

BOARD OF DIRECTORS



(Left to right) Robert J. Brown, George Dean Johnson Jr., G. Alex Bernhardt Sr., A. Max Lennon, Paul M. Anderson, Roger Agnelli, James T. Rhodes

BOARD MEMBERS

Roger Agnelli, 45, President and Chief Executive Officer, Companhia Vale do Rio Doce (CVRD), Brazil. Compensation Committee. Finance and Risk Management Committee. Director since 2004. Agnelli leads CVRD, a global mining company and the world's largest producer of iron ore. For several years he held various positions at Bradesco, a Brazilian financial conglomerate. Agnelli joined Duke Energy's Board of Directors in November 2004.

Paul M. Anderson, 59, Chairman of the Board and Chief Executive Officer, Duke Energy. Director since 2003. Anderson rejoined Duke Energy in 2003, having served as its first president and chief operating officer in 1997 and 1998, and with Duke Energy predecessor companies since 1977. He retired as managing director and chief executive officer of Australia-based BHP Billiton Ltd. in 2002.

G. Alex Bernhardt Sr., 62, Chairman and Chief Executive Officer, Bernhardt Furniture Co. Audit Committee. Nuclear Oversight Committee. Director since 1991. Besides leading the family business in Lenoir, N.C., Bernhardt serves as a director of Cities in Schools and Smart Start, and on the Davidson College Board of Trustees.

Robert J. Brown, 70, Chairman and Chief Executive Officer, B&C Associates Inc. Audit Committee. Corporate Governance Committee. Director since 1994. Brown founded B&C Associates Inc., a marketing research and public relations firm in High Point, N.C. He serves on the Board of Trustees of the National Urban League. Brown will retire from the Duke Energy Board of Directors at the 2005 Annual Meeting.

William T. Esrey, 65, Chairman Emeritus, Sprint Corp. Chair, Audit Committee. Director since 1985. Esrey joined Sprint in 1980, and went on to serve as the company's chief financial officer, president, chief executive officer and chairman. He also served as chairman of Japan Telecom from 2003 to 2004.

Ann Maynard Gray, 59, Former President, Diversified Publishing Group of ABC Inc. Lead Director. Chair, Corporate Governance Committee. Compensation Committee. Finance and Risk Management Committee. Nuclear Oversight Committee. Director since 1994. At American Broadcasting Companies Inc., Gray also held positions as treasurer and vice president of planning. She currently serves as a trustee for J.P. Morgan Funds.



(Left to right) Leo E. Linbeck Jr., Ann Maynard Gray, Michael E.J. Phelps, William T. Esrey, James G. Martin, Dennis R. Hendrix

Dennis R. Hendrix, 65, Retired Chairman of the Board, PanEnergy Corp. Compensation Committee. Finance and Risk Management Committee. Director since 2004. Hendrix rejoined the Board of Directors in December 2004. He was chairman of the board of PanEnergy Corp prior to the 1997 merger of Duke Power and PanEnergy.

George Dean Johnson Jr., 62, Owner, Johnson Development Associates Inc. Finance and Risk Management Committee. Director since 1986. Johnson was formerly chief executive officer and director of Extended Stay America Inc. He served in the S.C. House of Representatives and as a director of the Federal Reserve Bank of Richmond. Johnson will retire from the Duke Energy Board of Directors at the 2005 Annual Meeting.

A. Max Lennon, 64, President, Education and Research Services. Audit Committee. Director since 1988. Lennon is a former president of Clemson University and Mars Hill College. He also served as president and chief executive officer of Eastern Foods Inc.

Leo E. Linbeck Jr., 70, Senior Chairman, Linbeck Corp. Compensation Committee. Finance and Risk Management Committee. Director since 1986. Linbeck Corp. is a group of four construction-related firms headquartered in Houston, Texas. Linbeck is past chairman and director of the Federal Reserve Bank of Dallas. He will retire from the Duke Energy Board of Directors at the 2005 Annual Meeting.

James G. Martin, 69, Corporate Vice President, Carolinas HealthCare System. Chair, Compensation Committee. Corporate Governance Committee. Nuclear Oversight Committee. Director since 1994. Martin was governor of the state of North Carolina from 1985 to 1993, and previously served as a U.S. congressman. He is chairman of the Global TransPark Foundation Inc.

Michael E.J. Phelps, 57, Chairman, Dornoch Capital Inc. Chairman, Duke Energy Canadian Advisory Council. Chair, Finance and Risk Management Committee. Corporate Governance Committee. Director since 2002. Phelps is former chairman of the board and chief executive officer of Westcoast Energy Inc., acquired by Duke Energy in 2002.

James T. Rhodes, 63, Retired Chairman, President and Chief Executive Officer, Institute of Nuclear Power Operations. Chair, Nuclear Oversight Committee. Audit Committee. Director since 2001. Rhodes was formerly president and chief executive officer of Virginia Power. He is a member of the Advisory Council of the Electric Power Research Institute.

EXECUTIVE MANAGEMENT



2004 Executive Committee (left to right): A.R. Mullinax, Fred Fowler, Martha Wyrsh, Jim Mogg, Paul Anderson, David Hauser, Julie Dill, Rich Osborne

EXECUTIVE COMMITTEE

Duke Energy's Executive Committee is responsible for driving a strategy that generates shareholder value by providing a stable platform for growth and continued profitability. This group develops corporate strategy, allocates capital, outlines enterprise goals, implements Board direction, and in general leads the enterprise.

Paul M. Anderson, *Chairman of the Board and Chief Executive Officer*. Anderson has lead responsibility for positioning Duke Energy as a company that achieves superior results, focusing the organization on its vision and purpose, improving execution and ensuring clear accountability. He chairs the Executive Committee and the Expanded Executive Committee.

Fred J. Fowler, *President and Chief Operating Officer*. Fowler chairs Duke Energy's Enterprise Performance Committee, with responsibility for the operational, commercial and financial results of the company's energy-related businesses.

David L. Hauser, *Group Vice President and Chief Financial Officer*. Hauser is responsible for treasury, accounting, tax and risk management. His duties include certifying financial statements and overseeing risk control policies and systems.

Jim W. Mogg, *Group Vice President and Chief Development Officer*. Mogg oversees strategy and corporate transactions, corporate and human resources development, mergers and acquisitions, diversity and the company's real estate affiliate.

A.R. Mullinax, *Group Vice President and Chief Information Officer*. Mullinax leads information technology and is responsible for global sourcing and logistics, corporate real estate services and human resources services.

Richard J. Osborne, *Group Vice President, Public and Regulatory Policy*. Osborne has responsibility for Duke Energy's public policy agenda and relationships with regulators, legislators, communities and other key stakeholders.

Martha B. Wyrsh. Wyrsh served as group vice president, general counsel and secretary until March 1, 2005, when she became president and chief executive officer of Duke Energy Gas Transmission.

Julie A. Dill, *Secretary to the Executive Committee and Vice President, Investor and Shareholder Relations*. Dill is responsible for relationships and communication with the investment community, and for monitoring changes and trends in investment markets.

EXPANDED EXECUTIVE COMMITTEE

The Expanded Executive Committee includes the Executive Committee members as well as the heads of the major business units. This group is responsible for corporate policies and programs that reach across the business units.

(Pictured on page 6)

William H. Easter III, *Chairman, President and Chief Executive Officer, Duke Energy Field Services*. Easter leads the company's natural gas gathering and processing and natural gas liquids business.

Robert B. Evans, *President and Chief Executive Officer, Duke Energy Americas*. Evans is responsible for Duke Energy's North American and Latin American wholesale energy generation business.

Thomas C. O'Connor. O'Connor served as president and chief executive officer of Duke Energy Gas Transmission until March 1, 2005. He will have responsibilities for corporate strategy upon his completion of Harvard University's Advanced Management Program, and will be joining the Executive Committee later in 2005.

Ruth G. Shaw, *President and Chief Executive Officer, Duke Power Company*. Shaw oversees the electric utility that serves more than 2 million customers in North Carolina and South Carolina.