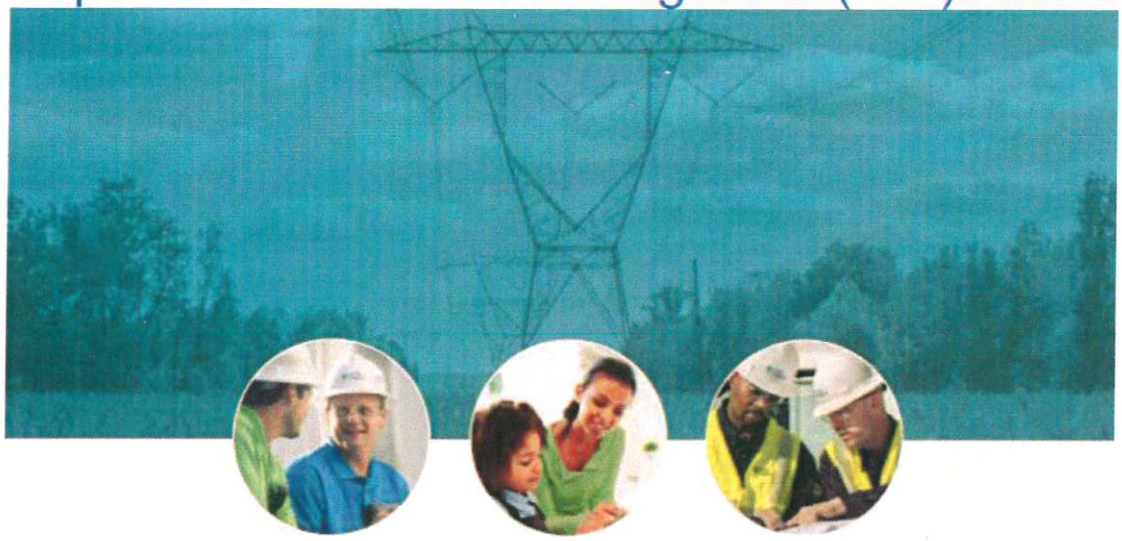
Response to Invitation to Negotiate (ITN)#127-19



DUKE ENERGY.

BUILDING A SMARTER ENERGY FUTURE™

To:
JEA Procurement Bid Office
21 West Church Street
Customer Center
1st Floor, Room 202
Jacksonville, FL 32202

Submitted by:
Duke Energy Corporation
550 S. Tryon St.
Charlotte, NC 28202

Email acknowledgement of receipt to:
Mike.switzer@duke-energy.com

Copy

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DUKE ENERGY CORPORATION (
Karl Newlin
SVP, Corporate Development and Treasurer
550 S. Tryon St.
Charlotte, NC 28202

October 7, 2019

Ms. April Green – Board of Directors Chair, JEA
JEA Procurement Bid Office
21 West Church Street
Customer Center
1st Floor, Room 202
Jacksonville, Florida 32202

Re: JEA Invitation to Negotiate (ITN)# 127-19

Dear Ms. Green,

On behalf of Duke Energy Corporation, a Delaware corporation incorporated in 2005 and a publicly-traded utility company (NYSE: DUK) with its headquarters located at 550 S. Tryon Street, Charlotte NC 28202 (Federal EIN #20-2777218), I am writing to express our sincere appreciation for the opportunity you have afforded us to participate in the Invitation to Negotiate (ITN) process for JEA with the objective of identifying respondents qualified to participate in the Negotiation Phase of the process.

We are pleased to submit the following non-binding reply following the guidance as set forth in Section 2.7 of JEA-ITN#127-19 For Strategic Alternatives document.

If your team has any questions about the enclosed reply, please send them to me at karl.newlin@duke-energy.com or at the address above. We appreciate your consideration of this reply and look forward to hearing from you.

Sincerely,

Karl Newlin

SVP, Corporate Development and Treasurer

Executive Summary

Duke Energy Corporation, a Delaware corporation with its headquarters located at 550 S. Tryon Street, Charlotte, North Carolina 28202 ("Duke Energy" or the "Company", "we", "our", "us") is pleased to submit this non-binding reply to JEA's Invitation to Negotiate (ITN) #127-19. Duke Energy is interested in an acquisition of substantially all of the assets of JEA, including the electric, water and wastewater and district energy systems. We believe an acquisition, at a value yet to be determined and subject to detailed due diligence, could deliver substantial benefits to both the City of Jacksonville (or "the City") and JEA customers while achieving the goals of JEA's Solicitation Process and ensuring that JEA has the tools, resources and capital to succeed in a rapidly changing utility environment.

A Fortune 125 company and with a market capitalization of $64 billion and assets of $153 billion[1], Duke Energy is one of the largest publicly-traded utility companies in the world[2]. With 7.7 million electric and 1.6 million natural gas customers in the Midwest and Southeast, including 1.8 million homes and businesses in Florida, Duke Energy has the scale and scope to successfully execute a transaction of this size and complexity.

Duke Energy has a successful history of merging utility companies having consummated over $30 billion of transactions over the last decade. By leveraging our scale, access to capital markets and operational efficiencies we have been able to drive value for all stakeholders. The Company believes JEA would benefit greatly from being part of a larger platform of utility companies that have a clear long-term strategy as the industry and our customers' needs continue to evolve.

Duke Energy is executing a robust plan to transform for the future, focusing on modernizing the energy grid, generating cleaner energy and expanding natural gas infrastructure. Duke Energy is investing in new technologies to efficiently achieve a more modern future across our customer base.

Duke Energy cares about the communities in which we do business. In addition to maintaining offices in our franchise states, Duke Energy is active in employee volunteerism and charitable giving. Last year alone, the Duke Energy Foundation donated over $31 million to our communities. Additionally, our economic development efforts, in partnership with state and local governments, attracted $5.3 billion in capital investment to our franchise states in 2018, helping create an estimated 14,000 jobs.

Our employees are at the center of everything we do. We believe in a diverse and inclusive workforce, with the skills necessary to perform at the highest level. Duke Energy offers its employees a comprehensive rewards package of competitive pay and benefits, including a paid parental leave benefit for new mothers and fathers.

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[1] As of Second Quarter 10-Q dated June 30, 2019.
[2] As of September 24, 2019.

Adding JEA to the Duke Energy family of companies would undoubtedly create value for JEA's customers, employees and the City of Jacksonville and position the utility for the future. We look forward to continuing in this process and working with the City of Jacksonville and JEA to achieve their goals.

Statement of Interest and Qualifications

Duke Energy is interested in acquiring substantially all of the assets of JEA, including the electric, water and wastewater and district energy systems. Post-transaction, JEA's business would exist as a utility subsidiary of Duke Energy under the jurisdiction of the Federal Energy Regulatory Commission (FERC) and the Florida Public Service Commission (FPSC). Duke Energy would own and operate the systems similar to how it owns and operates electric and natural gas utilities in its other regulated jurisdictions.

Although Duke Energy does not currently operate water or wastewater systems, we believe our scale and expertise operating other regulated electric and gas utilities will translate well to the operation of the water and wastewater systems, relying on the expertise of the JEA employees and their detailed knowledge of the systems. Other regulated utilities across the country have successfully combined electric, gas and water utility systems under one corporate umbrella, and with the help of JEA employees, an acquisition by Duke Energy would be no different.

Duke Energy would also be amenable to alternative ownership or operating structures for the water and wastewater systems if mutually beneficial to the Company and the City of Jacksonville. We appreciate that JEA and the City of Jacksonville are seeking to maximize the value of this process for the citizens of Jacksonville and JEA's customers. The company is willing to work with the City of Jacksonville and JEA to enhance this process where appropriate.

Duke Energy currently owns and operates electric and gas utilities in seven states in the Midwest and Southeast U.S., including a vertically-integrated electric utility in the State of Florida. We have a long-term strategy to position Duke Energy and our utility subsidiaries to be successful in the future as we continue to meet the growing energy needs of our communities and deliver value for all stakeholders. Our strategy is focused in six areas, including:

- Improving the energy grid;
- Transforming the customer experience;
- Building, installing and generating cleaner energy;
- Expanding natural gas infrastructure;
- Constantly focusing on operational excellence; and
- Engaging employees and creating stronger communities.

We believe the investments we make in our business segments will drive significant benefits for our customers and communities. The first of our strategic priorities represents the largest investment driver for the Company over the next ten years – to improve, strengthen and modernize the energy grid across our service areas.

The energy grid is critical to the modern-day economy, and Duke Energy takes great pride in operating this vital asset to improve the communities in which we operate. The Company's long-standing history of operating both its own regulated transmission and

distribution infrastructure, as well as working collaboratively with regulated transmission operators Midcontinent Independent System Operator (MISO) and (PJM Interconnection), clearly demonstrates industry leadership in system planning and a commitment to safe, reliable service across the Carolinas, the Midwest and Florida. Duke Energy Florida (DEF) participates in the Florida Reliability Coordinating Council (FRCC), which has a mission to identify, prioritize and assure effective and cost-efficient mitigation of risks to the reliability and security of the peninsular Florida bulk power system.

As digital capabilities advance, we are making changes to further improve the grid's resiliency, enable self-healing networks and provide more control for customers. While work is already underway, devastating impacts from six massive hurricanes in the Carolinas and Florida over the past three years have made our case for these projects even stronger.

Our transmission and distribution personnel's heroic response to these six storms marked milestones for the Company. Despite treacherous conditions, significant flooding and the need to rebuild portions of our system, our crews continued to work safely and tirelessly until power was restored to every customer who could receive it.

This focus on safety and the customer is deeply rooted in the Duke Energy culture – from executive-level leadership to front-line employees.

Beyond the grid, we are investing in cleaner generation – including more efficient natural gas facilities, renewable energy facilities and distributed energy resources such as new energy storage technologies. These investments support our work to reduce our carbon footprint and advance sustainability initiatives into the future. We recently announced our commitment to reduce carbon emissions by 50 percent by 2030 over 2005 levels and to reach net zero carbon emissions by 2050. We are well on our way to accomplishing these aggressive goals and have retired more than 49 coal units over the past nine years, with plans to retire an additional seven units by 2024, further demonstrating our commitment to replacing our older generation with new, cleaner technology to serve our communities with the affordable, reliable and increasingly clean energy they deserve and expect.

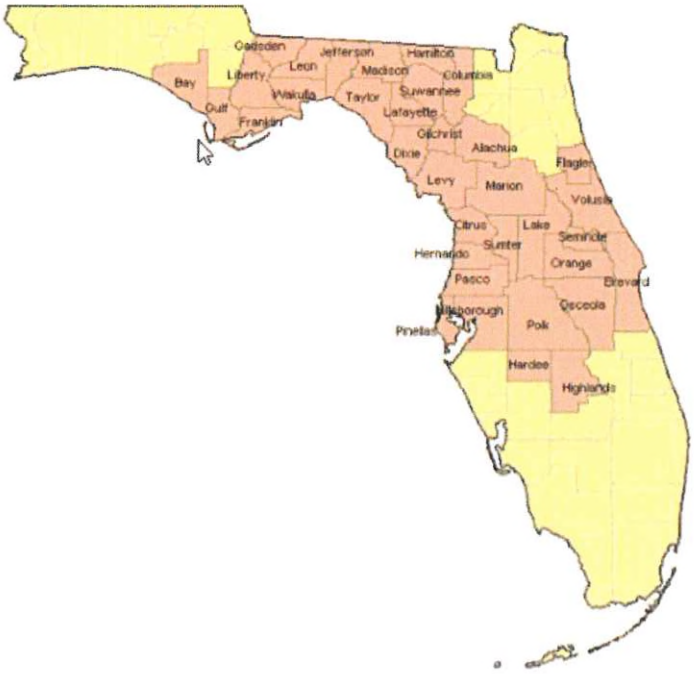
We continue to grow our natural gas business with strategic investments in midstream gas pipelines to bring a cheaper fuel source to underserved areas of the Southeast. These pipelines support our new generation facilities and drive significant economic development in our services areas.

Our improvements in the grid, shifting generation sources, relentless focus on safety and operational excellence and implementation of new technologies spur a transformation of the customer experience. We are delivering value through enhanced convenience, as well as increased control over customers' energy usage. We are offering exciting products and services for residential customers and resiliency options for commercial and industrial customers – and we are developing new ideas every day,

rolling out mobile applications, communicating via two-way channels and enhancing customer satisfaction.

Duke Energy Florida, a wholly owned subsidiary of Duke Energy, currently serves approximately 1.8 million electric customers in Florida. Its service area covers approximately 20,000 square miles in west central Florida, including the densely populated areas around Orlando, as well as the cities of Saint Petersburg and Clearwater. DEF is interconnected with 21 municipal and nine rural electric cooperative systems that serve additional customers in Florida. While DEF and JEA transmission systems are not currently interconnected, Duke Energy would examine creative ways to leverage the combined assets of the utilities to benefit all stakeholders.

Figure 1: Counties served by Duke Energy Florida



Duke Energy views the State of Florida as one of the most attractive places to do business in the U.S. The potential purchase of the JEA utility system would allow JEA access to a more diverse generating fleet and unparalleled operational and financial resources that will help the City of Jacksonville to respond to the changing utility environment.

We are dedicated to providing the best possible service for our customers and our communities, and our long-term strategy aligns perfectly with JEA's priorities. Our capabilities, expertise, scope, scale and demonstrated commitment to the communities we serve position us to be a strong candidate to respond to this ITN.

Organizational Overview

Organizational Structure

Duke Energy (NYSE: DUK) is one of the largest energy holding companies in the U.S., headquartered in Charlotte, N.C. A Fortune 125 company, Duke Energy is transforming its customers' experience, modernizing its energy grid, generating cleaner energy and expanding its natural gas infrastructure to create a smarter energy future for the people and communities it serves.

Duke Energy has a long track record of successfully merging utility systems to increase its scale to the benefit of our stakeholders, especially the communities in which we serve.

Starting in 1997, Duke Energy Corporation was created from the merger of Duke Power Company and PanEnergy Corporation. In 2006, Duke Energy and Cinergy Corp. merged, followed closely by the spin-off of its natural gas transmission and related business lines into Spectra Energy, thereby creating a regionally diverse electric holding company with utilities in the Carolinas and the Midwest (IN, OH and KY). In early 2011, Duke Energy's merger with Progress Energy was announced, which would create the largest electric utility in the United States (measured by number of customers). Within four years of closing the merger in 2012, we achieved 100% of the guaranteed $687 million savings for Carolinas customers as a result of the merger with Progress Energy, a full year ahead of the original commitment. The most recent acquisition successfully completed by Duke Energy occurred in 2016, when the Company closed its $6.7 billion purchase of Piedmont Natural Gas, expanding its reach into natural gas infrastructure. Please reference Figure 2 on the next page for further details of pertinent transactions.

Figure 2: Duke Energy M&A Transaction Details

Duke Energy has a strong track record of successfully executing on large-scale, transformative transactions with a strong commitment to benefitting all stakeholders.

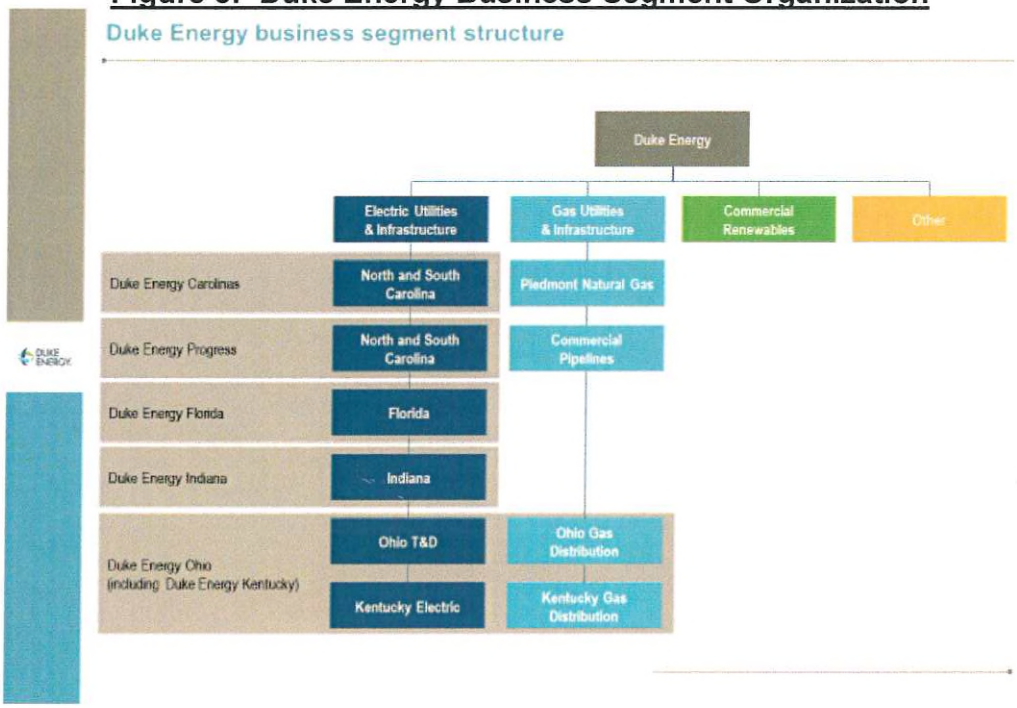
	Transaction Overview	Key Highlights
Piedmont Natural Gas	• On October 26, 2015, Duke Energy announced the $6.7bn cash acquisition of Piedmont Natural Gas, including the assumption of debt • At the time, Piedmont served over 1mm customers in North Carolina, South Carolina and Tennessee • Rate base of $2.3bn at the time of announcement	Structure: Piedmont retained its name as a separate legal entity and wholly-owned subsidiary of Duke Energy Governance: One Piedmont Board member was elected to Duke Energy Board Headquarters: Piedmont headquarter maintained in Charlotte, North Carolina **North Carolina Commitments:** • One-time $10mm direct bill credit to customers • $7.5mm one-time contribution to workforce development and low income energy assistance • Annual community support and charitable contribution initiatives for four years at annual levels of at least $17.5mm ($9.65mm, $6.375mm, and $1.5mm in service territories of Duke Energy Carolinas, Duke Energy Progress, and Piedmont, respectively) **South Carolina Commitments:** • Charitable Giving of $3.55mm in South Carolina for 2017 – 2020 • 11% of merger related cost savings to customers **Other:** • North Carolina and South Carolina retail and wholesale customers expected to receive a proportional share of ~$35mm in fuel-related savings **Piedmont Today:** • Duke plans to invest maintenance and growth capital of ~$3.35bn in Piedmont over the next five years (2019 – 2023)
Progress Energy	• On January 9, 2011, Duke Energy announced a stock merger with Progress Energy, valuing Progress at ~$26bn, including the assumption of debt • At the time, Progress Energy served over 3.1mm electric customers in North Carolina, South Carolina and Florida • Progress Energy had a rate base of $17bn at the time of announcement • Generation capacity of 21.8 GW, including purchase power agreements	Structure: 100% stock acquisition, with Progress Energy shareholders owing ~37% of the pro forma company Governance: 11 Board members nominated by Duke Energy and 7 nominated by Progress Energy; Lead director designated by Duke Energy Headquarters: Duke Energy Corporation headquarters maintained in Charlotte, NC, with significant presence in Raleigh, NC **North Carolina Commitments per initial settlement:** • Duke Energy to maintain at least 1,000 employees in Raleigh, NC for at least five years from date of the settlement agreement • $650mm in fuel and fuel-related cost savings over a 4-year time period (2012 – 2016) • $15mm one-time contribution to workforce development and low income energy assistance • $2mm one-time contribution to NC GreenPower • Annual community support and charitable contribution initiatives for four years at annual levels of at least $9.2mm and $7.28mm in service territories of DEC and PEC, respectively **South Carolina Commitments:** • $8 – 9mm in annual fuel and fuel-related cost savings over a 4-year time period (2012 – 2016) • $4mm one-time shareholder contribution to AdvanceSC **Kentucky Commitments:** • Duke Energy Kentucky agreed not to file new gas or electric base rate applications for two years from the date of the KPSC's final order in the merger proceedings • Five annual contributions of $165,000 to support low-income weatherization efforts and economic development • Agreed not to seek recovery from retail customers for any of the allocable share of merger related costs
CINERGY	• On May 9, 2005, Duke Energy announced the $9.1bn stock acquisition of Cinergy Corp. • As part of the transaction, Duke also assumed ~$5 billion of debt • Transformative transaction that added: – 7,850 employees – 1.5mm electric customers – 0.5mm gas customers – 14 GW owned / 19 GW operated generation	Structure: 100% stock acquisition, with Cinergy shareholders owing ~24% of the pro forma company Governance: Combined company had 10 Directors from Duke and 5 from Cinergy Headquarters and local presence: Corporate headquarters: Charlotte, NC; headquarters for PSI Energy Inc,: Plainfield, IN; headquarter offices for CG&E and Union Light Head & Power: Cincinnati, OH; Duke Power: Charlotte, NC; headquarters for Duke Energy Field Services: Denver, CO; headquarters for Crescent Resources: Charlotte, NC; DEGT and certain other commercial operations remained in Houston, TX **Ohio Commitments:** • $20.6mm merger savings rate credit to gas and electric customers in the first year following the closing of the merger • $15.2mm rate stabilization credit for one year • Guaranteed personal income tax payments of at least $11.79mm from 2006 – 2008 • Corporate income tax and franchise fee payments of at least $1.5mm per year during 2006 – 2008 • Minimum annual charitable contributions in the Cinergy utility service areas in 2007 – 2008 of ~$5mm **Indiana Commitments:** • $40mm merger savings rate credit to electric customers over a one year period • $5mm for low income energy assistance and clean coal technology **Kentucky Commitments:** • $7.6mm rate credit to Kentucky customers over five years, stemming from merger-related savings **South Carolina Commitments:** • $40mm rate reduction for one year and a three-year extension to the Bulk Power Marketing (BPM) profit sharing arrangement **North Carolina Commitments:**

	• Rate reduction of ~$118mm through a credit rider to existing base rates for a one-year period following the close of the merger • $12mm to support various low income, environmental, economic development and educationally beneficial programs

Business Segment Organization

Duke Energy, employing more than 30,000 people, provides electricity to 7.7 million retail customers in six states. The Company also provides natural gas to 1.6 million customers in five states and operates a growing renewable energy portfolio across the U.S. Our business is split into three operating segments: (1) Electric Utilities and Infrastructure; (2) Gas Utilities and Infrastructure; and (3) Commercial Renewables. While not a business segment, Other, also shown in Figure 3, primarily includes interest expense on holding company debt, the Company's captive insurance unit and unallocated corporate costs.

Figure 3: Duke Energy Business Segment Organization



(1) Electric Utility and Infrastructure

Our Electric Utilities and Infrastructure segment – the largest of our three operating segments – conducts operations primarily through the regulated public utilities of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida, Duke Energy Indiana, Duke Energy Ohio and Duke Energy Kentucky. This segment provides retail electric service through the generation, transmission, distribution and sale of electricity to approximately 7.7 million customers within the Southeast and Midwest regions of the U.S. The service territory is approximately 95,000 square miles across six states with a

total estimated population of 24 million people. The segment owns approximately 50,800 megawatts (MW) of generating capacity, 280,200 miles of distribution lines and a 31,400-mile transmission system.

The operations include electricity sold wholesale to municipalities, electric cooperative utilities and other load-serving entities. The electric operations and investments in projects are subject to the rules and regulations of the Federal Energy Regulatory Commission (FERC), the North Carolina Utilities Commission (NCUC), the Public Service Commission of South Carolina (PSCSC), the Florida Public Service Commission (FPSC), the Indiana Utility Regulatory Commission (IURC), the Public Utilities Commission of Ohio (PUCO), and the Kentucky Public Service Commission (KPSC). The operations include electricity sold wholesale to municipalities, electric cooperative utilities and other load-serving entities.

(2) Gas Utilities and Infrastructure

Our Gas Utilities and Infrastructure segment conducts natural gas distribution operations primarily through the regulated public utilities of Piedmont Natural Gas, Duke Energy Ohio and Duke Energy Kentucky. This segment provides regulated natural gas transmission and distribution services to approximately 1.6 million customers in the Carolinas, Tennessee, southwestern Ohio and Northern Kentucky. It maintains more than 33,000 natural gas transmission and distribution pipelines and 27,000 miles of natural gas service pipelines. Gas Utilities and Infrastructure also owns, operates and has investments in various pipeline transmission and natural gas storage facilities.

The natural gas operations are subject to the rules and regulations of the NCUC, PSCSC, PUCO, KPSC, Tennessee Public Utilities Commission (TPUC), Pipeline and Hazardous Materials Safety Administration (PHMSA) and the FERC. Gas Utilities and Infrastructure serves residential, commercial, industrial and power generation natural gas customers, including customers served by municipalities who are wholesale customers.

(3) Commercial Renewables

Commercial Renewables primarily acquires, develops, builds, operates and owns wind and solar renewable generation throughout the continental U.S. The portfolio includes nonregulated renewable energy and energy storage businesses. Duke Energy Renewables, part of the Commercial Renewables business segment, includes utility-scale wind and solar, as well as distributed solar generation assets that total approximately 3 GW across 18 states. The power produced from renewable generation is primarily sold through long-term contracts to utilities, electric cooperatives, municipalities and commercial and industrial customers.

Electric System Operations

Duke Energy is viewed as a leader in operational excellence among its utility peers. As part of the Company's long-term strategy, leaders and employees alike are focused on maintaining and further enhancing our long-standing operational excellence. In 2018, EEI named Duke Energy as one of the industry leaders in safety for the fourth year in a row, reflecting our culture of commitment to our employees, their families and the communities we serve.

Our Distribution Operations' vision is to have a world-class workforce that can safely and efficiently dispatch, monitor, operate and optimize the distribution system. We strive for our world-class workforce to use the people, technology and processes to achieve top-decile performance in reliability and customer satisfaction, and obtain maximum benefit from the grid.

Duke Energy has five Distribution Control Centers (DCC) located in five cities in four states (Charlotte and Raleigh in North Carolina, St. Petersburg in Florida, Plainfield in Indiana and Cincinnati in Ohio). Each DCC provides centralized dispatch and control operations for its Duke Energy service territory. Within its jurisdiction, each DCC is the Distribution Control Authority, meaning that it must approve operating any equipment on the distribution system.

Each DCC operates 24/7/365 with teams of system operators working a rotating shift schedule. On-call support from grid management engineers is available nights and weekends.

Duke Energy Florida Operational Overview

The Distribution Supervisory Control and Data Acquisition (DSCADA) system, utilized in our Florida service territory, is one of the key technologies utilized within the DCC. This technology provides the DCC Operators with real-time, two-way data from various types of equipment located within distribution substations and on distribution feeders. The system utilizes fiber optic lines and cellular technology to bring the data to the DCC. It provides the DCC Operators with control capability of substation and feeder devices.

Since the installation of the DSCADA system, Duke Energy Florida has implemented a strategy to create a distribution grid that "self-heals" when a fault occurs on the grid. Through DSCADA-connected electronic solid dielectric reclosers, the system utilizes sensors and fault current data to (1) identify the location of the fault; (2) open the adjacent reclosers; and (3) close open tie reclosers to adjacent circuits to restore service to as many customers as possible – all within one minute. A crew is then dispatched by the DCC to a more precise location based on the data from the system. DSCADA alarms allow operators and grid techs to proactively address issues, including communication failures, equipment issues and voltage and loading issues.
Duke Energy Florida currently has approximately 37% of its customers on a Self-Healing Team and will have over 80% of its customers on such a system by the end of

2021. In 2018, Duke Energy estimated that 200,000 outages and 15 million outage minutes were avoided because of the self-healing grid.

T&D Infrastructure Maintenance and Restoration

Given the extensive and complex transmission and distribution systems Duke Energy operates, as well as the Company's service areas, Duke Energy has significant experience with Transmission and Distribution (T&D) maintenance and restoration. First and foremost, maintenance is essential.

Our customers want reliable power – in both good weather and bad. And while the trees that thrive throughout our service area are a source of tremendous pride, they are also one of the main causes of power outages. Duke Energy works consistently to balance aesthetics and environmental stewardship with our goal to provide safe, reliable power to the households and businesses that depend on us. It is our responsibility to ensure power lines are free of trees and other obstructions that could disrupt electric service. Trees that are close to power lines must be trimmed or cut down to ensure they do not cause power outages, and Duke Energy does much of this work proactively. Additionally, the Florida Public Service Commission requires specific three and 5-year vegetation management plans and we are in full compliance.

Our crews use a variety of methods to manage vegetation growth along distribution circuits and transmission power line rights of way, including vegetation pruning, felling (cutting down) and herbicides. These methods are based on widely accepted standards developed by the tree care industry and approved by the American National Standards Institute for tree care maintenance and operations.

Duke Energy maintains countless transmission and distribution rights of way to provide reliable delivery of electricity. This includes tree trimming/pruning, herbicide application and, occasionally, tree removal.

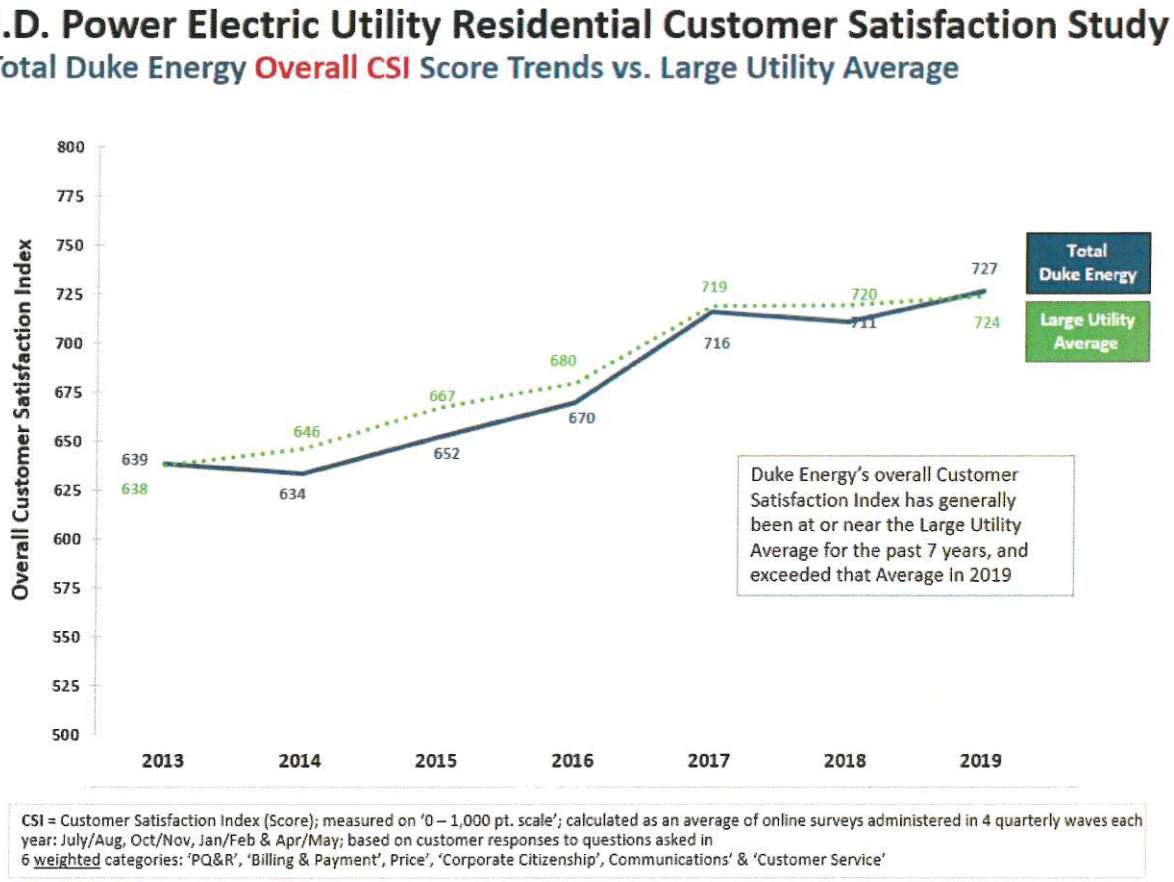
Additional maintenance activity involves the use of drones and helicopters to inspect transmission lines. This has enabled our teams to drive efficiencies and detect issues on the system before they impact the customer.

Beyond this, in Florida specifically, the Company has plans to invest $3.4 billion to strengthen the state's energy grid, making it more resilient and secure. These enhancements will improve power quality and reliability while enabling more options for our customers.

Customer Satisfaction

In 2019, Duke Energy's J.D. Power results were very promising, as we exceeded the Large Utility Average overall and in four of the six component areas. Our Overall Customer Satisfaction Index (CSI) score has experienced a trend of improvements since 2014, culminating in our highest score of 727 for 2019 (ref. Figure 4).

Figure 4: J.D. Power Residential Customer Satisfaction Results Over Time



Most notable is Duke Energy's year-over-year growth between the 2018 and 2019 studies where we saw double digit year-over-year growth overall and in five of six component areas, exceeding average industry growth during the same timeframe by a considerable margin (ref. Figure 5).

Figure 5: J.D. Power Residential Customer Satisfaction Year-over-Year Changes[3]

J.D. Power Electric Utility Residential Customer Satisfaction Study

Total Duke Energy vs. Large Utility Average: Year-over-Year Movement

Total Duke Energy

Index	2018	2019	YoY Movement
CSI	711	727	+16
PQR	761	777	+16
B&P	779	787	+8
Price	644	664	+20
Citizenship	642	659	+17
Comm	663	686	+23
Cust Serv	764	780	+16

Large Utility Average

Index	2018	2019	YoY Movement
CSI	720	724	+4
PQR	768	771	+3
B&P	783	785	+2
Price	653	660	+7
Citizenship	662	665	+3
Comm	674	680	+6
Cust Serv	780	784	+4

Duke Energy had double digit year-over-year point growth overall and in 5 of 6 component areas, exceeding average industry growth during the same timeframe by a considerable margin.

This growth and outpacing of the industry align with what we are seeing in our proprietary customer experience measures and coincide with the formation of our Customer Experience Transformation group, showing immediate impacts from our Customer Connect organization, described in detail on page 42 of this reply.

Financial Details

Duke Energy operates in the U.S. primarily through our direct and indirect subsidiaries. Certain Duke Energy subsidiaries are also subsidiary registrants, including Duke Energy Carolinas, Progress Energy, Duke Energy Progress, Duke Energy Florida, Duke Energy Ohio, Duke Energy Indiana and Piedmont Natural Gas. When discussing Duke Energy's consolidated financial information, it necessarily includes the results of our separate subsidiary registrants, which along with Duke Energy, are collectively referred to as the Duke Energy Registrants.

As stated previously, Duke Energy's segment structure includes three reportable business segments: Electric Utilities and Infrastructure, Gas Utilities and Infrastructure and Commercial Renewables. The remainder of Duke Energy's operations is presented as Other.

[3] CSI = Customer Satisfaction Index, PQR = Power Quality & Reliability, B&P = Billing & Payment, Comm = Communications, Cust Serv = Customer Service

The following table provides selected financial data for the years of 2014 through 2018 for all segments (Source: Duke Energy Corporation FY2018 Form 10-K).

(in millions, except per share amounts)	2018	2017	2016	2015	2014
Statements of Operations[a]					
Total operating revenues	**$ 24,521**	$ 23,565	$ 22,743	$ 22,371	$ 22,509
Operating income	**4,685**	5,625	5,202	4,974	4,795
Income from continuing operations	**2,625**	3,070	2,578	2,654	2,538
Income (Loss) from discontinued operations, net of tax	**19**	(6)	(408)	177	(649)
Net income	**2,644**	3,064	2,170	2,831	1,889
Net income attributable to Duke Energy Corporation	**2,666**	3,059	2,152	2,816	1,883
Common Stock Data					
Income from continuing operations attributable to Duke Energy Corporation common stockholders					
Basic	**$ 3.73**	$ 4.37	$ 3.71	$ 3.80	$ 3.58
Diluted	**3.73**	4.37	3.71	3.80	3.58
Income (Loss) from discontinued operations attributable to Duke Energy Corporation common stockholders					
Basic	**$ 0.03**	$ (0.01)	$ (0.60)	$ 0.25	$ (0.92)
Diluted	**0.03**	(0.01)	(0.60)	0.25	(0.92)
Net income attributable to Duke Energy Corporation common stockholders					
Basic	**$ 3.76**	$ 4.36	$ 3.11	$ 4.05	$ 2.66
Diluted	**3.76**	4.36	3.11	4.05	2.66
Dividends declared per share of common stock	**3.64**	3.49	3.36	3.24	3.15
Balance Sheet					
Total assets	**$ 145,392**	$ 137,914	$ 132,761	$ 121,156	$ 120,557
Long-term debt including capital leases, less current maturities	**51,123**	49,035	45,576	36,842	36,075

(a) Significant transactions reflected in the results above include: (i) regulatory and legislative charges related to Duke Energy Progress and Duke Energy Carolinas North Carolina rate case orders and impairment charges in 2018 (see Notes 4, 11 and 12 to the Consolidated Financial Statements, "Regulatory Matters," "Goodwill and Intangible Assets" and "Investments in Unconsolidated Affiliates"); (ii) the sale of the International Disposal Group in 2016, including a loss on sale recorded within discontinued operations (see Note 2 to the Consolidated Financial Statements, "Acquisitions and Dispositions"); (iii) the acquisition of Piedmont in 2016, including losses on interest rate swaps related to the acquisition financing (see Note 2); (iv) 2014 impairment related to the disposal of the Midwest Generation Disposal Group; (v) 2014 incremental tax expense resulting from the decision to repatriate all cumulative historical undistributed foreign earnings; (vi) 2014 increase in the litigation reserve related to a criminal investigation of the Dan River release.

Duke Energy currently has the 2nd largest market capitalization among regulated utilities in the United States and is one of the largest publicly-traded utility companies in the world. As of the 2nd quarter end for 2019, Duke Energy's enterprise value was ~$124.3 billion (ref. Figure 6).

Figure 6: Duke Energy Enterprise Value

$ in millions	**As of June 30, 2019**
Market Capitalization	$64,439.0
+ Total Debt	60,833.0
- Cash & Equivalents	442.0
+ Total Preferred	1,056.8
- Investments in Unconsolidated Subsidiaries	1,715.1
+ Non-controlling Interest	119.0
Enterprise Value	**$124,290.8**

Number of Customers

As stated previously, Duke Energy provides electricity to 7.7 million retail customers in six states. The Company also provides natural gas to 1.6 million customers in five states (ref. Figure 7).

Figure 7: Duke Energy Electric and Gas Utilities and Infrastructure Overviews

Electric Utilities and Infrastructure (as of Dec. 31, 2018)

Duke Energy's Electric Utilities and Infrastructure unit operates primarily through the regulated utilities of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida, Duke Energy Indiana and Duke Energy Ohio.

States	NC, SC, FL, IN, OH, KY
Service Area	95,000 square miles
Electric Generation Capacity (owned)	51,000 megawatts
Electric Transmission Lines	31,000 miles
Electric Distribution Lines	280,000 miles
Total Electric Retail Customers	**7.7 million**
North Carolina	3.4 million
South Carolina	760,000
Ohio/Kentucky	860,000
Indiana	840,000
Florida	1.8 million

Gas Utilities and Infrastructure (as of Dec. 31, 2018)

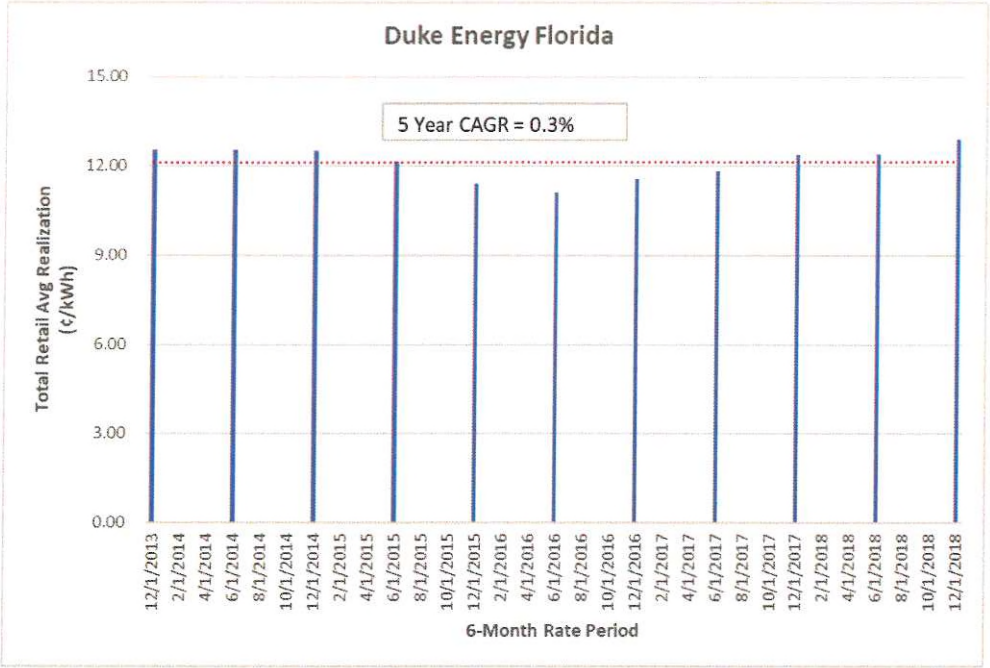
Duke Energy's Gas Utilities and Infrastructure unit distributes natural gas primarily through the regulated utilities of Piedmont Natural Gas and Duke Energy Ohio.

Total Natural Gas Customers	**1.6 million**
North Carolina	746,000
South Carolina	148,000
Ohio/Kentucky	538,000
Tennessee	187,000
Natural Gas Pipelines	33,000 miles
Natural Gas Service Lines	28,000 miles

Rate Stability

Duke Energy is delivering affordable, reliable and clean energy across all of our regulated jurisdictions. This is evident across our regulated footprint and can be highlighted by our rate stability over the last five years at Duke Energy Florida. As illustrated in the figure below, rates have only slightly increased by 0.3% since the end of 2013.

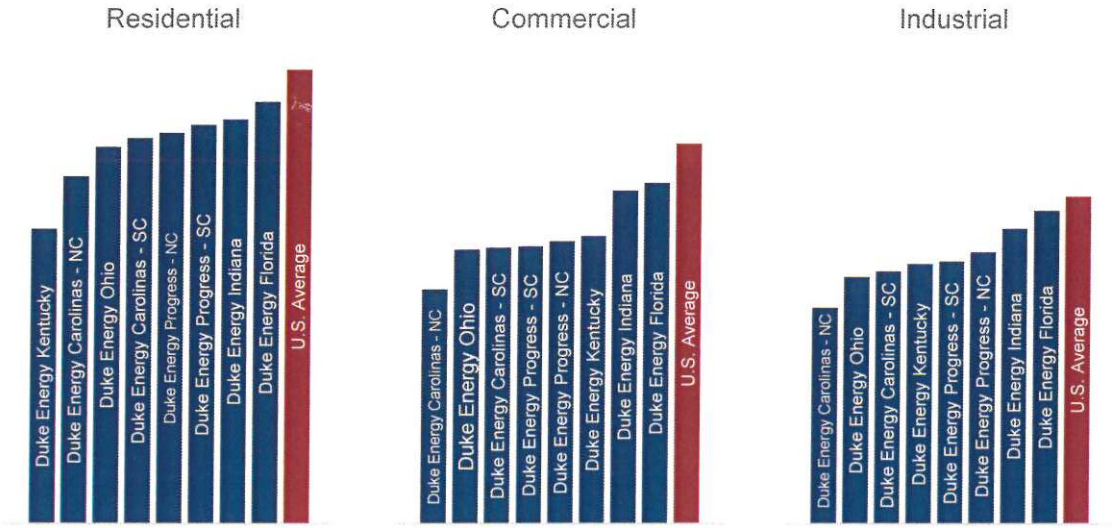
Figure 8: Duke Energy Florida historical residential rates



All of our regulated electric jurisdictions have retail rates that are below the U.S. national average:

Figure 9: Typical Bill electric rates in effect as of January 1, 2019

(Source: EEI Typical Bills and Average Rates report, Winter 2019)



Union Overview

As of December 31, 2018, Duke Energy had a total of 30,083 employees on our payroll. The total includes 5,446 employees who are represented by labor unions under various collective bargaining agreements that generally cover wages, benefits, working practices and other terms and conditions of employment. Further specifics on Duke Energy's union participation are as follows:

Union Name	Employee Population	Contract Effective Dates	Approx. # of Employees
UWUA Local 600 (OH & KY) Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc. and the Utility Workers Union of America, AFL-CIO, Local Union No. 600, formerly the Independent Utilities Union	All clerical, technical and manual employees including OH Call Center and OH/KY Meter Reading	4/15/19 – 3/31/23	372
IBEW 1393 (IN) Duke Energy Indiana, Inc. and Local Union No. 1393 of the International Brotherhood of Electrical Workers	All craft employees in Regulated Generation, Delivery Operations, Transmission, Metering Services, Supply Chain, Fleet Services and Facilities Management	5/1/15 – 4/30/20	1,133
USW 12049 (OH & KY) Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc. and The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC (United Steelworkers) Local Union No. 12049	All craft employees in Gas Operations and employees involved in the service of gas distribution in Southern Ohio and Kentucky	5/15/16 – 5/14/21	200
USW 5541-06 (OH & KY) Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc. and The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC, (United Steelworkers) Local Union No. 5541-06 (United Steelworkers)	All craft employees in Gas Operations and employees involved in the service of gas distribution in Northern Cincinnati (Todhunter)	5/15/16 – 5/14/21	47
IBEW 962 (Carolinas) Duke Energy Corporation and Local Union No. 962 of the International Brotherhood of Electrical Workers	All craft employees in Power Delivery (Distribution), all Fossil/Hydro at Lee Station, Allen Station, and Bad Creek/Jocassee	10/1/18 – 9/30/20	818
IBEW 962 (Transportation) Duke Energy Corporation and Local Union No. 962 (T) of the International Brotherhood of Electrical Workers	Fleet Services employees at Durham and Greensboro, NC garages	12/1/18 – 11/30/20	15
IBEW SCU-8 (FL) (Local Unions 433, 626, 682, 1412, 1491) Duke Energy Florida and the International Brotherhood of Electrical Workers	All craft & technical in Energy Delivery (Transmission and Distribution) & Generation (including Nuclear), Fleet, Stores, Telecom., Meter Dept, Meter Reading, Dispatch, in FL.	12/5/16-12/1/19	1,500

	Includes Labor Agreements at the Hines Energy Complex and the Citrus Combined Cycle Station.		
IBEW SCU-8 (FL) (Local Union 626) Progress Energy and the International Brotherhood of Electrical Workers. (Hines Energy Complex)	All craft employees at the Hines Energy Complex in Florida. (1 Power Plant)	3/27/17 – 3/21/21	52
IBEW SCU-8 (FL) (Local Union 433) Duke Energy and the International Brotherhood of Electrical Workers. (Citrus Combined Cycle Station)	All craft employees at Citrus Combined Cycle Station in Florida. (1 Power Plant)	3/14/16 – 3/08/20	30
IBEW 1347 (OH & KY) Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc. and Local Union No. 1347 of the International Brotherhood of Electrical Workers, AFL-CIO	All craft employees in Regulated Generation, Delivery Operations, Transmission, Metering Services, Supply Chain and Fleet Services; most craft employees in Midwest Commercial Generation.	4/01/17 – 4/01/22	647
USW 7202 (NC) Duke Energy and The United Steelworkers of America, AFL-CIO, CLC, Local Union No. 7202	Craft employees at Nantahala. Formerly Nantahala Power & Light	10/01/18 – 9/30-21	55
IBEW Local 1902 (Carolinas) (Piedmont) Piedmont Natural Gas and the International Brotherhood of Electrical Workers, AFL-CIO	All craft employees in Service, Construction and Operations & Maintenance, Measurement, Meter Reading Services (AMR), and LNG Plant Operations in SC and portions of NC	8/19/19 – 6/02/22	466
Plumbers and Pipe Fitters Local 702 (TN) (Piedmont) Piedmont Natural Gas and Local 702 of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry AFL-CIO	All craft employees in Service, Construction and Operations & Maintenance, Measurement, Meter Reading Services (AMR), and LNG Plant Operations in Nashville, TN	4/14/18 – 4/13/23	141

Economic Development and Community Involvement

Since our predecessor Company, Duke Power, was founded in 1904, we have been an active, engaged partner in our communities. Vibrant, successful communities drive our growth and, just as importantly, are home to our employees. Helping our neighbors live better lives is a significant part of our mission. This commitment is evident through our support of economic development as we collaborate with local government, business and community leaders.

Over the past decade, the Duke Energy Economic Development team has worked in conjunction with our State, Regional and Local Economic Development partners to secure 1,175 projects resulting in $42 billion in new capital investment and 140,000 new jobs in the communities we serve. In 2018 alone, Duke Energy attracted $5.3 billion in capital investment, helping create 14,000 jobs. And for the 14th consecutive year, we were named to Site Selection magazine's annual list of Top 10 Utilities in Economic Development.

Duke Energy's top priority is our customers. We exist to improve the lives of our customers and the vitality of the communities we serve. Our economic development program where our mission is to help existing companies expand and recruit new industry that will result in new capital investment, jobs and increased tax base in the communities we serve.

The keys to our economic development program's success come from our commitment to Product Development (identifying and assessing competitive sites and buildings, advancing site readiness and sponsoring educational programs around site development), Business Recruitment (targeted industry sales team) and Economic Development (dedicated to project management for a successful win).

Figure 10: Economic Development Overview

We have always been committed to improving the lives of Floridians. Other programs and services supported by our Economic Development Team include:

- **Economic Development Incentive Rates** – we offer multiple incentive programs to enhance economic development to include a flexible and competitive electrical rate (tariff) for economic development projects for new and expanding businesses throughout our service footprint.
- **Support of Local and State Organizations** – our economic development staff actively seeks ways to help provide strategic leadership to various state and local economic development organizations in our service territory.
- **Financial Support of Local and State Organizations** – we provide investment in organizations at the operational level as well as event sponsorships to many of the local economic development organizations, as well as to regional and state level organizations.

Philanthropy

But our commitment goes beyond bringing new jobs and investment. We are proud to be active members of the communities where we live and work. For more than a century, we have supported our communities through volunteerism and charitable giving. Last year, the Duke Energy Foundation donated more than $31 million to support our communities. In addition, our employees and retirees made their presence known, volunteering over 126,000 hours. We also launched a new campaign, called the Power of Giving, which empowers employees to support the cause of their choice and have their donations matched by the Duke Energy Foundation. Through the campaign, employees pledged $5.3 million in charitable contributions. When combined with the Duke Energy Foundation matching gifts for this campaign, that is more than $10 million in funding to support our communities. In Florida, our employees have a goal to volunteer 15,000 hours in 2019. Through the end of May, our dedicated team members had logged almost two-thirds of this goal.

Education

The Duke Energy Foundation focuses on creating powerful communities, and a key part is supporting the future workforce. Our success as a Company requires a talented, diverse workforce that is aligned with our mission. In 2018, we continued our efforts to attract employees who bring diverse thoughts, work and life experiences, perspectives, and cultures. In October 2018, we appointed a new chief diversity officer to strengthen diversity in our recruiting pipeline, workforce and leadership team. In addition, Duke Energy became the first energy company to sign the Historically Black Colleges and Universities (HBCU) Partnership Challenge. Created by the Bipartisan HBCU Caucus, this initiative seeks to promote greater engagement and support from private companies with HBCUs.

Military / Veterans

We also continue our focus on veterans, helping former military personnel map their skills to utility industry jobs. Our work has resulted in hiring nearly 200 veterans last year as we look to fill at least 12 percent of our open positions with veterans. This continued support of those who serve was recognized by the U.S. Department of Defense, which awarded us the 2018 Employer Support Freedom Award. This is the highest honor the department gives to companies for their support of employees who serve in the National Guard and Reserve. In Florida specifically, Duke Energy Florida works closely with the foundation Victory for Veterans. Through this foundation, the Company donates $1,000 for every Tampa Bay Rays victory to Veterans organizations throughout the service territory. For the 2018-2019 season, we donated $105,000 to ten different organizations in Florida that focus on Veterans.

Florida-Specific Development

Since 2001, Duke Energy Florida has worked with our community and state economic development partners to attract 289 new or expanded projects to the state. These companies have created more than 43,000 new jobs and have invested over $4 billion in Florida. Today, Duke Energy Florida's economic development effort is supported by 11 staff members in various roles.

Duke Energy's commitment to our communities remains steadfast. It is an honor to serve them, and we will continue to invest in our communities to protect the environment, support students and develop a workforce that is ready to lead us forward.

Process Goals

We believe that an acquisition by Duke Energy will provide JEA with the tools, resources and capital to succeed in the rapidly changing utility environment, while building upon JEA's strengths and helping to eliminate existing business constraints. Our interest in pursuing a transaction with JEA is aligned with JEA's goal of maximizing customer, community, environmental and financial value over the long-term. Subject to ongoing due diligence, we would strive to work towards meeting each of the goals outlined in the ITN process, providing benefit to the City of Jacksonville, current JEA employees and JEA customers.

City of Jacksonville

We recognize that the City of Jacksonville receives various benefits thanks to its relationship with JEA and expects that a new owner, should the utility be privatized, be able to provide greater than $3 billion of value to the City, commit to developing and providing the City and the Duval County Public School system 100% renewable electricity by the year 2030, commit to develop and provide 40 MGD of alternative water capacity for Northeast Florida by the year 2035 and commit to a presence in downtown Jacksonville that would contribute to the economic development of the community.

Based on our preliminary, high level valuation of the utility utilizing information provided in the ITN, we believe the proceeds of the transaction will be sufficient for the City of Jacksonville to recognize at least $3 billion of value. Furthermore, the City of Jacksonville will continue to receive ongoing revenue streams from franchise fees and other applicable taxes.

The ITN states that the City of Jacksonville and Duval County Public School System have energy usage of approximately 50 MWs, estimated equivalent to output from 250 MW of solar panels at P90. The ITN states further that the renewable energy would be sold to the entities through a new or existing tariff at a price equal to or less than current cost.

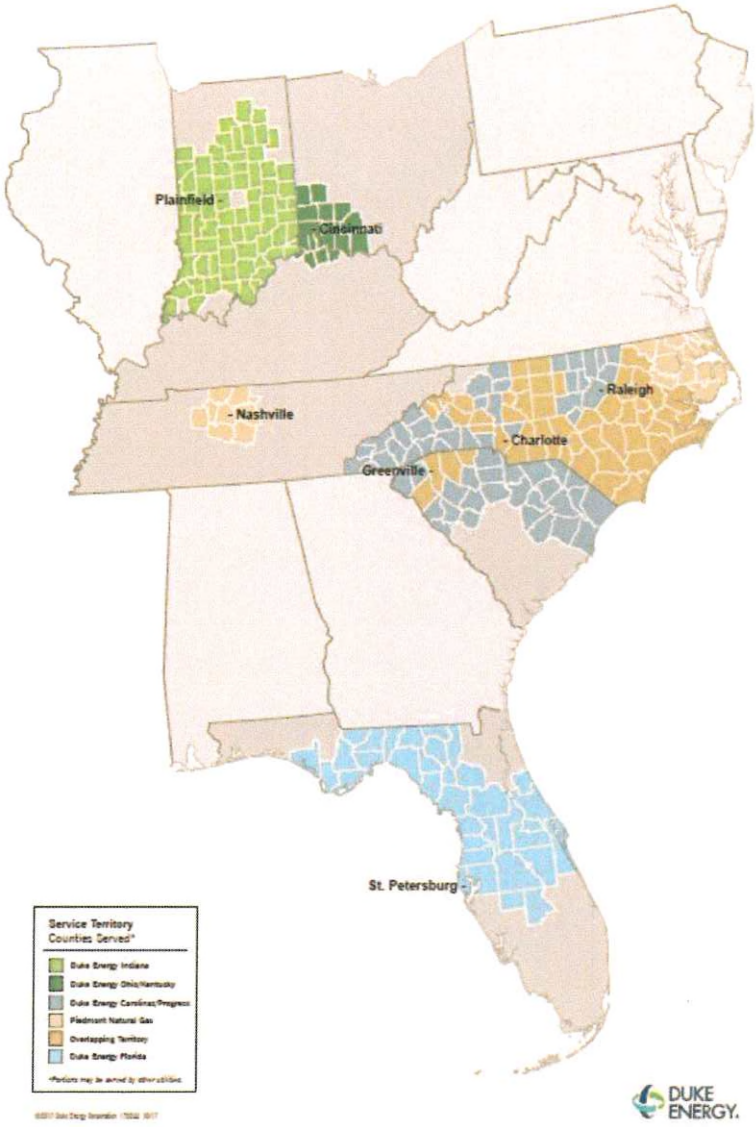
Duke Energy has a robust renewable generation development program, built on a long history of development and operational experience in this space. Since 2007 Duke Energy has developed over 3,000 MWs of utility scale wind and solar projects across the country, in both its regulated utilities and Commercial Renewables business, and these development plans continue. In Florida, Duke Energy Florida is adding 700 MW of utility-scale solar to its generation portfolio over the period 2019-2021, along with 50 MW of battery storage. In late 2018, the Hamilton Solar Plant went online in Hamilton County, Florida just outside of Jasper. This plant generates approximately 74.9 MW of electricity onto Duke Energy Florida's grid, which is enough to power more than 20,000 homes. Based on the information in the ITN, Duke Energy is confident it can achieve the development of these resources for the City of Jacksonville and the Duval County Public School System.

We have reviewed JEA's plan to develop and provide 40 MGD of alternative water capacity for Northeast Florida by the year 2035 that was disclosed in ITN Addendum #4. Subject to additional due diligence, Duke Energy believes it can leverage its scale and capabilities to execute development of this alternative water capacity. Although Duke Energy does not currently operate water or wastewater systems, we believe our scale and expertise operating other regulated electric and gas utilities will translate well to the operation of the water and wastewater systems, relying on the expertise of the JEA employees and their detailed knowledge of the systems. Other regulated utilities across the country have successfully combined electric, gas and water utility systems under one corporate umbrella, and with the help of JEA employees, an acquisition by Duke Energy would be no different.

Duke Energy would also be amenable to alternative ownership or operating structures for the water and wastewater systems if mutually beneficial to the Company and the City of Jacksonville. We appreciate that JEA and the City of Jacksonville are seeking to maximize the value of this process for the citizens of Jacksonville and JEA's customers. The company is willing to work with the City of Jacksonville and JEA to enhance this process where appropriate.

Duke Energy is committed to maintaining a significant presence in the communities in which we serve. This includes maintaining offices and support facilities across our regulated jurisdictions. For example, the Company employees 3,800 employees in the State of Florida spread across 18 distribution centers, 17 power plants, 2 operations centers and Duke Energy Florida's headquarters, located on the Gulf Coast of Florida in St. Petersburg.

Figure 11: Duke Energy franchise service territories and major office locations



Likewise, post-transaction, Duke Energy would maintain a presence in and support the City of Jacksonville. The Company is aware that JEA is planning for the development of a new headquarters building in downtown Jacksonville, including negotiating a lease agreement. Duke Energy is willing to examine the plans for the new headquarters building to satisfy this goal and address the Company's desire for office space in the City of Jacksonville.

Current JEA Employees

Duke Energy recognizes and agrees with the need to retain critical talent through and following an acquisition of JEA, as well as take care of employees that have helped

build the company to what it is today. We commit to working diligently to address each of the employee-related goals identified by JEA. Necessarily, the achievement of these goals, as with the other goals, will have to be evaluated in the context of the entire transaction being contemplated. However, we believe the recent legislation passed by the Jacksonville City Council to enhance pension benefits for JEA employees, the maintenance of comparable compensation and benefits to JEA employees and JEA's provision of retention payments to all full-time employees may each be addressed in a fashion satisfactory to all parties. We look forward to the opportunity to review confidential information in the next phase of this process to put forth a robust proposal to satisfy these goals.

Based on our review of the ITN Package and subsequent addendum releases, we understand that the payment required by Section 120.203(j) of proposed Ordinance 2019-566 is to be sourced from the proceeds of a definitive transaction. Based on our preliminary, high level valuation of the transaction we believe the proceeds will be sufficient to meet this need. Further, we recognize that following a Recapitalization Event, and the payment of JEA of the contributions required by the ordinance, the GEPP's Unfunded Actuarial Accrued Liability shall be an obligation of the City of Jacksonville.

Per FAQ #19, the process goal seeks, for all continuing full-time JEA employees, for at least three years following any transaction, that said employees will be provided with compensation and benefits that are substantially comparable, in the aggregate, to the compensation and benefits that JEA provided them immediately prior to the transaction occurring.

Duke Energy knows the strength of our Company depends upon a high-performing, diverse workforce. That is why we offer a comprehensive rewards package of competitive pay and benefits. Duke Energy's comprehensive rewards package of pay and benefits includes medical, dental, vision, life and disability coverage, retirement benefits, wellness programs, time-off benefits and work-life balance programs.

We recognize that parenting is perhaps the most important job that any of us will ever have. That is why Duke Energy offers a paid parental leave benefit to support our employees – both mothers and fathers – as they strive to balance work responsibilities with the exciting, but challenging, role of becoming parents, or as their existing families grow. Full-time and part-time non-union employees with at least one year of service with Duke Energy (as of the date of birth or placement) are eligible for up to six weeks of Parental Leave Pay to allow for care or bonding after the birth of a child, the qualifying adoption of a child, or the qualifying placement of a child in foster care.

Parental Leave Pay is provided in addition to other paid leave benefits offered by Duke Energy, such as Sick and Family Care Pay, Short-Term Disability (STD), Vacation and Holidays.

We look forward to the opportunity to review confidential information in the next phase of this process to further evaluate our ability to satisfy this goal and to further discuss with JEA the comprehensive rewards package of competitive pay and benefits that Duke Energy already offers its employees.

We understand that JEA has entered into voluntary retention agreements with all full-time employees who were actively employed on July 23, 2019, and that, per these agreements, these employees will receive cash payments equal to 100% of their then-current annual base salaries. Furthermore, these payments will be paid in three equal installments on the closing date and first and second anniversaries of the closing date of the transaction conditioned on the employment of the eligible employees on such dates. Subject to further due diligence in subsequent phases of this Solicitation Process, Duke Energy is willing to consider assuming these agreements for employees as part of the transaction.

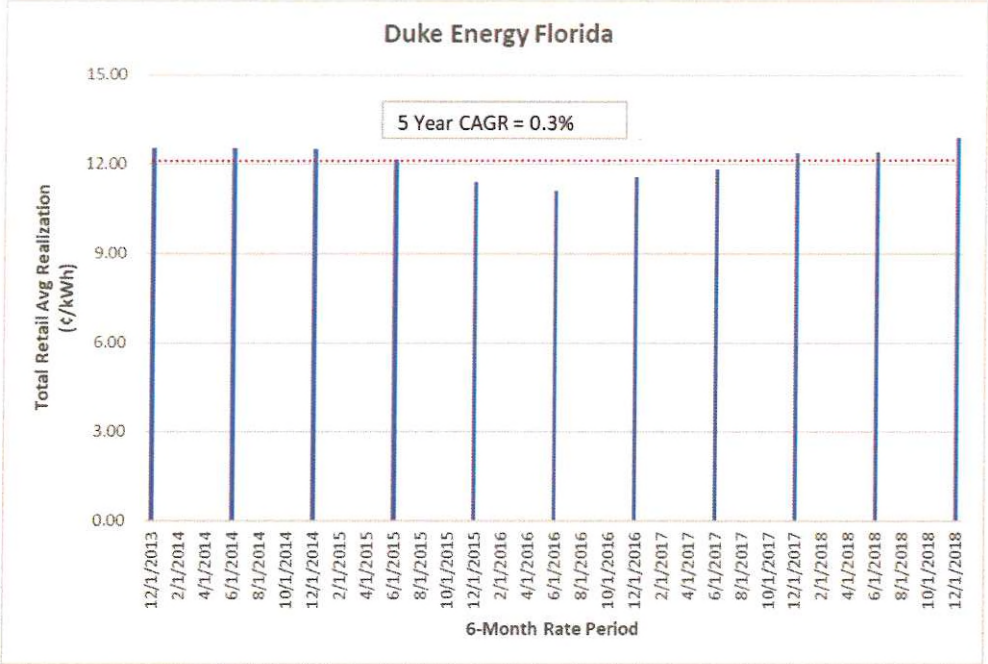
JEA Customers

Duke Energy has a demonstrated track record of successfully integrating utilities and leveraging the skills and capabilities of the larger enterprise to maximize efficient operations. Our long-term strategy aligns with JEA's priorities and we are dedicated to providing the best possible service for our customers and our communities. We recognize and appreciate the goal to provide greater than $400 million of value to customers and ensure at least three years of contractually guaranteed base rate stability.

Based on our preliminary, high level valuation of the transaction we believe the proceeds will be sufficient to provide greater than $400 million of value to customers. As additional confidential information is provided through the ITN process, we are committed to working with JEA and the City of Jacksonville to deliver a successful transaction for all stakeholders.

Our successful track record of integrating utilities and maximizing efficient operations also prove our ability to help mitigate the need for base rate increases for at least three years. Duke Energy believes strongly that JEA and its customers will benefit from Duke Energy's scale and operating efficiency, which will contribute to achievement of this goal. This is evident across our regulated footprint and can be highlighted by our rate stability over the last five years at Duke Energy Florida. As illustrated in the figure below, rates have risen only slightly by 0.3% since the end of 2013.

Figure 8: Duke Energy Florida historical residential rates



As previously described, Duke Energy is uniquely suited to pursue a transaction that achieves the goals of the Solicitation Process. In formulating our response, we have reviewed the ITN material, including questions 19 and 26 and the associated responses in the Frequently Asked Questions section of the ITN, as well as the ITN addenda provided by JEA. Duke Energy has endeavored to be as specific as possible in addressing the goals of the ITN while acknowledging that achievement of these goals must necessarily be considered in the context of an overall transaction, one that is structured to provide benefits to all stakeholders including the City of Jacksonville, JEA's customers and employees, and Duke Energy's shareholders and other investors.

In all cases, our responses are non-binding and subject to access to the forthcoming confidential information as described in Section 3.3.3 of the ITN, the completion of satisfactory due diligence and the execution of a definitive written agreement.

Response to Evaluation Criteria

Criteria #1: Proposal to Achieve JEA's Goals in this ITN

As described in Tab 5, we would work toward ensuring that an acquisition by Duke Energy will allow JEA to achieve the goals outlined in the ITN. First and foremost, we believe an acquisition will provide substantial cash proceeds to the City of Jacksonville in exchange for the JEA utility assets. JEA, as part of the Duke Energy family of companies, will benefit from being part of a larger, more diverse organization, with the scale and financial capabilities necessary to respond to a changing utility environment.

We look forward to working with JEA and its advisors in future phases of this Solicitation Process to further refine our analysis and deliver exceptional value to JEA's customers and employees and the City of Jacksonville.

Criteria #2: Experience and Customer Commitment

Duke Energy and its legacy companies have been providing utility service to customers for over 100 years. Duke Energy, employing more than 30,000 people, provides electricity to 7.7 million retail customers in six states. The Company also provides natural gas to 1.6 million customers in five states and operates a growing renewable energy portfolio across the U.S. Our business is split into three operating segments: (1) Electric Utilities and Infrastructure; (2) Gas Utilities and Infrastructure; and (3) Commercial Renewables.

Our Electric Utilities and Infrastructure segment – the largest of our three operating segments – conducts operations primarily through the regulated public utilities of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida, Duke Energy Indiana, Duke Energy Ohio and Duke Energy Kentucky. This segment provides retail electric service through the generation, transmission, distribution and sale of electricity to approximately 7.7 million customers within the Southeast and Midwest regions of the U.S. The service territory is approximately 95,000 square miles across six states with a total estimated population of 24 million people.

We believe strongly in focusing on our customers, and as such, we track J.D. Power customer satisfaction results, among other survey tools, to measure our performance. As previously shown in Figures 4 and 5, we continue to drive improvement in our customer satisfaction metrics.

As discussed in Tab 4, Duke Energy is a leader in operational excellence, with robust planning and processes in place to serve our customers. And through it all, leveraging our scale and operational expertise, we have kept our customer rates in all of our jurisdictions below the national average, as shown in Figure 9.

Storm Responsiveness

Over past four years, the Company has responded to six major hurricanes impacting the Carolinas and Florida (Hermine, Matthew, Irma, Florence, Michael and Dorian), as well as a few major winter storms, including Diego. In addition, the company also provided resources to help respond to widespread outages in Puerto Rico following Hurricane Maria.

Hurricane Irma made history in September 2017 as one of the strongest hurricanes on record in the Atlantic Basin, and the most destructive storm to ever hit Duke Energy's Florida service area. The peak number of power outages occurred Sept. 11 when more than 1.3 million of Duke Energy's 1.8 million Florida customers, almost 75 percent, lost power. Despite extensive and widespread damage to the electrical distribution system, the Company restored power to more than 75 percent of its customers in three days and 99 percent in eight days. Duke Energy learned valuable lessons to apply to future large storms, which is evident in the improved metrics for storms experienced in 2018.

In the second half of 2018, Duke Energy service territories experienced unprecedented storm activity thanks to Hurricanes Florence and Michael. Ahead of Hurricane Florence, which impacted our Carolinas territories, the Company staged over 20,000 personnel in advance of the storm. As a result of staging the largest restoration force in the Carolinas in advance of the storm, 93% of 1.8 million reported outages were restored within 5 days. One month later Hurricane Michael ripped through the Florida Panhandle with 155 mph winds and record storm surges before speeding north into Alabama, Georgia, South Carolina and North Carolina as a downgraded, but still powerful, tropical storm. The storm caused 1 million outages in the Carolinas and 70,000 outages in Florida, Duke Energy crews restored power to 90% of reported outages within 3 days. Following restoration efforts, the Company began the longer-term task of rebuilding obliterated sections of the Panhandle's electric grid, including transmission towers, utility poles, substations and transformers.

So far in 2019, the impacts from hurricanes have been much less impactful. The only named storm impacting Duke Energy territories in 2019 has been Dorian. This storm impacted 24,047 customers in Florida and more than 288,000 customers in the Carolinas. In Florida, our crews were able to restore power to 100% of the customers who could receive it within 2 days. In the Carolinas, our crews were able to restore 100% of the customers who could receive power within 3 days.

Operational preparation is a year-round activity and includes:

- Inspecting and maintaining transmission and distribution systems;
- Drilling and preparing storm organizations;
- Securing internal and external resources needed to respond; and
- Testing and continuously improving response plans

The preparation process also includes ongoing coordination with emergency management officials, federal, state and local responders and more. The Company's impressive response and recovery does not go unnoticed – The Edison Electric Institute (EEI) has presented Duke Energy with more than 22 separate awards since they have been given out starting in 1998.

Over the past four years, Duke Energy has expanded the preparation work to all functions across the Company – beyond the typical distribution, generation, technology and customer operations functions. Duke Energy has built a team of storm responders. Every employee at Duke Energy has a storm role that he or she can be asked to shift into if the Company activates a large-scale storm response. Our corporate employees are trained to staff customer calls or social media, and we deploy various workers to support our base camps, as needed, based on the path of the storm and expected damage. In Florida, we staff employees in every County Emergency Operations Center during storms so that local officials can have direct contact and information from the Company.

We also dedicated funds from our Foundation this year to help our communities be more resilient. This included partnering, preparing and distributing thousands of storm kits to low income and vulnerable populations throughout our service territory.

Duke Energy's technology team also performs widespread "storm testing" to ensure customer, distribution and outage information systems and more are properly tested in a storm-simulated environment and any issues can be addressed prior to a major response.

Additionally, the Company has taken advantage of drones to complete inspections of transmission lines more efficiently and effectively – as well as pre-storm inspections at generation facilities. Such technology enables our line workers, specifically, to complete damage assessment much faster and, ultimately, restore power to customers more quickly than utilities have been able to in the past.

Criteria #3: Economic Development and Benefits to Jacksonville

Since the company was founded in 1904, we have been an active, engaged partner in our communities. Vibrant, successful communities drive our growth and, just as importantly, are home to our employees. Helping our neighbors live better lives is a significant part of our mission. You see this commitment through our support of economic development as we collaborate with local government, business and community leaders. Over the past decade, the Duke Energy Economic Development team has worked in conjunction with our State, Regional and local ED partners to secure 1,175 projects resulting in $42 billion in new capital investment and 140,000 new jobs in the communities we serve. In 2018 alone, Duke Energy attracted $5.3 billion in capital investment, helping create 14,000 jobs. And for the 14th consecutive year, we were named to Site Selection magazine's annual list of Top 10 Utilities in Economic Development.

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Figure 10: Economic Development Overview

We have always been committed to improving the lives of Floridians. Other programs and services supported by our Economic Development Team include:

- **Economic Development Incentive Rates** – we offer multiple incentive programs to enhance economic development to include a flexible and competitive electrical rate (tariff) for economic development projects for new and expanding businesses throughout our service footprint.
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Education

The Duke Energy Foundation focuses on creating powerful communities, and a key part is supporting the future workforce. In 2019, Duke Energy awarded grants totaling more than $715,000 to 18 organizations throughout Florida that support workforce education and training programs that prepare future workers to develop innovative solutions for the energy industry's most pressing challenges. Our success as a company requires a talented, diverse workforce that is aligned to our mission. In 2018, we continued our efforts to attract employees who bring diverse thoughts, work and life experiences, perspectives, and cultures. In October, we appointed a new chief diversity officer to strengthen diversity in our recruiting pipeline, workforce and leadership team. In addition, Duke Energy became the first energy company to sign the Historically Black Colleges and Universities (HBCU) Partnership Challenge. Created by the Bipartisan HBCU Caucus, this initiative seeks to promote greater engagement and support from private companies with HBCUs.

Military / Veterans

We also continue our focus on veterans, helping former military personnel map their skills to utility industry jobs. Our work has resulted in hiring nearly 200 veterans last year as we look to fill at least 12 percent of our open positions with veterans. This continued support of those who serve was recognized by the U.S. Department of Defense, which awarded us the 2018 Employer Support Freedom Award. This is the highest honor the department gives to companies for their support of employees who serve in the National Guard and Reserve. In Florida specifically, Duke Energy Florida works closely with the foundation Victory for Veterans. Through this foundation, the Company donates $1,000 for every Tampa Bay Rays victory to Veterans organizations throughout the service territory. For the 2018-2019 season, we donated $105,000 to ten different organizations in Florida that focus on Veterans.

Florida-Specific Development

Since 2001, Duke Energy Florida has worked with our community and state economic development partners to attract 289 new or expanded projects to the state. These companies have created more than 43,000 new jobs and have invested over $4 billion in Florida. Today, Duke Energy Florida's economic development effort is supported by 11 staff members in various roles.

We also recognize and appreciate some of the initiatives being championed by local government and would look to provide support. For example, we know that Governor Ron DeSantis has announced plans in Jacksonville to offer more workforce training for the financial technology sector and encourage those types of companies to start, relocated and expand to Florida.

Duke Energy's commitment to our communities remains steadfast. It is an honor to serve them, and we will continue to invest in our communities to protect the environment, support students and develop a workforce that is ready to lead us forward.

Criteria #4: Employee Retention and Benefit

Duke Energy knows the strength of our Company depends upon a high-performing, diverse workforce. That is why we offer a comprehensive rewards package of competitive pay and benefits. Duke Energy's comprehensive rewards package of pay and benefits includes medical, dental, vision, life and disability coverage, retirement benefits, wellness programs, time-off benefits and work-life balance programs.
At Duke Energy, our employees are at the heart of everything we do and we recognize and agree with the need to retain critical talent through and following an acquisition of JEA. Duke Energy maintains a robust, diverse workforce of over 30,000 employees. In a company of Duke Energy's size and scope, there are frequently new opportunities across the enterprise. Duke Energy would look to leverage this size and scope to maximize employment for JEA employees' post-transaction.

Duke Energy understands that JEA has entered into voluntary retention agreements with all full-time employees who were actively employed on July 23, 2019, and that, per these agreements, these employees will receive cash payments equal to 100% of their then-current annual base salaries. Furthermore, these payments will be paid in three equal installments on the closing date and first and second anniversaries of the closing date of the transaction conditioned on the confirmed employment of the eligible employees on such dates. Subject to further due diligence in subsequent phases of this Solicitation Process, Duke Energy is willing to consider assuming these agreements for employees as part of the transaction.

Based on our review of the ITN Package and subsequent addendum releases, we understand that the payment required by Section 120.203(j) of proposed Ordinance 2019-566 is to be sourced from the proceeds of the transaction. Based on our preliminary, high level valuation of the transaction we believe the proceeds will be sufficient to meet this goal. Further, we recognize that following a Recapitalization Event, and the payment of JEA of the contributions required by the ordinance, the GEPP's Unfunded Actuarial Accrued Liability shall be an obligation of the City of Jacksonville.

Criteria #5: Innovation Plan

Duke Energy is always improving operations and finding smart, safe and innovative ways to power the communities served. And, we're injecting innovative thinking into every area of the company. We are embracing new technologies, like a smarter energy grid and energy storage solutions, and forward-thinking strategies, like using a diverse mix of energy sources to meet our customers' demand for affordable, reliable energy while balancing environmental responsibility.

Duke Energy is in the process of developing a Customer Information System (CIS) consolidation project (known as Customer Connect), which includes the planning, execution and deployment of a new customer platform that will enable the functional capabilities needed to meet our strategic purpose of powering the lives of our customers by transforming how we serve them. Customer Connect will deliver a customer experience that will simplify, strengthen and advance our ability to serve our customers. Key benefits of Customer Connect and associated customer experience implications include the following:

- Modern, configurable billing engine;
- Customer-centric data model;
- Holistic customer profile for personalized experience; and
- Integrated analytics.

Duke Energy believes energy storage will play a significant role in how we deliver energy to our customers now and into the future. We provide over 7.7 million retail customers safe, reliable energy which requires us to invest prudently and cost-effectively in the latest grid technologies. As part of our broader efforts to modernize the grid, we are strategically placing energy storage on our system where it can deliver the maximum benefits for our customers and the communities we serve. Our intent is to take advantage of the declining cost of energy storage while providing a transparent and reasonable cost structure for our customers. As we invest in energy storage, we will focus on compliance with regulations and standards involving reliability, national security and cybersecurity. The versatility of battery storage systems makes the technology a natural extension of the energy grid, and we will apply our years of engineering and operating experience to maximize its full potential.

In Florida, specifically, we currently have investment planned for 50 MW of batteries as part of a program approved by the Florida Public Service Commission. This will include evaluating project sites with high customer value and multiple system benefits. Through this effort, customers should experience enhanced reliability and cost savings vs. traditional grid upgrades as well as additional benefits from stacked use cases such as peak shaving and ancillary services.

Florida is home to Duke Energy's most advanced electric vehicle (EV) programs. The overall goal of Duke Energy's electrification initiatives is to support broader market

adoption of EVs in light of the significant potential economic, environmental and electric system benefits of electric transportation.

DEF has been implementing the Park & Plug EV infrastructure pilot since 2018, which will partner with C&I customers to install 530 charging stations across the DEF service territory by the end of 2020. The goal of Park & Plug is to install a foundational level of infrastructure to facilitate broader adoption of EVs in Florida and develop future programs to ensure that new EV load is cost-effectively integrated onto the system. As such, the program is focused on expanding access to EV charging across several segments including Workplace Charging, Public Level 2 Charging, Multi-Unit Dwellings, and DC Fast Charging. The program also funded 2 EV bus installations with the Pinellas Suncoast Transit Authority, and has a specific target of 10% of charging installations to be installed in designated low-income communities. As of September 2019, Park & Plug has installed over 270 charging stations and the network is showing strong utilization growth as more stations are installed. The Company is also participating in Florida Governor Ron DeSantis' plan to expand Florida's electric vehicle infrastructure by installing fast chargers at three rest areas on the Florida Turnpike.

Duke Energy also recognizes Connected Communities as a focus when it comes to innovation. The vision for Connected Communities is to satisfy our customer's desire for light and connectivity by leveraging our experience and infrastructure to provide innovative solutions that help our communities enable 21st century technologies for the benefit of their residents. For Connected Communities our implementations include multiple layers, including physical and digital, and our group looks to engage them all. We have identified various offers to meet this vision including LED lighting, traffic light controls, security cameras, EV charging stations, environmental sensors, digital signage, smart parking, micro-cell telecommunications attachments and community wi-fi equipment.

In March of 2019, we opened a new Innovation Center at Optimist Hall in Charlotte. The building is a former textile mill east of Uptown Charlotte that was designed with a purpose. The idea for this space stemmed from early success of the Duke Energy Idea Lab and has grown into a cross-functional space that houses about 400 employees. Each space in the building is designated for a different stage of product development, but they are all designed to encourage "intentional collisions" – an impromptu meeting that sparks an idea.

Duke Energy would look to leverage its scale and efforts across its jurisdictions to drive similar levels of innovation for JEA's customers and communities, as well as the City of Jacksonville.

Criteria #6: Environmental, Social and Governance

Duke Energy's approach to sustainability focuses on the issues that are most important to our stakeholders and to us. We identify issues from a variety of sources such as stakeholder feedback, surveys, thought leader perspectives, social and traditional media coverage, and shareholder proposals in our sector.

We have mapped our priority issues to the United Nations Sustainable Development Goals (SDGs), which aim to "end poverty, protect the planet and ensure prosperity for all." Since their development in 2015, the 17 SDGs have gained traction with stakeholders concerned about sustainability issues. While there was alignment between our priorities and several of the SDGs, goals "Seven: Affordable and Clean Energy," and "Thirteen: Climate Action," are especially applicable to our Company.

Duke Energy has been leading the change to a cleaner energy future while helping our communities thrive. We have made significant progress on all fronts – from conservation and energy efficiency to the sustainable use of natural resources and generation of cleaner energy. We have reduced our carbon emissions by 31 percent from our 2005 levels and remain on track to reach our goal of 50 percent by 2030. All the while, we have kept rates for all customer classes below the national average.

On September 17, 2019, Duke Energy announced a new goal to cut carbon emission from electricity generation to net-zero by 2050. We have been reducing carbon emissions for more than a decade, but this recent announcement illustrates the company's commitment to speed up its effort to reduce the effects of climate change. While we expect to achieve substantial reductions in carbon emissions with today's technology, we'll need new technologies to achieve net-zero in this timeframe. The development of these types of breakthrough technologies will support continued innovation.

Duke Energy is committed to creating a working environment where everyone feels welcome and appreciated for their unique backgrounds and contributions. Diversity and inclusion are integral parts of our culture. A solid commitment to diversity and inclusion makes us a better company, a better competitor and a better corporate citizen. It is our everyday behaviors and actions that create a respectful, inclusive and open culture with which our teammates, customers, suppliers and communities want to be affiliated.

We continue a focused effort to attract employees who bring diverse thoughts, work and life experiences, perspectives, and cultures. In October of 2018, we appointed a new chief diversity officer to strengthen diversity in our recruiting pipeline, workforce and leadership team. In addition, Duke Energy became the first energy company to sign the Historically Black Colleges and Universities (HBCU) Partnership Challenge. Created by the Bipartisan HBCU Caucus, this initiative seeks to promote greater engagement and support from private companies with HBCUs.

As a subsidiary of Duke Energy, JEA would be a part of our ESG efforts and our corporate sustainability goals, to the benefit of all of our stakeholders.

Highlighting our commitment to ESG, we have received significant notable recognition in 2018 & 2019, including:

- Duke Energy was named to the Dow Jones Sustainability Index for North America for the 13th consecutive year.

- Duke Energy was named to Fortune magazine's 2019 "World's Most Admired Companies" list for the 2nd year in a row, ranking 5th among gas and electric utilities.
- Forbes magazine named Duke Energy as one of "America's Best Employers."
- Duke Energy received the Edison Electric Institute's "Emergency Recovery Award" for the company's power restoration efforts after Hurricane Florence hit North Carolina and South Carolina in September 2018.
- Duke Energy was named to the Human Rights Campaign's 2019 "Best Place to Work for LGBTQ Equality" list with a perfect score of 100% in its Corporate Equality Index.
- For the 14th consecutive year, Duke Energy has been named to Site Selection magazine's annual list of "Top Utilities in Economic Development."

Please find more information in our latest sustainability report at sustainabilityreport.duke-energy.com.

Criteria #7: Community Stewardship

Duke Energy believes strongly in maintaining a local presence in each of its regulated jurisdictions. Because JEA's business will be operated as a utility subsidiary of Duke Energy, JEA will benefit its customers and the City of Jacksonville from the Company's focus on the community, both from charitable giving from the Duke Energy Foundation and volunteerism from our employees.

We are proud to be active members of the communities where we live and work. For more than a century, we have supported our communities through volunteerism and charitable giving. Last year, the Duke Energy Foundation donated more than $31 million to support our communities. In addition, our employees and retirees made their presence known, volunteering over 126,000 hours. We also launched a new campaign, called the Power of Giving, which empowers employees to support the cause of their choice and have their donations matched by the Duke Energy Foundation. Through the campaign, employees pledged $5.3 million in charitable contributions. When combined with the Foundation matching gifts for this campaign, that is more than $10 million in funding to support our communities.

Our Foundation focuses on creating powerful communities, and a key part is supporting the future workforce. Our success as a company requires a talented, diverse workforce that is aligned to our mission. In 2018, we continued our efforts to attract employees who bring diverse thoughts, work and life experiences, perspectives, and cultures. In October, we appointed a new chief diversity officer to strengthen diversity in our recruiting pipeline, workforce and leadership team. In addition, Duke Energy became the first energy company to sign the Historically Black Colleges and Universities (HBCU) Partnership Challenge. Created by the Bipartisan HBCU Caucus, this initiative seeks to promote greater engagement and support from private companies with HBCUs.

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Criteria #8: Financial Stability

Duke Energy currently has the 2nd largest market capitalization among regulated utilities in the United States and is one of the largest publicly-traded utility companies in the world. As of the 2nd quarter end for 2019, Duke Energy's enterprise value was approximately $124.3 billion, with a market capitalization of approximately $64 billion.

Duke Energy has a history of successful access to capital markets to finance its approximately $10 billion per year of capital expenditures. From January to September 2019, Duke Energy and its subsidiary registrants, combined, have priced and/or issued approximately $6.0 billion of long-term debt and approximately $2.5 billion of preferred and common equity. In 2018, approximately $5.5 billion of long-term debt and approximately $2.0 billion of equity was priced and/or issued.

Duke Energy routinely accesses the debt capital markets for long-term financing via first mortgage bonds, senior unsecured notes, junior subordinated notes, etc. Duke Energy's Issuer / Corporate credit rating is currently Baa1 (Moody's) and A- (S&P), while Duke Energy Florida's senior secured credit rating is currently A1 (Moody's) and A (S&P).

Away from the public debt capital markets, the Company utilizes private placements, syndicated bank term loans and a revolving credit facility to obtain more customized financing terms at the most economical pricing available. Duke Energy Corporation also has an $8.0 billion Master Credit Facility backstopping the Company's $4.85 billion commercial paper program.

Duke Energy has several avenues for accessing the equity capital markets, including the Company's $1.5 billion At-the-Market (ATM) program, its Dividend Reinvestment Program (DRIP) and periodic discrete equity capital market transactions.

Duke Energy's access to debt and equity markets noted above demonstrates our ability to continue growth investments in JEA's business. Subject to further due diligence in subsequent phases of this Solicitation Process, Duke Energy expects to continue growth investments in JEA's business at attractive returns.

Additional Information

Safety Performance

Background – Identifying Risks

Duke Energy is known across the industry for its relentless focus on safety performance. With more than a century of operations, the Company has created a safety culture that is felt deeply within its roots. Every employee, contractor and teammate has a role to ensure the Company maintains a safe work environment. Duke Energy strives to reduce serious injuries and eliminate fatalities through risk reduction. We have identified the hazards of high-risk activities known to cause fatalities and serious injuries as **Keys to Life**.

The Keys to Life define the behaviors necessary to prevent fatalities and serious injuries. Because each business unit has different operational risks, each business unit is responsible for developing their specific Keys to Life, as well as mitigation strategies to reduce the risk associated with these activities.

Safety Mitigation Strategies

Cardinal Electrical Safety Rules

One strategy in place today for the Transmission and Customer Delivery business units centers on Cardinal Electrical Safety Rules (CESR). CESR tenants are intended to eradicate at-risk behaviors that can cause electrical flashes and contacts. Leadership and line employees have worked collaboratively to improve electrical behaviors and are seeing results in reductions in injuries from flashes and contacts. Critical electrical safety behaviors have been defined, individuals are held accountable for practicing these behaviors and self-reporting of deviations is encouraged and applauded.

Summer Safety Campaign

Recognizing the impact summer hazards have on OSHA recordable injuries, the Transmission and Customer Delivery business units have implemented an annual Summer Safety Campaign. The Summer Safety Campaign is anticipated by both managers and employees as a good reminder to change behaviors to protect themselves and prevent seasonal injuries. Examples include eliminating heat-related illness through planning, hydration, symptom recognition and turning focus to preventing summer hazards related to insect and animal bites.

Results – Total Incident Case Rates (TICR)

As seen below, implementation of the Keys to Life safety mitigation strategies has had a positive impact in many ways on employee behavior as well as TICR results year over year. Although our objectives are always centered on ways to prevent and reduce

injuries, our mission is to ensure employees return home safe and healthy to their families every day.

Transmission & Customer Delivery Organizations Combined TICR

Year	Total Hours Worked	Fatalities	Lost Work Day Cases	Restricted Cases	Recordable Cases	Total OSHA Cases	TICR
2015	14,079,936	0	45	9	23	77	1.09
2016	14,819,809	0	39	11	37	87	1.17
2017	15,259,689	0	30	5	23	58	0.76
2018	16,968,128	0	29	10	30	69	0.81
Aug-19	12,584,715	1	17	3	16	37	0.59
2018 EEI Top Decile							
Transmission							0.27
Distribution							1.03
T&D							0.91

Florida TICR

Business Unit	2018 TICR	YTD Aug 2019 TICR
Duke Energy Florida	0.43	0.45
Fossil Hydro Operations	0.12	0.00
Customer Delivery	0.75	0.89
Nuclear	0.00	0.00
Transmission	0.49	0.23

Enclosures

As required by the ITN, we have enclosed (i) the Respondent's Certification and (ii) the Conflict of Interest Certificate.

Other

Please direct any questions about this reply to Karl Newlin, Senior Vice President, Corporate Development and Treasurer, at karl.newlin@duke-energy.com or 550 S. Tryon Street, Charlotte, North Carolina 28202. This reply is dated as of October 07, 2019. This reply is non-binding and neither party shall be under any legal obligation to enter into any transaction unless and until such parties have entered into a definitive written agreement providing therefor.

127-19 APPENDIX A – RESPONSE FORM

Company Name: Duke Energy Corporation

Company's Address 550 S. Tryon Street, Charlotte, NC 28202

Phone Number: 704-382-0382 FAX No: _____ Email Address: Karl.Newlin@duke-energy.com

☒ **I have read and understood the Sunshine Law/Public Records clauses contained within this solicitation. I understand that in the absence of a redacted copy my proposal will be disclosed to the public "as-is".**

RESPONDENT CERTIFICATION

By submitting this Response, the Respondent certifies that it has read and reviewed all of the documents pertaining to this Solicitation, that the person signing below is an authorized representative of the Respondent Company, that the Company is legally authorized to do business in the State of Florida, and that the Company maintains in active status an appropriate contractor's license for the work (if applicable). The Respondent also certifies that it complies with all sections (including but not limited to Conflict of Interest) of this Solicitation.

We have received addenda 1 through 4

Handwritten Signature of Authorized Officer of Company or Agent

9-26-2019
Date

Karl W. Newlin, SVP Corporate Development and Treasurer

Printed Name and Title

CONFLICT OF INTEREST
CERTIFICATE

JEA IFB No. 127-19

Bidder must execute this form, if applicable, relative to Florida Statute 112.313. Failure to submit this form, if applicable, shall result in rejection of this bid.

I hereby certify that the following named JEA official(s) and employee(s) having material financial interest(s) (in excess of 5%) in this company have filed Conflict of Interest statements with the Supervisor of Elections, 105 East Monroe Street, Jacksonville, Duval County, Florida, prior to bid opening.

Name	Title or Position	Date of Filing

Signature

Name of Certifying Official
(type or print)

Karl Newlin

DUKE ENERGY CORPORATION
Company Name

550 S. TRYON STREET
Business Address

CHARLOTTE, NC 28226
City, State, Zip Code