



EEI International Utility Conference

March 15-17, 2009

A photograph of a high-voltage electrical transmission tower against a blue sky, positioned in the top left corner of the slide.

SAFE HARBOR STATEMENT

Some of the statements in this document concerning future company performance will be forward-looking within the meanings of the U.S. securities laws. Actual results may materially differ from those discussed in these forward-looking statements, and you should refer to the additional information contained in Duke Energy's 2008 Form 10-K filed with the SEC and our other SEC filings concerning factors that could cause those results to be different than contemplated in today's discussion.

REG G DISCLOSURE

In addition, today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is available on our Investor Relations website at www.duke-energy.com.

2009 ADJUSTED EBIT EXPECTATIONS

<i>(\$ millions)</i>	
U.S. Franchised Electric & Gas	\$2,400
Commercial Power	470
Duke Energy International	370
Total Adjusted Segment EBIT	<u>\$3,240</u>
Other (Net Expense)	<u>(250)</u>
Total Adjusted Segment EBIT and Other	<u>\$2,990</u>

2009 EARNINGS PER SHARE EMPLOYEE INCENTIVE:

- Target of \$1.20, based on adjusted diluted earnings per share

2009 FINANCIAL ASSUMPTIONS

- U.S. FE&G Key Assumptions
 - Load growth assumption – relatively flat from 2008 on a weather adjusted basis in both the Carolinas and the Midwest
- Commercial Power Key Assumptions
 - ESP approval by PUCO
- Duke Energy International Key Assumptions
 - Reduction in NMC earnings
- Other Financial Assumptions
 - Effective tax rate expected to be approximately 34%
 - Interest expense of \$800 million
 - Pension contribution of \$500 million (made in February 2009)
 - AFUDC equity and capitalized interest
 - AFUDC equity of approximately \$160 million
 - AFUDC debt and capitalized interest of approximately \$130 million

2009-2013 CAPITAL EXPENDITURES

(\$ millions)

<u>Committed Capital</u>	2009	2010-2013	Cumulative
USFE&G Nuclear fuel	\$ 150	\$ 1,250	\$ 1,400
USFE&G Environmental	200	100	300
CP Environmental	50	125	175
Edwardsport IGCC	725	1,075	1,800
CC / CT Additions - Carolinas	200	1,000	1,200
Cliffside	550	650	1,200
Lee Nuclear	50	125	175
International	250	300	550
Wind	450	200	650
Total Committed Capital	\$ 2,625	\$ 4,825	\$ 7,450
<u>Ongoing Capital</u>			
USFE&G Maintenance and Other	\$ 1,400	\$ 7,200	\$ 8,600
Power Delivery Customer Connections	300	1,575	1,875
CP Maintenance and other	100	575	675
Corporate and Other	175	850	1,025
Other regulated investments and ADC Debt	75	500	575
Total Ongoing Capital	\$ 2,050	\$ 10,700	\$ 12,750
Total Committed and Ongoing Capital	\$ 4,675	\$ 15,525	\$ 20,200
<u>Discretionary Growth Capital</u>			
Wind	\$ -	\$ 2,075	\$ 2,075
Smart Grid ⁽¹⁾	25	975	1,000
Biomass	-	250	250
International	50	1,175	1,225
Total Discretionary Growth Capital	\$ 75	\$ 4,475	\$ 4,550
Total Capital Expenditures	\$ 4,750	\$ 20,000	\$ 24,750

(1) Smart Grid approval received in Ohio with ESP resolution.

2009 CASH FLOWS

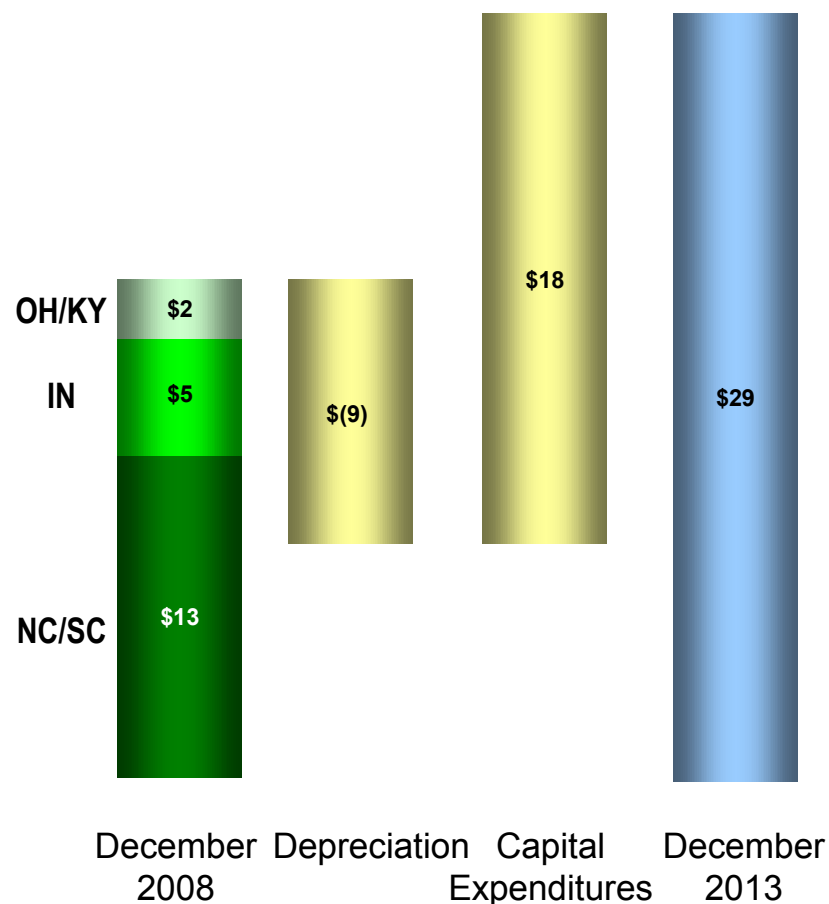
(\$ in Millions)

	2009 Estimate
Primary Sources:	
Net Income	\$ 1,550
Depreciation & Amortization	1,825
Total Sources	\$ 3,375
Primary Uses:	
Capital and Investment Expenditures	(4,750)
Dividends	(1,200)
Other Sources/(Uses), net	825
Total Uses	\$ (5,125)
Uses in Excess of Sources	\$ (1,750)
Debt Maturities	(700)
Required Funding	\$ (2,450)
Issuances of Long--Term Debt	\$ 1,350
Cash received from internal stock plans	350
Utilization of Cash on hand and commercial paper	750
Financings and Cash Utilization	\$ 2,450

Note: Illustrative net income based on 2009 employee incentive target of \$1.20 in adjusted diluted earnings per share

REINVESTMENT

2009 – 2013 Earnings Base (\$ in billions)



~45% Increase in U.S. Franchised Electric & Gas Earnings Base

Approximate current earnings base	\$ 20
Less: Depreciation & amortization	(9)
Capital Expenditures	18
Estimated 2013 earnings base	\$ 29

**Current returns on rate base
range from 7 – 8%**

SUMMARY OF BASE RATE ACTIONS

	2009	2010	2011	2012	2013
North Carolina		Rate Case	Rate Case	Rate Case	
South Carolina		Rate Case	Rate Case	Rate Case	
Indiana					Rate Case
Kentucky		Gas Rate Case	Electric Rate Case		
Ohio	ESP Electric Distribution Rate Case			ESP Extension Electric Distribution Rate Case	

- The frequency of rate cases over the next five years will be substantially higher than in prior years to align with our capital intensive business strategy
- Taking measures to minimize rate shock and maintain price competitiveness

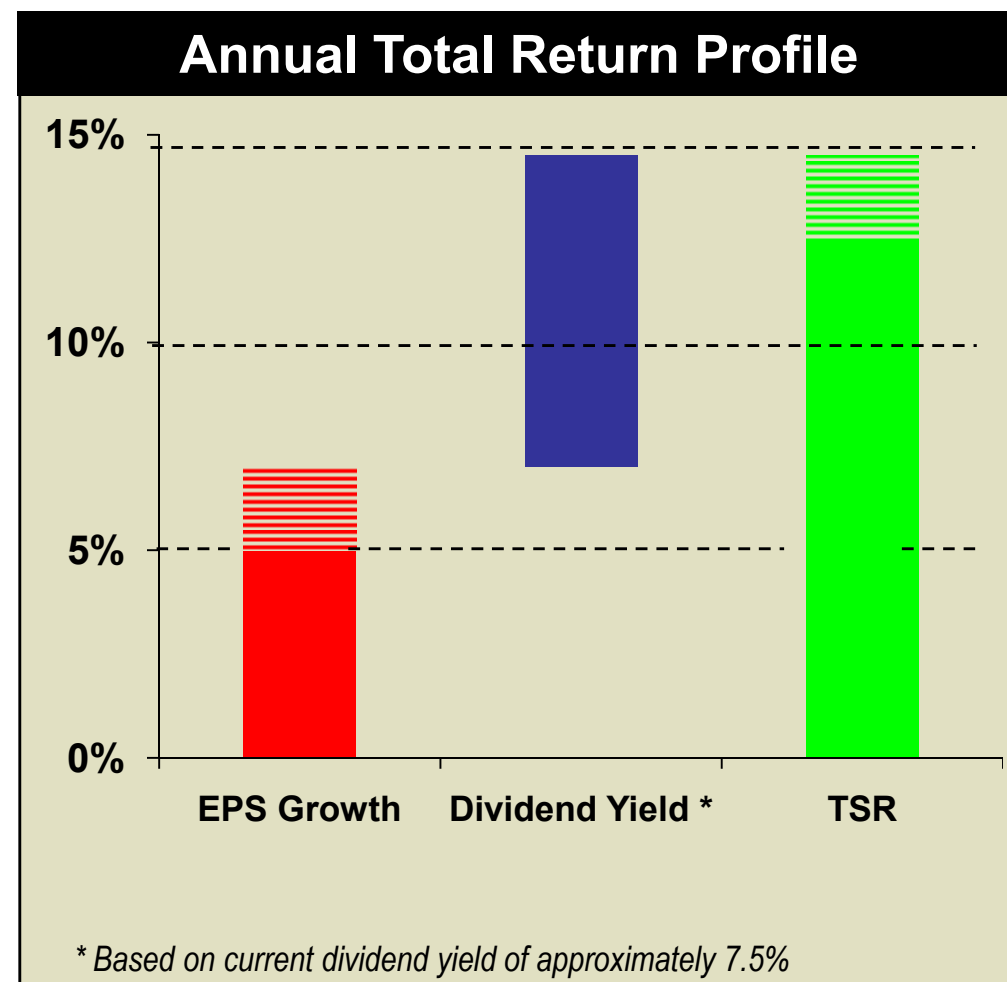
Note – the above table presents the expected year of projected revenue changes resulting from rate actions.

REGULATORY UPDATE

State	Activity	Docket Number	Status
IN	Save-a-Watt	• 43374	• Hearings held February – March 2009
IN	Smart Grid	• 43501	• Hearing scheduled April 27-29, 2009
IN	IGCC CWIP rider	• 43114	<ul style="list-style-type: none"> • 1st CWIP rider approved in January 2009 • 2nd CWIP rider resolution anticipated 2nd quarter 2009 • Anticipate filings in May and November
OH	Electric Distribution Rate Case	• 08-709	<ul style="list-style-type: none"> • Requested \$86 million increase in revenues • Staff recommended \$54-\$62 million increase in revenues • Evidentiary hearings to begin March 31, 2009 • Resolution anticipated mid-2009
NC	Rate Case	• TBD	<ul style="list-style-type: none"> • Planning to file in mid-2009 • Rates effective 2010
SC	Rate Case	• TBD	<ul style="list-style-type: none"> • Planning to file in mid-2009 • Rates effective 2010

VALUE PROPOSITION

- Proactive regulatory strategy
- Forecast 5% to 7% CAGR in adjusted diluted EPS through 2013
- Each year in plan assumes \$0.01 quarterly dividend increase
- Strong balance sheet provides flexibility





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