367,501

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE ENERGY CORPORATION S.C.I.D. NO. 20090024-9
2. Date of this report _____ Fed. E.I. No. 56-0205520
3. Address MAIL CODE PB058 422 S. CHURCH STREET CHARLOTTE, NC 28201-1244
4. Incorporated under the laws of the State of NC on 02/10/1964
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of JEFFREY BOYER
    Located at 422 S. CHURCH STREET CHARLOTTE, NC 28201
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 ..... $ 4,896,002,908
    Total paid in Capital Surplus ..... $ 5,657,916
    Total amount of stated Capital ..... $ 4,901,660,824
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

For additional affiliated corporations duplicate Schedule J as needed.

STF SC4251IF.4

AMENDED

Adjustments to Duke Power
56-0205520
South Carolina Taxable Income

	As Filed	Adjustments	As Amended	
Total Net Income as Reconciled	1,384,424,529		1,384,424,529	
Less: Income subject to direct allocation	18,957,847		18,957,847	
Total Net Income Subject to Apportionment	1,366,466,682		1,366,466,682	
SC Apportionment Ratio				
Property In SC	5,689,731,588	N/A		
Property Everywhere	16,594,169,326	N/A		
Property Factor	0.342875	N/A		
Payroll SC	253,418,267	N/A		
Payroll Everywhere	787,643,807	(787,643,807)		
Payroll Factor	0.321742	(0)		
Reciepts SC	1,199,135,851	-	1,199,135,851	
Reciepts Everywhere	4,782,300,412	5,971,695,003	10,753,995,415	Reciepts Only
Receipts Factor	0.250745	(0.139239)	0.111506	
SC apportionment factor	0.291527	(0.180021)	0.111506	
Income Apportioned to SC	398,361,932	(245,992,698)	152,369,234	
Add: Income subject to direct allocation to SC	1,269,985		1,269,985	
Total SC Net Income	399,631,917	(245,992,698)	153,639,219	

Adjustments to Crescent Resources
57-0443582
South Carolina Taxable Income

	As Filed	Adjustments	As Amended
Federal Taxable Income	55,215,156		55,215,156
Add: State Adjustments	32,595,919	-	32,595,919
Total Net Income as Reconciled	87,811,075	-	87,811,075
Less: Income Subject to Direct Allocation	99,063,712	27,646,256	126,709,968
Add: Expenses Directly Allocated		104,321,259	104,321,259
Total Net Income Subject to Apportionment	(11,252,637)	76,675,003	65,422,366
SC Apportionment Ratio	0.091474	0.021476	0.112950
Income Apportioned to SC	(1,029,324)	8,418,780	7,389,456
Add: Income subject to direct allocation to SC	33,510,671	27,646,256	61,156,927
Less: Expenses Directly Allocated		50,350,953	50,350,953
Total SC Net Income	32,481,347	(14,285,917)	18,195,430

AMENDED

STATE OF SOUTH CAROLINA
'C' CORPORATION INCOME TAX RETURN
RETURN IS DUE ON OR BEFORE THE 15TH DAY OF THE 3RD MONTH FOLLOWING THE CLOSE OF THE TAXABLE YEAR

Mail this return to:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC 1120
(Rev. 9/17/99) 309

USE PEEL-OFF LABEL

AS AMENDED

PLACE PEEL-OFF LABEL HERE

RETURN FOR 12/31/1999 INCOME
PERIOD ENDING 12/31/2000 LICENSE
RETURN DUE 03/15/2000

FILE NO. 20090024 - 9
BUSINESS CODE 221100
EMPLOYER ID NO. 56-0205520

NAME DUKE ENERGY CORPORATION
MAILING ADDRESS MAIL CODE PB05B
CITY CHARLOTTE STATE NC ZIP CODE 28201-1244

Check box if this is a change of address. ☐

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

Extension Requested: Yes X No

Type of SC Return: Separate X Consolidated

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

County or Counties in SC Where Property is Located:
VARIOUS

EFT ☒ Accounting Period Change ☐

City	Audit Location	State
CHARLOTTE		NC

Telephone Number: (704) 382-8175

Total cost of land, buildings and land improvements in SC. ▶ 0

Total cost of depreciable personal property in SC. ▶ 0

PART I COMPUTATION OF INCOME TAX LIABILITY

1.	Federal Taxable Income per Federal Form 1120 or 1120A	1.	1,350,747,216
2.	Net Adjustment from line 12, Schedule A and B	2.	119,382,335
3.	Total Net Income as Reconciled (line 1 plus or minus line 2)	3.	1,470,129,551
4.	If Multi-state Corporation, enter amount from line 6, Schedule G; otherwise, enter amount from line 3.	4.	432,461,987
5.	LESS: South Carolina net operating loss carryover, if applicable	5.	0
6.	South Carolina Net Income subject to tax (line 4 less line 5)	6.	432,461,987
7.	TAX: Multiply amount on line 6 by .05 (5.0%)	7.	21,623,099
8.	Less tax deferred on income from foreign trade receipts (see instructions)	8.	0
9.	Balance (line 7 less line 8)	9.	21,623,099
10.	Non-refundable credits from line 3, Schedule C	10.	< 367,501 >
11.	Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11.	21,255,598
12.	Interest on DISC-deferred tax liability _____; or Foreign Trade Deferred Tax Liability	12.	0
13.	Total tax and/or interest (add lines 11 and 12)	13.	21,255,598
14.	Payments: (a) Tax Withheld (see instructions) _____ (b) Paid by Declaration _____ (c) Paid with Tentative Return _____ (d) Credit from Line 29b _____		
15.	Total Payments (add lines 14a through 14d)	15.	21,099,164
16.	Balance of Tax and/or Interest Due (line 13 less line 15)	16.	156,434
17.	Interest Due ▶ _____ Penalty Due ▶ _____ (See penalty and interest instructions.) Enter Total	17.	0
18.	TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18.	156,434
19.	OVERPAYMENT (line 15 less line 13) 0 To be applied as follows: (a) Estimated Tax ▶ _____ (b) License Fee ▶ 156,434 (c) Refunded ▶		0

PART II COMPUTATION OF LICENSE FEE

20.	Total Capital And Paid In Surplus (Multi-State Corporations See Schedule E)	20.	1,477,493,262
21.	FEE DUE (Line 20 × .0035, plus $15.00 (Fee cannot be less than $25.00)	21.	5,747,864
22.	Less Application of ☐ INFRASTRUCTURE GRANT RURAL DEV ACT	22.	300,000
23.	Balance (line 21 less line 22)	23.	5,447,864
24.	Payments: (a) Paid with Tentative Return _____ (b) Credit from line 19b _____		
25.	Total Payments (add line 24(a) and (b))	25.	6,132,156
26.	Balance of Fee Due (line 23 less line 25)	26.	
27.	Interest Due ▶ _____ Penalty Due ▶ _____ (See penalty and interest instructions.) Enter Total	27.	
28.	TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28.	
29.	OVERPAYMENT (line 25 less line 23) _____ To be applied as follows: (a) Estimated Tax ▶ _____ (b) Income Tax ▶ _____ (c) Refunded ▶		684,292
30.	GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28)	30.	(527,858

Please Sign Here

I, the undersigned, a 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.

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

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ▶ ☐ Preparer's telephone number

Firm's name (or yours if self-employed) and address ▶ DELOITTE AND TOUCHE LLP
2500 ONE PPG PLACE
Pittsburgh, PA 15222

E.I. No. ▶ 13-3891517
ZIP Code ▶ 15222

TFSC4811F.1

AS ORIGINALLY FILED

DES00011554

SCHEDULE A AND B — ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	100,588,052	
2. Federal Net Operating Loss	2.		
3.	3.		
4. WORKERS COMP RESERVE	4.	469,416	
5. Other Additions (attach schedule)	5.	27,668,196	
6. Total Additions (add lines 1 through 5)			6. 128,725,664

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.	41,495	
8.	8.		
9.	9.		
0. Other Deductions (attach schedule) SC DEPRECIATION ADJ	10.	9,301,834	
1. Total Deductions (add lines 7 through 10)			11. 9,343,329
2. Net Adjustment (line 6 less line 11) Also enter on line 2, Part I, SC1120			12. 119,382,335

SCHEDULE C — SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I)	1.	367,501
2. Tax (line 9, Part I, SC1120)	2.	21,623,099
3. Lesser of line 1 or 2 (enter on line 10, Part I, SC1120)	3.	367,501
4. Credit Carryover (line 1 less line 3)	4.	0

SCHEDULE D — ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name DUKE ENERGY CORPORATION
2. Date of this report 9/15/00 Fed. E.I. No. 56-0205520
3. Incorporated under the laws of the State of NC on 02/10/1964
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is
5. Location of the Registered Office of the Corporation in the State of South Carolina is
   In the City of GREENVILLE Registered Agent at such address is JOHN F LOMAX
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
8. Location of principal office (street address) 84 VILLA ROAD
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of JEFFREY BOYER
   Located at (street address) 422 S. CHURCH STREET CHARLOTTE, NC 28201-1244
10. If filing consolidated, complete and attach Schedule J for each corporation included 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
	COMMON	
	PREFERRED	

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
	COMMON	
	PREFERRED	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock (cannot be a negative amount)	$	4,898,453,389
Total paid in Capital Surplus (cannot be a negative amount)	$	533,096,382
Total amount of stated Capital (cannot be a negative amount)	$	5,431,549,771

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 separate schedule.)

NAME	BUSINESS ADDRESS AND OFFICE

TFSC42611F.2

AS ORIGINALLY FILED

SCHEDULES F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

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 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
1. Interest not connected with business						
2. Dividends received						
3. Rents						
4. Gains/losses on real property						
5. Gains/losses on intangible pers. prop.						
6. Investment income directly allocated						
7. TOTAL INCOME DIRECTLY ALLOCATED						
8. INCOME DIRECTLY ALLOCATED TO S.C.						
9. TOTALS TO APPORTIONMENT FACTORS						

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.	
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	(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)			
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			%

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)		%

SAME AS ORIGINALLY FILED RETURN

AS ORIGINALLY FILED

DES00011556

SCHEDULE L NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits)			1.	
2. Add:	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	172,783
	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	194,718
	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	
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C)			3.	367,501

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE ENERGY CORPORATION S.C.I.D. No. 20090024-9
2. Date of this report _____ Fed. E.I. No. 56-0205520
3. Address MAIL CODE PB058 422 S. CHURCH ST. CHARLOTTE, NC 28201-1244
4. Incorporated under the laws of the State of NC on 02/10/1964
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 _____
   Location of principal office _____
   Nature of principal business in S.C. _____
9. The Corporation's books are in the care of JEFFREY BOYER
   Located at 422 S. CHURCH STREET CHARLOTTE, NC 28201-1244
10. 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? _____
11. 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
	COMMON	
	PREFERRED	

12. 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
	COMMON	
	PREFERRED	

13. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	$	4,896,002,908
Total paid in Capital Surplus	$	5,657,916
Total amount of stated Capital (cannot be a negative amount)	$	4,901,660,824

14. 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

For additional affiliated corporations duplicate Schedule J as needed.

SCHEDULE K 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 for Property Tax Purposes	1.		2,485,714,286
2. Fee Due: Line 1 × .001	2.		2,485,714

		Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):			
		$ 440,640,117	$ 1,071,038,794
4. Total Operating Revenues	4.	$ 440,640,117	$ 1,071,038,794
5. Other Receipts, (Itemize):	5.		
6. Total Other Receipts	6.	$	$
7. Total Gross Receipts (Add Lines 4 and 6)	7.		1,071,038,794
8. Fee Due (Line 7, Column B × .003)	8.		$ 3,213,116
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16, Part II, Page 1)	9.		$ 5,698,830

Excerpts from 1976 Code of Laws as Amended
Code Section 12-20-100 as amended for taxable years beginning after 1995.

(A) In the place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigation company, waterworks 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:
(1) one dollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and used within this state in the conduct of business as determined by the department for property tax purposes for the preceding taxable year; and
(2) three dollars for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered from regulated business within this state during the preceding taxable year, except that with regard to electric cooperatives, only distribution electric cooperatives are subject to the gross receipts portion of the license fee under this subitem.
(B) The minimum license fee under this section is $25.

NEW INFORMATION

1. South Carolina has updated income tax laws to conform with the Internal Revenue Code of 1986, as amended through December 31, 1998, including the effective dates.
2. The line 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 "infrastructure" for an eligible project has been expanded to include industrial shell buildings and the purchase of land for an office, business or industrial park.
3. Effective June 30, 1999, nothwithstanding the statute of limitations, the time allotted for requesting a corporate refund has been extended from thirty days to ninety days from the date the Internal Revenue Service changes the taxable income.
4. The signature section of the return contains a new area for the preparer's telephone number.

INSTRUCTIONS

Line 17 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 setting forth the name of the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amounts in cash that were 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 maximum credit for a 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 tax year. For more information see SC Revenue Ruling #96-11.

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

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

DUKE ENERGY CORPORATION
SOUTH CAROLINA LICENSE TAX FOR UTILITIES

	2000
Receipts Reported on Original Return	1,199,135,851
Less: Sales for Resale	(103,494,219)
Less: Rents	(14,792,082)
Less: Water Revenues	(6,870,368)
Less:Forfeited Discounts	(2,336,194)
Less: Bad Debt	
Less: Interdepartmental rents	(18,771)
Less: Misc. Service Revenue/Other Electric Revenues	
Less: Interdepartmental sales	(585,423)
Adjusted Receipts	1,071,038,794

AS ORIGINALLY FILED

SC CONS W/DUKE POWER
Year: 1999

		DUKE ENERGY 56-0205520	CLT DEVELOP 56-1393851	CAROLINA CTRS 56-1121729	CNES CON SC 56-2030205
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS:	2,933,204				
* OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS	2,621,048				
(A) ESTIMATED TAX	2,621,048				
(B) LICENSE FEE	312,156				
(C) REFUNDED	0				
PART II COMPUTATION OF LICENSE FEE					
20. TOTAL CAPITAL AND PAID IN SURPLUS	1,477,493,267	1,428,966,475	2,423,760	0	0
21. FEE DUE - LINE 20 X $.001 + $15.00 ($25 MIN)	6,132,156	5,698,122	2,439	25	25
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0
23. BALANCE (LN 21 - 22)	6,132,156				
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	5,820,000	5,820,000	0	0	0
(B) CREDIT FROM LINE 19(B)	312,156	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)	6,132,156				
26. BALANCE OF FEE DUE (LN 23 - 25)	0				
27. (A) INTEREST DUE	0				
(B) PENALTY DUE	0				
TOTAL INTEREST AND PENALTY	0				
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)	0				
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS:	0				
(A) ESTIMATED TAX	0				
(B) INCOME TAX	0				
(C) REFUNDED	0				
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE	0				

AS ORIGINALLY FILED

	CRESCENT RES 57-0442582	DCIS RESOURCES 56-1953976	DUKE ECS 56-6027038	DUKENET 56-1879397	DUKE MERCHAND 56-1926367
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS: * OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS (A) ESTIMATED TAX (B) LICENSE FEE (C) REFUNDED					
PART II COMPUTATION OF LICENSE FEE					
20. TOTAL CAPITAL AND PAID IN SURPLUS	6,774,614	0	4,636,552	33,931,282	0
21. FEE DUE - LINE 20 X $.001 + $15.00 ($25 MIN)	6,790	25	4,652	33,946	25
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0
23. BALANCE (LN 21 - 22)					
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	0	0	0	0	0
(B) CREDIT FROM LINE 19(B)	0	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)					
26. BALANCE OF FEE DUE (LN 23 - 25)					
27. (A) INTEREST DUE (B) PENALTY DUE TOTAL INTEREST AND PENALTY					
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)					
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS: (A) ESTIMATED TAX (B) INCOME TAX (C) REFUNDED					
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE					

AS ORIGINALLY FILED

	DUKE WATER 56-1976539	N-P SUPPLY 56-0322880	TECHTROL 56-1544719	INTERA 56-1934649	DCONSRVINC 56-2117996
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS: + OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS (A) ESTIMATED TAX (B) LICENSE FEE (C) REFUNDED					
PART II COMPUTATION OF LICENSE FEE					
20. TOTAL CAPITAL AND PAID IN SURPLUS	0	0	206,417	0	1,862
21. FEE DUE - LINE 20 X 1.001 + $15.00 ($25 MIN)	25	25	221	25	25
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0
23. BALANCE (LN 21 - 22)					
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	0	0	0	0	0
(B) CREDIT FROM LINE 19(B)	0	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)					
26. BALANCE OF FEE DUE (LN 23 - 25)					
27. (A) INTEREST DUE (B) PENALTY DUE TOTAL INTEREST AND PENALTY					
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)					
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS: (A) ESTIMATED TAX (B) INCOME TAX (C) REFUNDED					
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE					

AS ORIGINALLY FILED

	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904663	DETHI MGT, INC 84-1274542	WATEREE POWER 56-0751405	GREENVILLE 56-0891274
19. OVERPAYMENT (LN 15 - I3) TO APPLY AS FOLLOWS: + OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS (A) ESTIMATED TAX (B) LICENSE FEE (C) REFUNDED					
PART II COMPUTATION OF LICENSE FEE					
20. TOTAL CAPITAL AND PAID IN SURPLUS	3,804	545,685	2,801	0	0
21. FEE DUE - LINE 20 X $.001 + $15.00 ($25 MIN)	25	561	25	25	25
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0
23. BALANCE (LN 21 - 22)					
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	0	0	0	0	0
(B) CREDIT FROM LINE 19(B)	0	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)					
26. BALANCE OF FEE DUE (LN 23 - 25)					
27. (A) INTEREST DUE					
(B) PENALTY DUE					
TOTAL INTEREST AND PENALTY					
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)					
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS: (A) ESTIMATED TAX (B) INCOME TAX (C) REFUNDED					
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE					

AS ORIGINALLY FILED

	SOUTHERN POWER 56-0891283	CRESCENT L&T 56-1799813	DSLLC 56-2096114	WEST CAR POWER 56-0891269	SUGAR PROPERTY 58-2207908
19. OVERPAYMENT (LN 15 - 13) TO APPLY AS FOLLOWS: * OVERPAYMENT LESS APPLIED LIC. FEE & DONATIONS (A) ESTIMATED TAX (B) LICENSE FEE (C) REFUNDED					
PART II COMPUTATION OF LICENSE FEE					
20. TOTAL CAPITAL AND PAID IN SURPLUS	0	0	0	0	0
21. FEE DUE - LINE 20 X $.001 + $15.00 ($25 MIN)	25	25	25	25	25
22. LESS APPLICATION OF CORP. HQ CREDIT	0	0	0	0	0
23. BALANCE (LN 21 - 22)					
24. PAYMENTS: (A) PAID WITH TENTATIVE RETURN	0	0	0	0	0
(B) CREDIT FROM LINE 19(B)	0	0	0	0	0
25. TOTAL PAYMENTS (LN 24A + 24B)					
26. BALANCE OF FEE DUE (LN 23 - 25)					
27. (A) INTEREST DUE (B) PENALTY DUE TOTAL INTEREST AND PENALTY					
28. TOTAL LICENSE FEE, INT. & PENALTY (LN 26 + 27)					
29. OVERPAYMENT (LN 25 - 23) APPLIED AS FOLLOWS: (A) ESTIMATED TAX (B) INCOME TAX (C) REFUNDED					
30. GRAND TOTAL: INC TAX & LICENSE FEE DUE					

AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

ECONOMIC IMPACT ZONE PROPERTY INVESTMENT CREDIT

Attach to Forms SC1040, SC1041, SC1120, SC1120S or SC1120U.

SC SCH. TC-11
(Rev. 8/17/99)
3348
19 99

Name as Shown on Tax Return	EIZ County	Social Security or Employer ID Number
DUKE ENERGY CORPORATION	SEE ATTACHED SCHEDULE	56-0205520

This schedule must be completed and filed with the income tax return in order to claim an investment tax credit for the cost basis of economic impact zone property. The definitions on the reverse side should be carefully read before completing this schedule, as there are certain requirements that must be met before qualifying for this tax credit.

Purpose: Use this form to claim the income tax investment credit for qualifying Economic Impact Zone Property for investments made after June 30, 1998.

Enter Economic Impact Zone Property on the schedule below. (Qualifying property is used as an integral part of manufacturing or production or used as an integral part of extracting of or furnishing transportation, communications, electrical energy, gas, water or sewage disposal services in the economic impact zone.)

		(1) Basis	(2) Credit Percentage	(3) Credit Amount (column 1 × column 2)
1.	Three-year Property		1%	1.
2.	Five-year Property		2%	2.
3.	Seven-year Property		3%	3.
4.	Ten-year Property		4%	4.
5.	Fifteen-year Property or greater	2,871,323	5%	5. 143,566
6.	Total of lines 1 through 5			6. 143,566
7.	Maximum Credit (Form SC1120U filers)			7. $5,000,000
8.	Carryover of unused credits from 1997 and later			8. 0
9.	Credit - Total of lines 6 and 8 **Caution:** SC1120U filers add the lesser of lines 6 or 7 to line 8			9. 143,566

An additional $51,152 of credit claimed by DukeNet (56-1879392)

GENERAL INSTRUCTIONS

(1) Effective for qualifying investments made after June 30, 1998, the amount of the credit is equal to the aggregate of:
Three-year Property - one percent of total aggregate bases for all three-year property that qualifies;
Five-year Property - two percent of total aggregate bases for all five-year property that qualifies;
Seven-year Property - three percent of total aggregate bases for all seven-year property that qualifies;
Ten-year Property - four percent of total aggregate bases for all ten-year property that qualifies;
Fifteen-year Property or greater - five percent of total aggregate bases for all fifteen-year or greater property that qualifies.
Note: See Definitions on reverse.

(2) Also effective for qualifying investments made after June 30, 1998, the basis of the qualifying property must be reduced by the amount of the credit claimed with respect to the property. The corresponding decrease in the depreciation deduction will result in an addition to federal taxable income for South Carolina income tax purposes.

(3) Effective for qualifying investments made after June 30, 1998, the amount of the credit is limited to no more than five million dollars for any entity subject to the license tax provided in Section 12-20-100 (Form SC1120U filers). Note: the credit offsets income tax, not license tax.

Duke Energy Corporation
FEIN: 56-0205520
1999 Economic Impact Zone Property Investment Credit

Duke Energy Corporation has qualified economic impact zone property in the following counties:

Aiken
Greenwood
Lexington
McCormick
Newberry
Richland
Saluda

AS ORIGINALLY FILED

AS ORIGINALLY FILED

STATE OF SOUTH CAROLINA

'C' CORPORATION INCOME TAX RETURN

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

Mail this return to:
DEPARTMENT OF REVENUE
Corporation Return
Columbia, SC 29214-0100

SC 1120
(Rev. 9/17/99) 3091

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

USE PEEL-OFF LABEL

PLACE PEEL-OFF LABEL HERE

RETURN FOR 12 31 1999 INCOME
PERIOD ENDING 12 31 2000 LICENSE
RETURN DUE 03 15 2000

FILE NO. 20090024-9
BUSINESS CODE 221100
EMPLOYER ID NO. 56-0205520

NAME DUKE ENERGY CORPORATION
MAILING ADDRESS Mail Code PB05B
CITY, STATE, ZIP CODE Charlotte NC 28201-1244

Check box if this is a change of address. ☐

Extension Requested: Yes X No
Type of SC Return: Sep. X Consolidated
If Final Return, Indicate Whether: Merged ☐ Reorganized ☐ Dissolved ☐ Withdrawn ☐
County or Counties in SC Where Property is Located: VARIOUS
EFT X Accounting Period Change ☐
City Audit Location: Charlotte State: NC
Telephone No.: 704-382-8160
Total cost of land, buildings and land improvements in SC. ▶ 0
Total cost of depreciable personal property in SC. ▶ 0

PART I COMPUTATION OF INCOME TAX LIABILITY

1.	Federal Taxable Income per Federal Form 1120 or 1120A	1.	1,350,747,216
2.	Net Adjustment from line 12, Schedule A and B	2.	119,382,335
3.	Total Net Income as Reconciled (line 1 plus or minus line 2)	3.	1,470,129,551
4.	If Multi-state Corporation, enter amount from line 6, Schedule G; otherwise, enter amount from line 3	4.	432,461,987
5.	LESS: South Carolina net operating loss carryover, if applicable	5.	0
6.	South Carolina Net Income subject to tax (line 4 less line 5)	6.	432,461,987
7.	TAX: Multiply amount on line 6 by .05 (5.0%)	7.	21,623,099
8.	Less tax deferred on income from foreign trade receipts (see instructions)	8.	0
9.	Balance (line 7 less line 8)	9.	21,623,099
10.	Non-refundable credits from line 3, Schedule C	10.	(523,935)
11.	Balance of tax (line 9 less line 10). Enter the difference but not less than zero	11.	21,099,164
12.	Interest on DISC-deferred tax liability 0 ;Foreign Trade Deferred Tax Liability 0	12.	0
13.	Total tax and/or interest (add lines 11 and 12)	13.	21,099,164
14.	Payments: (a) Tax Withheld (see inst.) 0 (b) Paid by Declaration 24,032,368		
	(c) Paid with Tentative Rtn. 0 (d) Cr. from Line 29b 0		
15.	Total Payments (add lines 14a through 14d)	15.	24,032,368
16.	Balance of Tax and/or Interest Due (line 13 less line 15)	16.	-2,933,204
17.	Interest Due ▶ 0 Penalty Due ▶ 0 (See penalty and interest instructions.) Enter Total	17.	0
18.	TOTAL INCOME TAX, Interest and Penalty Due (add lines 16 and 17)	18.	0
19.	OVERPAYMENT (line 15 less line 13) 2,933,204 To be applied as follows:		
	(a) Estimated Tax ▶ 2,621,048 (b) License Fee ▶ 312,156 (c) Refunded ▶		0

PART II COMPUTATION OF LICENSE FEE

20.	Total Capital And Paid In Surplus (Multi-State Corporations See Schedule E)	20.	1,477,493,262
21.	FEE DUE — Line 20 x .001, plus $15.00 (Fee cannot be less than $25.00)	21.	6,132,156
22.	Less Application of Corporate Headquarters credit (TC-8)	22.	0
23.	Balance (line 21 less line 22)	23.	6,132,156
24.	Payments: (a) Paid with Tentative Return 5,820,000 (b) Credit from line 19b 312,156		
25.	Total Payments (add line 24(a) and (b))	25.	6,132,156
26.	Balance of Fee Due (line 23 less line 25)	26.	0
27.	Interest Due ▶ 0 Penalty Due ▶ 0 (See penalty and interest instructions.) Enter Total	27.	0
28.	TOTAL LICENSE FEE, Interest and Penalty Due (add lines 26 and 27)	28.	0
29.	OVERPAYMENT (line 25 less line 23) 0 To be applied as follows:		
	(a) Estimated Tax ▶ 0 (b) Income Tax ▶ 0 (c) Refunded ▶		0
30.	GRAND TOTAL: INCOME TAX and LICENSE FEE DUE (add lines 18 and 28)	30.	0

Please Sign Here

I, the undersigned, a 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.

Signature of officer CARY FLYNN Date 5/11/2000 Title VICE PRESIDENT - TAX

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

Paid Preparer's Use Only

Preparer's signature ▶ Date Check if self-employed ▶ ☐ Preparer's telephone number

Firm's name (or yours if self-employed) and address ▶ AS ORIGINALLY FILED E.I. No. ▶ ZIP Code ▶

9 SC11201 NTF 27467A

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56-0205520

SC1120 (Rev. 9/99)

SCHEDULE A AND B ADDITIONS TO FEDERAL NET INCOME

1. Taxes on or Measured By Income	1.	100,588,052	
2. Federal Net Operating Loss	2.	0	
3.	3.	0	
4. WORKERS COMP RESERVE	4.	469,416	
5. Other Additions (attach schedule)	5.	27,668,196	
6. Total Additions (add lines 1 through 5)			6. 128,725,664

DEDUCTIONS FROM FEDERAL NET INCOME

7. Interest On Obligations Of The U.S.	7.	41,495	
8.	8.	0	
9.	9.	0	
10. Other Deductions (attach schedule) .....SC DEPRECIATION ADJ	10.	9,301,834	
11. Total Deductions (add lines 7 through 10)			11. 9,343,329
12. Net Adjustment (line 6 less line 11) Also enter on line 2, Part 1, SC1120			12. 119,382,335

SCHEDULE C SUMMARY OF CREDITS (FROM SCHEDULE I)

1. Total Credits (from Schedule I)	1.	523,935
2. Tax (line 9, Part 1, SC1120)	2.	21,623,099
3. Lesser of line 1 or 2 (enter on line 10, Part 1, SC1120)	3.	523,935
4. Credit Carryover (line 1 less line 3)	4.	0

SCHEDULE D ANNUAL REPORT TO BE COMPLETED BY ALL CORPORATIONS

1. Name DUKE ENERGY CORPORATION
2. Date of this report 9/15/00 Fed. E.I. No. 56-0205520
3. Incorporated under the laws of the State of NC on 02/10/1964
4. If Foreign Corporation, the date qualified to do business in the State of South Carolina is
5. Location of the Registered Office of the Corporation in the State of South Carolina is
   In the City of GREENVILLE Registered Agent at such address is JOHN F LOMAX
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
8. Location of principal office (street address) 84 VILLA ROAD
   Nature of principal business in S.C. ELECTRIC UTILITY
9. The Corporation's books are in the care of Jeffrey Boyer
   Located at (street address) 422 S. Church Street Charlotte NC 28201-1244
10. If filing consolidated, complete and attach Schedule J for each Corporation included 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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFERREO STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock (cannot be a negative amount)	$	4,898,453,389
Total paid in Capital Surplus (cannot be a negative amount)	$	533,096,382
Total amount of stated Capital (cannot be a negative amount)	$	5,431,549,771

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 separate schedule).

NAME	BUSINESS ADDRESS AND OFFICE
See Attached	

9 SC11202 NTF 22469

AS ORIGINALLY FILED

DES00011568

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE

TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION

SC1120-T
(Rev. 8/98)
3096

SC FILE NO.

Return for the Period Ending 12 31 1999

Complete all blank areas.

56-0205520
FED EI NO.

Return extended to 09 15 2000

Signature _____ Date 3/13/2000

CARY FLYNN

DUKE ENERGY CORPORATION
Mail Code P8058
422 S. Church Street
Charlotte NC 28201-1244
Corporate name and mailing address

1. Tentative Tax Based on Net Income 23,298,456
2. LESS: Estimated Tax Payments 24,032,904
   APPLIED TO LINE 4. -734,448
3. Tentative Tax Due ▶ 0
4. Total Capital and Paid in Surplus
   0 x .001 plus
   $15.00 but not less than $25.00 Tentative License Fee (N/A for Savings and Loan Associations or Banks) ▶ 6,234,448
5. Balance Remitted 6,820,000 ~~6,500,000~~

Corporation Tentative, Columbia, SC 29214-0008

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Form SC1120-T (Rev. 8-98

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STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION
SC1120-T
(Rev. 8/98)
3096
SC FILE NO.
Return for the Period Ending
Complete all blank areas.
FED EI NO.
Return extended to
Signature
Date
Corporate name and mailing address
1. Tentative Tax Based on Net Income
2. LESS: Estimated Tax Payments
3. Tentative Tax Due ▶
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. Balance Remitted
Corporation Tentative, Columbia, SC 29214-0008
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Form SC1120-T (Rev. 8-
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STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
TENTATIVE CORPORATION TAX RETURN AND CONDITIONAL EXTENSION
SC1120-T
(Rev. 8/98)
3096
SC FILE NO.
Return for the Period Ending
Complete all blank areas.
FED EI NO.
Return extended to
Signature
Date
1. Tentative Tax Based on Net Income
2. LESS: Estimated Tax Payments
3. Tentative Tax Due ▶
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. Balance Remitted
Corporation Tentative, Columbia, SC 29214-

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Duke Energy Corporation
Attachment to SC1120-T
Tentative Corporation Tax Return and Conditional Extension
Tax Year ended December 31, 1999

Listing of Taxpayers included in this extension request

		Amount
Duke Energy Corporation	56-0205520	6,199,500
CLT Development Corp.	56-1393851	25
Crescent Communities of SC, Inc.	56-2030305	25
Crescent Land & Timber	56-1799013	25
Crescent Resources, Inc.	57-0443582	8,000
DE & S Resources, Inc.	56-1953976	25
DETMI Management Inc.	84-1274542	25
Duke Engineering & Services, Inc.	56-6027038	25
DukeNet Communications, Inc.	56-1879392	24,000
Duke Merchandising Corp.	56-1926367	25
Duke Water Systems, Inc.	56-1976539	25
GT & W, Inc. of Gastonia short year return filed Sept 21	56-1587250	25
MP Supply, Inc.	56-0322840	25
Techtrol, Inc.	56-1544719	40
Intera, Inc.	56-1934649	33
Duke Communications Services, Inc.	56-2117886	25
Duke Project Services, Inc.	56-0858436	25
Duke Solutions, Inc.	56-0904643	1,500
Duke Services, LLC	56-2117886	25
Carolina Centers Corporation	56-1124729	25
Duke Energy Global Asset Development, Inc.	88-0366429	425
Greenville Gas & Electric Light & Power Company	56-0891274	25
Sugarloaf Properties Inc.	56-2202808	500
Southern Power Company	56-0891283	25
Western Carolina Power Company	56-0891269	25
Wateree Power Company	56-0751405	25
Total License Fee		6,234,448

AS ORIGINALLY FILED

SCHEDULES E, F, G, AND H ARE TO BE COMPLETED BY MULTI-STATE CORPORATIONS

SCHEDULE E COMPUTATION FOR LICENSE FEE — MULTI-STATE CORPORATIONS

1. Total Capital and Paid-in-Surplus at end of Year	$	5,431,549,771
2. S.C. PROPORTION: (line 1 X ratio from Schedule H-1, H-2 or H-3, as appropriate) Also enter on line 20, Part II	$	1,477,493,262

SCHEDULE F INCOME SUBJECT TO DIRECT ALLOCATION

	Gross Amounts 1	Less: Related Expenses 2	Net Amounts Allocated Direct. to SC 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	0	0	0	0		
2. Dividends received	0	0	0	0		
3. Rents	0	0	0	0	0	0
4. Gains/losses on real property	0	0	0	0		
5. Gains/losses on intangible pers. prop.	0	0	0	0		
6. Investment income directly allocated	0	0	0	0	0	0
7. TOTAL INCOME DIRECTLY ALLOCATED			119,021,559			
8. INCOME DIRECTLY ALLOCATED TO S.C.				34,780,656		
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, Page 1	1.	1,470,129,551
2. Less: Income subject to direct allocation to S.C. and other states from Schedule F, line 7	2.	119,021,559
3. Total net income subject to apportionment (line 1 less line 2)	3.	1,351,107,992
4. Multiply amount on line 3 by appropriate ratio from Schedule H-1, 2, or 3 and enter result here	4.	397,681,331
5. Add: Income subject to direct allocation to S.C. from Schedule F, line 8	5.	34,780,656
6. Total S.C. Net Income (sum of lines 4 and 5 above) also enter on line 4, Part 1 of Page 1	6.	432,461,987

SCHEDULE H – 1 COMPUTATION OF FOUR FACTOR APPORTIONMENT RATIO

PLEASE SEE ATTACHED STATEMENT FOR APPORTIONMENT DETAIL BY ENTITY.	1. Property Within South Carolina		2. Total Property Everywhere	
	(a) Beginning Period	(b) Ending Period	(a) Beginning Period	(b) Ending Period
1. Land	0	0	0	0
2. Buildings	0	0	0	0
3. Machinery and Equipment	0	0	0	0
4. Inventories	0	0	0	0
5. Other Property	0	0	0	0
6. Exclusions	(0)	(0)	(0)	(0)
7. TOTAL (add lines 1-5; subtract line 6)	0	0	0	0

	1. Within S.C.	2. Total Everywhere	3. Ratio
8. Avg. of Beginning and Ending Period (add line 7a & b and divide by 2)	0	0	
9. Rental or Lease Value	0	0	
10. TOTAL Property Add lines 8 and 9. (Col. 1 ÷ Col. 2 & enter ratio in Col. 3)	0	0	0.0000
11. GROSS Payroll	0	0	
12. Less: Officers Compensation and Exclusions	(0)	(0)	
13. TOTAL Payroll (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	0	0	0.0000
14. TOTAL Sales (Col. 1 ÷ Col. 2 and enter ratio in Col. 3)	0	0	0.0000
15. TOTAL Sales (same as line 14)	0	0	0.0000
16. TOTAL of Ratios (add Column 3 — lines 10, 13, 14 and 15)			0.0000
17. Arithmetical Average of Ratios			0.0000

SCHEDULE H – 2 COMPUTATION OF GROSS RECEIPTS RATIO

PLEASE SEE ATTACHED STATEMENT FOR APPORTIONMENT DETAIL	1. In S.C.	2. Total Everywhere	3. Ratio
1. Total Gross Receipts	0	0	
2. Less: Exclusion (see instructions)	(0)	(0)	
3. Gross Receipts (for ratio)	0	0	
4. Ratio of Gross Receipts (line 3, Col. 1 ÷ line 3, Col. 2)			0.0000

SCHEDULE H – 3 COMPUTATION OF RATIO FOR PUBLIC SERVICE CORPORATIONS

PLEASE SEE ATTACHED STATEMENT FOR APPORTIONMENT DETAIL BY ENTITY.	Amount	Ratio
1. Total Within South Carolina	0	
2. Total for System	0	
3. Ratio (South Carolina ÷ Total System)		0.0000

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits)		1.	0	
2. Add:	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	0	
	E Scenic Rivers (TC-5)	E	0	
	F Infrastructure Construction or Improvement (TC-6)	F	472,783	
	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	
	J Base Closure/Fed. Facility Employment Reduction Hiring Credit (TC-10)	J	0	
	K Economic Impact Zone Property Investment Credit (TC-11)	K	51,152	
	L Credit for Hiring Recipients of Family Independence Payments (TC-12)	L	0	
	M Additional Family Independence Payments Credit (TC-12-A)	M	0	
	N Motion Picture Project/Production Facility Credit (TC-13)	N	0	
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C)			3.	523,935

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE ENERGY CORPORATION S.C.I.D. No. 20090024-9
2. Date of this report Fed. E.I. No. 56-0205520
3. Address Mail Code PB05B 422 S. Church Street Charlotte NC 28201-1244
4. Incorporated under the laws of the State of NC on 02/10/1964
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
   Nature of principal business in S.C.
10. The Corporation's books are in the care of Jeffrey Boyer
    Located at 422 S. Church Street Charlotte NC 28201-1244
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	$	4,896,002,908
Total paid in Capital Surplus	$	5,657,916
Total amount of stated Capital (cannot be a negative amount)	$	4,901,660,824

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
See Attached	

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name CLT DEVELOPMENT S.C.I.D. No. 21158595-2
2. Date of this report _____ Fed. E.I. No. 56-1393851
3. Address 400 SOUTH TRYON ST., SUITE 1300 CHARLOTTE NC 28201-1003
4. Incorporated under the laws of the State of NC on 12/22/1983
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 09/01/1989
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 1,000
    - Total paid in Capital Surplus ..... $ 36,878,542
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 36,879,542
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			
Robert S. Lilien	400 S Tryon Street	Charlotte	NC 28202	President
Fred A. Byers	400 S Tryon Street	Charlotte	NC 28202	Vice President
Robert W. McGee	400 S Tryon Street	Charlotte	NC 28202	Treas & Ast Sec
Henry C. Lomax, Jr.	400 S Tryon Street	Charlotte	NC 28202	Ast Secretary

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name CAROLINA CENTERS CORPORATION S.C.I.D. No. 20090218-5
2. Date of this report _____ Fed. E.I. No. 56-1124729
3. Address 400 SOUTH TRYON ST., SUITE 1300 Charlotte NC 28201-1003
4. Incorporated under the laws of the State of SC on 12/19/1975
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 12/19/1975
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount). ..... $ 0
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
Robert S. Lilien	President
	Vice-President
Robert W. McGee	Sec. & Treas.

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name CRESCENT COMMUNITIES OF SC, INC S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-2030305
3. Address 400 SOUTH TRYON ST., SUITE 1300 Charlotte NC 28201-1003
4. Incorporated under the laws of the State of NC on 02/01/1996
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____ Charlotte NC
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 0
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			
H. THOMAS WEBB, III	400 S. TRYON ST., SUITE 1300	CHARLOTTE	NC 28201-1003	PRESIDENT
STEPHEN M. SCHREINER				VICE PRESIDENT
R. WAYNE MCGEE				TREASURER
SUSAN S. SAPPENFIELD				ASST. SECRETARY

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name CRESCENT RESOURCES, INC. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 57-0443582
3. Address 400 S. Tryon Street, St. 1300 Charlotte NC 28201-1003
4. Incorporated under the laws of the State of SC on 07/08/1963
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 05/01/1963
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
10,000	COMMON STOCK	
	PREFERRED STOCK	

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
10,000	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ -229,959
    - Total paid in Capital Surplus ..... $ 74,290,500
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 74,060,541
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			
Robert S. Lilien	400 S. Tryon St. Suite 1300	Charlotte	NC 28201	Chairman, CEO
Arthur V. Fields	400 S. Tryon St. Suite 1300	Charlotte	NC 28201	President
R. Wayne McGee	400 S. Tryon St. Suite 1300	Charlotte	NC 28201	Senior VP/ Treasurer
H. Thomas Webb III	400 S. Tryon St. Suite 1300	Charlotte	NC 28201	Senior VP Residentia

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DE&S RESOURCES, INC. S.C.I.D. No. 25341719-1
2. Date of this report _____ Fed. E.I. No. 56-1953976
3. Address 422 S. CHURCH STREET PO BOX 1244, P8058 CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 01/24/1996
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 07/17/1998
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at 422 S. Church Street Charlotte NC 28201
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
100	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 0
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			
Fredrick E. Henry, Jr.	422 S. Church Street	Charlottte	NC 28201	President
Michael C. Bolch	422 S.Church Street	Charlotte	NC 28201	Vice-President
Robert A. Joyner	422 S. Church Street	Charlotte	NC 28201	Treasurer
William J. Bowman, Jr.	422 South Church Street	Charlotte	NC 28201	Secretary

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add: 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 _____
   J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE ENGINEERING & SERVICES, INC. S.C.I.D. No. 21155477-1
2. Date of this report _____ Fed. E.I. No. 56-6027038
3. Address 422 S. CHURCH STREET PO BOX 1244, P8058 CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 06/13/1934
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 11/16/1988
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of SANDRA VLAHOS
    Located at 422 S. CHURCH STREET PO BOX 1244, P8058 CHARLOTTE NC 28201-1244
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
100	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    Total paid in Capital Stock ..... $ 300
    Total paid in Capital Surplus ..... $ 105,948,979
    Total amount of stated Capital (cannot be a negative amount) ..... $ 105,949,279
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
SEE ATTACHED	

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1.	Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits)	1.	
2. Add:	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	
	J Base Closure/Fed. 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	
3.	Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C)	3.	

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKENET COMMUNICATIONS, INC. S.C.I.D. No.
2. Date of this report Fed. E.I. No. 56-1879392
3. Address 422 S. CHURCH STREET PO BOX 1244, PB058 CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of SC on 06/02/1994
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 11/21/1994
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
   Nature of principal business in S.C.
10. The Corporation's books are in the care of
    Located at
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
100	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	$	50,000
Total paid in Capital Surplus	$	97,093,862
Total amount of stated Capital (cannot be a negative amount)	$	97,143,862

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
SEE ATTACHED	

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____

2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____

3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE MERCHANDISING CORP. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-1926367
3. Address 422 S. CHURCH STREET PO BOX 1244, PBOSB CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 05/30/1995
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 07/17/1995
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
10	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 0
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
SEE ATTACHED	

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE WATER SYSTEMS, INC. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-1976539
3. Address 422 S. CHURCH STREET PO BOX 1244, P8058 CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 05/01/1996
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 06/28/1996
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
10	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 0
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

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits)		1.	
2. Add:	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	
	J Base Closure/Fed. 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	
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C)		3.	

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name H-P SUPPLY, INC. S.C.I.D. No.
2. Date of this report Fed. E.I. No. 56-0322840
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 06/07/1910
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 02/01/1965
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
   Nature of principal business in S.C.
10. The Corporation's books are in the care of
    Located at 422 S. CHURCH STREET CHARLOTTE NC 28201-1244
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
10,000	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	$	1,000,000
Total paid in Capital Surplus	$	0
Total amount of stated Capital (cannot be a negative amount)	$	1,000,000

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
SEE ATTACHED	

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name TECHTROL, INC. S.C.I.D. No. 20359945-4
2. Date of this report _____ Fed. E.I. No. 56-1544719
3. Address 422 S CHURCH ST. PO Box 1244, PBOSB CHARLOTTE NC 28201
4. Incorporated under the laws of the State of NC on 12/17/1986
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 10/12/1994
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at 422 S. Church Street Charlotte NC 28201-1244
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 1,737,588
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 1,737,588
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
SEE ATTACHED	

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1.
2. Add:
   - 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
   - J Base Closure/Fed. 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
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3.

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name INTERA, INC. S.C.I.D. No.
2. Date of this report Fed. E.I. No. 56-1934649
3. Address 422 S. CHURCH STREET PO BOX 1244, PB058 CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 07/24/1995
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
   Nature of principal business in S.C.
10. The Corporation's books are in the care of ERIC W. MARKLAND
    Located at AUSTIN TX
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
100,000	COMMON STOCK	
	PREFERRED STOCK	

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
1,000	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 1,000
    - Total paid in Capital Surplus ..... $ 22,889,000
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 22,890,000
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			
SURESH PAHWA	6850 AUSTIN CENTER BLVD	AUSTIN	TX	PRESIDENT
GERALD GRISAK	6850 AUSTIN CENTER BLVD	AUSTIN	TX	VICE PRESIDNET
ERIC W. MARKLAND	6850 AUSTIN CENTER BLVD	AUSTIN	TX	SECRETARY
WAYNE O. HENRY	6850 AUSTIN CENTER BLVD	AUSTIN	TX	VICE PRESIDENT

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE COMMUNICATION SERVICES, INC. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-2117886
3. Address 422 S. Church Street P.O. Box 1244, PB05B Charlotte NC 28201-1244
4. Incorporated under the laws of the State of NC on 12/22/1998
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 05/25/1999
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of STEVE COLLIS
    Located at 422 S. CHURCH ST. CHARLOTTE NC 28201-1244
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
100,000	COMMON STOCK	
ZERO	PREFERRED STOCK	

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
100	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 1,567,640
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 1,567,640
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
SEE ATTACHED	

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits)		1.	
2. Add:	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	
	J Base Closure/Fed. 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	
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C)		3.	

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE PROJECT SERVICES, INC S.C.I.D. No.
2. Date of this report Fed. E.I. No. 56-0858436
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 07/01/1966
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
   Nature of principal business in S.C.
10. The Corporation's books are in the care of RANCE HALL
    Located at 2300 Yorkmont Rd Charlotte NC 28201
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	$	0
Total paid in Capital Surplus	$	10,656,851
Total amount of stated Capital (cannot be a negative amount)	$	10,656,851

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 J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKESOLUTIONS INC. S.C.I.D. No. 20553158-4
2. Date of this report _____ Fed. E.I. No. 56-0904643
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 07/18/1968
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 09/19/1997
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of DAVID WALSH
    Located at 422 S. Church Street Charlotte NC 28201-1244
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
166	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 167,542,352
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 167,542,352
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
SEE ATTACHED	

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add: 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 _____
   J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DETNI Management, Inc. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 84-1274542
3. Address STATE/LOCAL TAX DEPT. P. O. BOX 1642 HOUSTON TX 77251-1642
4. Incorporated under the laws of the State of CO on 06/21/1994
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of SHEILA CREASON
    Located at DUKE ENERGY CORPORATION 5400 WESTHEIMER COURT HOUSTON TX 77042
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
1000	COMMON STOCK	
	PREFERRED STOCK	

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
1000	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    Total paid in Capital Stock ..... $ 60,000
    Total paid in Capital Surplus ..... $ 10,237,728
    Total amount of stated Capital (cannot be a negative amount) ..... $ 10,297,728
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 J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name WATEREE POWER COMPANY S.C.I.D. No. 20090098-0
2. Date of this report _____ Fed. E.I. No. 56-0751405
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of SC on 02/16/1909
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 02/16/1909
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
10	COMMON STOCK	
	PREFERRED STOCK	

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
10	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 0
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

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name GREENVILLE GAS AND ELECTRIC LIGHT AND POWER COMPANY S.C.I.D. No. 21190037-1
2. Date of this report _____ Fed. E.I. No. 56-0891274
3. Address 422 S. CHURCH STREET PO BOX 1244, P8058 CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of SC on 01/28/1961.
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 0
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

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name SOUTHERN POWER COMPANY S.C.I.D. No. 20090086-4
2. Date of this report _____ Fed. E.I. No. 56-0891283
3. Address 422 S. CHURCH STREET PO BOX 1244, PB058 CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 12/01/1927
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
10	COMMON STOCK	
	PREFERRED STOCK	

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
10	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 0
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

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name CRESCENT LAND & TIMBER CORP. S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-1799013
3. Address 400 STryon St Suite 1300 Charlotte NC 28201-1003
4. Incorporated under the laws of the State of NC on 10/29/1992
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
100	COMMON STOCK	
	PREFERRED STOCK	

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
100	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 0
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			
James H Short Jr	400 S Tryon Street Suite 1300	Charlotte	NC 28201	Vice President
R Wayne McGee	400 S Tryon Street Suite 1300	Charlotte	NC 28201	Treasurer
Henry Lomax	400 S Tryon Street Suite 1300	Charlotte	NC 28201	Secretary

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____
2. Add:
   - 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 _____
   - J Base Closure/Fed. 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 _____
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name DUKE SERVICES LLC S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-2096114
3. Address 422 S. Church Street P.O. Box 1244, P805B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 07/23/1998
5. If Foreign Corporation, the date qualified to do business in the State of South Carolina is 07/24/1998
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of Steve Collis
    Located at DUKE SERVICES LLC 422 S. Church Street CHARLOTTE NC 28201
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 0
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			
WILLIAM L SHEPPARD	422 S. CHURCH STREET	CHARLOTTE	NC 28201	PRESIDENT
SANDRA O. WILLIARD	422 S CHURCH STREET	CHARLOTTE	NC 28201	SECRETARY

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits) ..... 1. _____

2. Add:
- 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 _____
- J Base Closure/Fed. 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 _____

3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C) ..... 3. _____

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name WESTERN CAROLINA POWER COMPANY S.C.I.D. No. _____
2. Date of this report _____ Fed. E.I. No. 56-0891269
3. Address 422 S. CHURCH STREET PO BOX 1244, PB05B CHARLOTTE NC 28201-1244
4. Incorporated under the laws of the State of NC on 09/17/1907
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 _____
   Nature of principal business in S.C. _____
10. The Corporation's books are in the care of _____
    Located at _____
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
	COMMON STOCK	
	PREFERRED STOCK	

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
	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:
    - Total paid in Capital Stock ..... $ 0
    - Total paid in Capital Surplus ..... $ 0
    - Total amount of stated Capital (cannot be a negative amount) ..... $ 0
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

For additional affiliated corporations duplicate Schedule J as needed.

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SCHEDULE I NON-REFUNDABLE TAX CREDITS

1. Credit Carryover From Previous Year's SC1120, Schedule C (Tax Credits)		1.	
2. Add:	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	
	J Base Closure/Fed. 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	
3. Total Credits (add lines 1 and 2A through N and enter on line 1, Schedule C)			3.

SCHEDULE J CORPORATIONS INCLUDED IN CONSOLIDATED RETURN

AFFILIATED CORPORATION NO. 1

1. Name SUGARLOAF PROPERTIES, INC. S.C.I.D. No.
2. Date of this report Fed. E.I. No. 58-2202808
3. Address 400 SOUTH TRYON ST., SUITE 1300 Charlotte NC 28201-10C
4. Incorporated under the laws of the State of GA on 07/14/1995
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
   Nature of principal business in S.C.
10. The Corporation's books are in the care of
    Located at
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
1,000	COMMON STOCK	
	PREFERRED STOCK	

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
100	COMMON STOCK	
	PREFFRED STOCK	

14. The total amount of stated capital per balance sheet is:

Total paid in Capital Stock	$	500
Total paid in Capital Surplus	$	163,064
Total amount of stated Capital (cannot be a negative amount)	$	163,564

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
H. T. Webb, III	President
Arthur W. Fields	Vice-President
Edward J. Weinlein	Vice-President
Robert W. McGee	Sec. & Treas.

For additional affiliated corporations duplicate Schedule J as needed.

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SC1120U (Rev. 9/2/99) Page 5

SCHEDULE K 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 for Property Tax Purposes	1.	2,485,714,286
2. Fee Due: Line 1 x .001	2.	2,485,714

		Total System (A)	Intrastate South Carolina (B)
3. Operating Revenues, (Itemize):			
Electric Revenues		$ 430,647,923	$ 1,192,265,483
Water Revenues		9,992,194	6,870,368
		0	0
4. Total Operating Revenues	4.	$ 440,640,117	$ 1,199,135,851
5. Other Receipts, (Itemize):	5.		
		0	0
		0	0
		0	0
		0	0
6. Total Other Receipts	6.	$ 0	$ 0
7. Total Gross Receipts (Add Lines 4 and 6)	7.		1,199,135,851
8. Fee Due (Line 7, Column B x .003)	8.		$ 3,597,408
9. Total License Fee Due (Add Lines 2 and 8) (Enter here and also on Line 16, Part II, Page 1)	9.		$ 6,083,122

Excerpts from 1976 Code of Laws as Amended
Code Section 12-20-100 as amended for taxable years beginning after 1995.

(A) In the place of the license fee imposed by Section 12-20-50, every express company, street railway company, navigation company, waterworks 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:
(1) one dollar for each thousand dollars, or fraction of a thousand dollars, of fair market value of property owned and used within this state in the conduct of business as determined by the department for property tax purposes for the preceding taxable year; and
(2) three dollars for each thousand dollars, or fraction of a thousand dollars, of gross receipts derived from services rendered from regulated business within this state during the preceding taxable year; except that with regard to electric cooperatives, only distribution electric cooperatives are subject to the gross receipts portion of the license fee under this subitem.

(B) The minimum license fee under this section is $25.

NEW INFORMATION

1. South Carolina has updated income tax laws to conform with the Internal Revenue Code of 1986, as amended through December 31, 1998, including the effective dates.
2. The line 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 "infrastructure" for an eligible project has been expanded to include industrial shell buildings and the purchase of land for an office, business or industrial park.
3. Effective June 30, 1999, notwithstanding the statute of limitations, the time allotted for requesting a corporate refund has been extended from thirty days to ninety days from the date the Internal Revenue Service changes the taxable income.
4. The signature section of the return contains a new area for the preparer's telephone number.

INSTRUCTIONS

Line 17 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 setting forth the name of the person completing the project, a description of the project, under what section or sections of the statute the project qualifies, the amounts in cash that were 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 maximum credit for a 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 tax year. For more information see SC Revenue Ruling 496-11.

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

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

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STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
1999

UNDERPAYMENT OF ESTIMATED TAX BY CORPORATIONS

▶ Attach to your tax return.

SC2220
(Rev. 1/17/00)
3099

Name	Employer identification number
DUKE ENERGY CORPORATION	56-0205520

Part I **Reasons for Filing** — Check the boxes below that apply to the corporation. If any box is checked, the corporation must file form SC2220 with the corporation's tax return, even if it does not owe the penalty. If the box on line 1 or line 2 applies, the corporation may be able to lower or eliminate the penalty. See instructions.

1 [X] The corporation is using the annualized income installment method.
2 [ ] The corporation is using the adjusted seasonal installment method.
3 [ ] The corporation is a "large corporation" figuring its first required installment based on the prior year's tax.

Part II **Figuring Your Underpayment**

1	Total tax (line 11, Form SC1120; or comparable line for other income tax returns) . . . . . If the result is less than $100, do not complete the rest of this form. You do not owe the penalty.				21,099,164
2a	Enter tax shown on your 1998 return (Caution: See instructions before completing this line) . . .			21,287,205	
2b	Enter the lesser of line 1 or line 2a. If the corporation is required to skip line 2a, enter the amount from line 1 on line 2b			21,099,164	
		(a)	(b)	(c)	(d)
3	Installment due dates. Enter in columns (a) through (d) the installment due date (the 15th day of the 3rd, 6th, 9th, and 12th months of your tax year)	3	03 15 1999	06 15 1999	09 15 1999	12 15 1999
4	Enter 25% of line 2b in columns (a) through (d) (see instructions for annualized income installment method or adjusted seasonal installment method). Complete lines 5 through 12 for one column before completing next column. (See instructions for amounts to be entered by a "large corporation".)	4	3,255,154	3,255,153	1,888,858	15,382,142
5	Estimated Tax paid or credited for each period. (For column (a) only, enter the amount from line 5 on line 9.)	5	5,832,368	1,000,000	5,100,000	12,100,000
6	Enter amount, if any, from line 12 of previous column	6		2,577,214	322,061	3,533,203
7	Add lines 5 and 6	7		3,577,214	5,422,061	15,633,203
8	Add amounts on lines 10 and 11 of the previous column and enter the result . . .	8		0	0	0
9	Subtract line 8 from line 7. If zero or less, enter zero. (For column (a) only, enter the amount from line 5.)	9	5,832,368	3,577,214	5,422,061	15,633,203
10	If the amount on line 9 is zero, subtract line 7 from line 8 and enter the result. Otherwise, enter zero	10		0	0	
11	Underpayment. If line 9 is less than or equal to line 4, subtract line 9 from line 4 and enter the result. Then go to line 6 of the next column. Otherwise, go to line 12	11	0	0	0	0
12	Overpayment. If line 4 is less than line 9, subtract line 4 from line 9 and enter the result. Then go to line 6 of the next column	12	2,577,214	322,061	3,533,203	251,061

Go to Part III on page 2 to figure the penalty.

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Part II Figuring the Penalty

		(a)	(b)	(c)	(d)
13 Enter the date of payment or the 15th day of the 3rd month after the close of the tax year, whichever is earlier (Form 990-T filers: Use 5th month instead of 3rd month.)	13	03 15 1999	06 15 1999	09 15 1999	12 15 1999
14 Number of days from due date of installment on line 3 to the date shown on line 13	14	0	0	0	0
15 Number of days on line 14 after 3/15/99 and before 1/1/00	15	0	0	0	0
16 Underpymt. on line 11 x No. of days on line 15 / 365 x 8%	16	$ 0	$ 0	$ 0	$ 0
17 Number of days on line 14 after 12/31/99 and before 4/1/00	17	0	0	0	0
18 Underpymt. on line 11 x No. of days on line 17 / 366 x 8%	18	$ 0	$ 0	$ 0	$ 0
19 Number of days on line 14 after 3/31/00 and before 7/1/00	19	0	0	0	0
20 Underpymt. on line 11 x No. of days on line 19 / 366 x 8.0000*	20	$ 0	$ 0	$ 0	$ 0
21 Number of days on line 14 after 6/30/00 and before 10/1/00	21	0	0	0	0
22 Underpymt. on line 11 x No. of days on line 21 / 366 x 0.0000*	22	$ 0	$ 0	$ 0	$ 0
23 Number of days on line 14 after 9/30/00 and before 1/1/2001	23	0	0	0	0
24 Underpymt. on line 11 x No. of days on line 23 / 366 x 0.0000*	24	$ 0	$ 0	$ 0	$ 0
25 Number of days on line 14 after 12/31/00 and before 2/16/2001	25	0	0	0	0
26 Underpymt. on line 11 x No. of days on line 25 / 365 x 0.0000*	26	$ 0	$ 0	$ 0	$ 0
27 Add lines 16, 18, 20, 22, 24 and 26	27	$ 0	$ 0	$ 0	$ 0

28 Penalty. Add columns (a) through (d), of line 27. Enter the total here and on Form SC1120, line 17; or the comparable line for other income tax returns . . . . . 28 $ 0

* For underpayments paid after March 31, 2000: For lines 20, 22, 24, and 26 use the penalty interest rate for each calendar quarter that the IRS will determine during the first month in the preceding quarter. These rates are published quarterly in an IRS News Release and in a revenue ruling in the Internal Revenue Bulletin. To obtain this information on the Internet, access the IRS's web site at www.irs.ustreas.gov. You can also call 1-800-829-1040 to get interest rate information.

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DES00011598

	CRESCENT RES 57-0443587	DEAS RESOURCES 56-1953976	DUKE E&S 56-6027038	DUKENET 56-1879392	DUKE MERCHAND 56-1926367
		"NON-BUSINESS INCOME"			
EVERYWHERE:					
INTEREST INCOME	2,629,506	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0
OTHER INCOME	96,434,206	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0
TOTAL EVERYWHERE	99,063,712	0	0	0	0
WITHIN:					
INTEREST INCOME	384,553	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0
OTHER INCOME	33,126,118	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0
TOTAL WITHIN	33,510,671	0	0	0	0

AS ORIGINALLY FILED

SC CONS W/DUKE POWER
Year: 1999

	DUKE WATER 56-1976539	N-P SUPPLY 56-0322840	TECHTROL 56-1544719	INTERA 56-1934649	DCONSRVINC 56-2117886
		NON-BUSINESS INCOME			
EVERYWHERE:					
INTEREST INCOME	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0
OTHER INCOME	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0
TOTAL EVERYWHERE	0	0	0	0	0
WITHIN:					
INTEREST INCOME	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0
OTHER INCOME	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0
TOTAL WITHIN	0	0	0	0	0

AS ORIGINALLY FILED

	DUKE PROJ SERV 56-0858436	DUKESOLUTIONS 56-0904643	DETMI MGT, INC 84-1274542	WATEREE POWER 56-0751405	GREENVILLE 56-0891274
		NON-BUSINESS INCOME			
EVERYWHERE:					
INTEREST INCOME	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0
OTHER INCOME	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0
TOTAL EVERYWHERE	0	0	0	0	0
WITHIN:					
INTEREST INCOME	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0
OTHER INCOME	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0
TOTAL WITHIN	0	0	0	0	0

AS ORIGINALLY FILED

	SOUTHERN POWER 56-0891787	CRESCENT L&T 56-1799013	DELLC 56-2096114	WEST CAR POWER 56-0891769	SUGAR PROPERTY 58-2202808
		"NON-BUSINESS INCOME"			
EVERYWHERE:					
INTEREST INCOME	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0
OTHER INCOME	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0
TOTAL EVERYWHERE	0	0	0	0	0
WITHIN:					
INTEREST INCOME	0	0	0	0	0
DIVIDEND INCOME	0	0	0	0	0
RENTAL INCOME	0	0	0	0	0
ROYALTY INCOME	0	0	0	0	0
NET GAIN OR LOSS	0	0	0	0	0
OTHER INCOME	0	0	0	0	0
LESS: RELATED EXPENSES	0	0	0	0	0
TOTAL WITHIN	0	0	0	0	0

AS ORIGINALLY FILED

SC CONS W/DUKE POWER
Year: 1999

	DUKE ENERGY 56-0205520	CLT DEVELOP 56-1393851	CAROLINA CTRS 56-1124729	CRES COM SC 56-2030305
SCH H-1 - COMPUTATION OF 4 FACTOR APPORTIONMENT				
PROPERTY RATIO				
WITHIN SOUTH CAROLINA				
COLUMN A - BEGINNING PERIOD				
1. LAND	0	0	0	0
2. BUILDINGS	0	0	0	0
3. MACHINERY AND EQUIPMENT	5,425,081,878	0	0	0
4. INVENTORIES	95,647,032	0	0	0
5. OTHER PROPERTY	79,146,414	0	0	0
6. EXCLUSIONS	79,146,414	0	0	0
7. TOTAL	5,520,728,910	0	0	0
COLUMN B - ENDING PERIOD				
1. LAND	0	0	0	0
2. BUILDINGS	0	0	0	0
3. MACHINERY AND EQUIPMENT	5,629,325,458	0	0	0
4. INVENTORIES	92,534,983	0	0	0
5. OTHER PROPERTY	102,659,727	0	0	0
6. EXCLUSIONS	102,659,727	0	0	0
7. TOTAL	5,721,860,441	0	0	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	5,621,294,676	0	0	0
9. RENTAL OR LEASE VALUE	68,436,912	0	0	0
10. TOTAL PROPERTY (COLUMN 1)	5,689,731,588	0	0	0

AS ORIGINALLY FILED

SC CONS W/DUKE POWER
Year: 1999

	CRESCENT RES 57-0443582	DE&S RESOURCES 56-1953976	DUKE E&S 56-6027038	DUKENET 56-1979392	DUKE MERCHAND 56-1926367
SCH M-1 - COMPUTATION OF 4 FACTOR APPORTIONMENT					
PROPERTY RATIO					
WITHIN SOUTH CAROLINA					
COLUMN A - BEGINNING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	39,792,434	0
3. MACHINERY AND EQUIPMENT	0	0	170,321	0	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	35,815	1,204,819	0
6. EXCLUSIONS	0	0	0	1,204,819	0
7. TOTAL	0	0	206,136	39,792,434	0
COLUMN B - ENDING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	203,911	48,824,178	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	1,171,487	0
6. EXCLUSIONS	0	0	0	1,171,487	0
7. TOTAL	0	0	203,911	48,824,178	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	0	0	205,024	44,308,306	0
9. RENTAL OR LEASE VALUE	0	0	1,345,184	6,470,053	0
10. TOTAL PROPERTY (COLUMN 1)	0	0	1,550,208	50,778,359	0

AS ORIGINALLY FILED

SC CONS W/DUKE POWER
Year: 1999

	DUKE WATER 56-1976539	H-P SUPPLY 56-0327840	TECHTROL 56-1544719	INTERA 56-1934649	DCENSRVINC 56-2117886
"SCH H-1 - COMPUTATION OF 4 FACTOR APPORTIONMENT"					
PROPERTY RATIO					
WITHIN SOUTH CAROLINA					
COLUMN A - BEGINNING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0
7. TOTAL	0	0	0	0	0
COLUMN B - ENDING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0
7. TOTAL	0	0	0	0	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	0	0	0	0	0
9. RENTAL OR LEASE VALUE	0	0	0	0	0
10. TOTAL PROPERTY (COLUMN 1)	0	0	0	0	0

SC CONS W/DUKE POWER
Year: 1999

	DUKE PROJ SERV 56-0858136	DUKESOLUTIONS 56-0904643	DETMI MGT, INC 84-1274542	WATEREE POWER 56-0751405	GREENVILLE 56-0991774
"SCH H-1 - COMPUTATION OF 4 FACTOR APPORTIONMENT"					
PROPERTY RATIO					
WITHIN SOUTH CAROLINA					
COLUMN A - BEGINNING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	744,492	0	0	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0
7. TOTAL	0	744,492	0	0	0
COLUMN B - ENDING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0
7. TOTAL	0	0	0	0	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	0	372,246	0	0	0
9. RENTAL OR LEASE VALUE	0	0	0	0	0
10. TOTAL PROPERTY (COLUMN 1)	0	372,246	0	0	0

AS ORIGINALLY FILED

	SOUTHERN POWER 56-0891283	CRESCENT LET 56-1799013	DSLLC 56-7096114	WEST CAR POWER 56-0891269	SUGAR PROPERTY 58-2202808
SCH H-1 - COMPUTATION OF 4 FACTOR APPORTIONMENT					
PROPERTY RATIO					
WITHIN SOUTH CAROLINA					
COLUMN A - BEGINNING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0
7. TOTAL	0	0	0	0	0
COLUMN B - ENDING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0
7. TOTAL	0	0	0	0	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	0	0	0	0	0
9. RENTAL OR LEASE VALUE	0	0	0	0	0
10. TOTAL PROPERTY (COLUMN 1)	0	0	0	0	0

AS ORIGINALLY FILED

SC CONS W/DUKE POWER
Year: 1999

	DUKE ENERGY 56-0205520	CLT DEVELOP 56-1391851	CAROLINA CTRS 56-1124729	CRES CON SC 56-2030305
EVERYWHERE				
COLUMN A - BEGINNING PERIOD				
1. LAND	0	0	0	0
2. BUILDINGS	0	4,110,257	0	0
3. MACHINERY AND EQUIPMENT	15508981010	0	0	0
4. INVENTORIES	301,766,103	0	0	0
5. OTHER PROPERTY	319,526,452	0	0	0
6. EXCLUSIONS	319,526,452	0	0	0
7. TOTAL	15810747113	4,110,257	0	0
COLUMN B - ENDING PERIOD				
1. LAND	6,783,007	4,184,979	0	0
2. BUILDINGS	260,944,869	0	0	0
3. MACHINERY AND EQUIPMENT	16124225859	0	0	0
4. INVENTORIES	304,776,860	0	0	0
5. OTHER PROPERTY	398,961,927	0	0	0
6. EXCLUSIONS	398,061,927	0	0	0
7. TOTAL	16696730595	4,184,979	0	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	16253738854	4,147,618	0	0
9. RENTAL OR LEASE VALUE	340,430,472	0	0	0
10. TOTAL PROPERTY (COLUMN 2)	16594169326	4,147,618	0	0
10. PROPERTY RATIO (COLUMN 3 - COLUMN 1 / COLUMN 2)	34.2875	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

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SC CONS W/DUKE POWER
Year: 1999

	CRESCENT RES 57-0443582	DE&S RESOURCES 56-1953876	DUKE E&S 56-6027038	DUKENET 56-1879397	DUKE MERCHAND 56-1926367
EVERYWHERE					
COLUMN A - BEGINNING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	4,802,279	131,974,321	0
3. MACHINERY AND EQUIPMENT	0	0	12,832,566	0	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	7,848,718	3,089,279	0
6. EXCLUSIONS	0	0	0	3,089,279	0
7. TOTAL	0	0	25,483,563	131,974,321	0
COLUMN B - ENDING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	27,666,583	136,574,646	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	2,285,225	5,857,436	0
6. EXCLUSIONS	0	0	2,285,066	5,857,436	0
7. TOTAL	0	0	27,666,742	136,574,646	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	0	0	26,575,153	144,274,484	0
9. RENTAL OR LEASE VALUE	0	0	92,233,636	25,169,597	0
10. TOTAL PROPERTY (COLUMN 2)	0	0	118,808,789	169,444,081	0
11. PROPERTY RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	0.0000	0.0000	1.2048	29.9676	0.0000

AS ORIGINALLY F...

SC CONS W/DUKE POWER
Year: 1999

	DUKE WATER 56-1976539	N-P SUPPLY 56-0322890	TECHTROL 56-1344719	INTERA 56-1934649	DCONSRVINC 56-2117886
EVERYWHERE					
COLUMN A - BEGINNING PERIOD					
1. LAND	0	105,000	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	385,753	438,728	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	395,749	0	3,971,134
6. EXCLUSIONS	0	0	0	0	0
7. TOTAL	0	105,000	781,502	438,728	3,971,134
COLUMN B - ENDING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	628,957	438,728	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	430,623	0	5,223,762
6. EXCLUSIONS	0	0	0	0	0
7. TOTAL	0	0	1,059,580	438,728	5,223,762
8. AVERAGE OF BEGINNING & ENDING PERIOD	0	52,500	920,541	438,728	4,597,448
9. RENTAL OR LEASE VALUE	0	0	289,664	0	547,576
10. TOTAL PROPERTY (COLUMN 8)	0	52,500	1,210,205	438,728	5,145,024
11. PROPERTY RATIO (COLUMN 3 - COLUMN 1 / COLUMN 2)	0.0000	0.0000	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

SC CONS W/DUKE POWER
Year: 1999

	DUKE PROJ SERV 56-0858426	DUKESOLUTIONS 56-0904643	DCTMI MGT, INC 84-1276542	WATEREE POWER 56-0751405	GREENVILLE 56-2991774
EVERYWHERE					
COLUMN A - BEGINNING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	9,092,286	20,193,963	0	0
4. INVENTORIES	0	0	13,314,829	0	0
5. OTHER PROPERTY	3,916,583	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0
7. TOTAL	3,916,583	9,092,286	33,508,792	0	0
COLUMN B - ENDING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	4,249,990	14,475,088	22,871,630	0	0
4. INVENTORIES	0	0	38,427,988	0	0
5. OTHER PROPERTY	0	1,819,168	0	0	0
6. EXCLUSIONS	0	1,819,168	0	0	0
7. TOTAL	4,249,990	14,475,088	61,299,618	0	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	4,083,287	11,783,687	47,404,205	0	0
9. RENTAL OR LEASE VALUE	9,245,000	19,089,576	11,127,462	0	0
10. TOTAL PROPERTY (COLUMN 2)	13,328,287	30,873,263	58,531,667	0	0
10. PROPERTY RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	0.0000	1.2057	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

SC CONS W/DUKE POWER
Year: 1999

	SOUTHERN POWER 56-0891283	CRESCENT LAT 56-1799013	DSLLC 56-2096114	WEST CAR POWER 56-0891269	SUGAR PROPERTY 58-2202808
EVERYWHERE					
COLUMN A - BEGINNING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0
7. TOTAL	0	0	0	0	0
COLUMN B - ENDING PERIOD					
1. LAND	0	0	0	0	0
2. BUILDINGS	0	0	0	0	0
3. MACHINERY AND EQUIPMENT	0	0	0	0	0
4. INVENTORIES	0	0	0	0	0
5. OTHER PROPERTY	0	0	0	0	0
6. EXCLUSIONS	0	0	0	0	0
7. TOTAL	0	0	0	0	0
8. AVERAGE OF BEGINNING & ENDING PERIOD	0	0	0	0	0
9. RENTAL OR LEASE VALUE	0	0	0	0	0
10. TOTAL PROPERTY (COLUMN 2)	0	0	0	0	0
10. PROPERTY RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	0.0000	0.0000	0.0000	0.0000	0.0000

AS ORIGINALLY FILED

SC CONS W/DUKE POWER
Year: 1999

	DUKE ENERGY 56-0205520	CLT DEVELOP 56-1393851	CAROLINA CTRS 56-1124729	CRES CON SC 56-2030303
PAYROLL RATIO				
WITHIN SOUTH CAROLINA				
11. GROSS PAYROLL (COLUMN 1)	254,643,019	0	0	0
12. LESS: OFFICERS COMPENSATION & EXCLUSIONS	1,224,752	0	0	0
13. TOTAL PAYROLL (COLUMN 1)	253,418,267	0	0	0
EVERYWHERE				
11. GROSS PAYROLL (COLUMN 2)	806,720,491	0	0	0
12. LESS: OFFICERS COMPENSATION & EXCLUSION	19,076,684	0	0	0
13. TOTAL PAYROLL (COLUMN 2)	787,643,807	0	0	0
13. PAYROLL RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	32.1742	0.0000	0.0000	0.0000
SALES RATIO				
WITHIN SOUTH CAROLINA				
14. TOTAL SALES (COLUMN 1)	1,199,135,851	632,087	0	0
EVERYWHERE				
14. TOTAL SALES (COLUMN 2)	4,782,300,412	6,411,816	0	0
14. SALES RATIO (COLUMN 3 = COLUMN 1 / COLUMN 2)	25.0745	9.8582	0.0000	0.0000
	1.151			
15. TOTAL SALES WITHIN S.C. (COLUMN 1)	1,199,135,851	632,087	0	0
15. TOTAL SALES EVERYWHERE (COLUMN 2)	4,782,300,412	6,411,816	0	0
15. EXTRA SALES RATIO (COLUMN 3)	25.0745	9.8582	0.0000	0.0000
	1.151			
16. TOTAL OF RATIOS	116.6107	19.7164	0.0000	0.0000
17. ARITHMETICAL AVERAGE OF RATIOS	29.1527	6.5721	0.0000	0.0000

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