



Redefining Our Boundaries

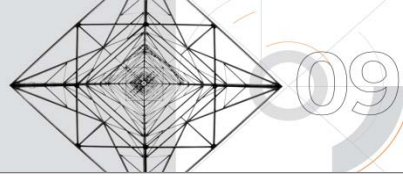
09

Barclays Capital
CEO Energy/Power Conference

Lynn Good

Group Executive and Chief Financial Officer

September 10, 2009

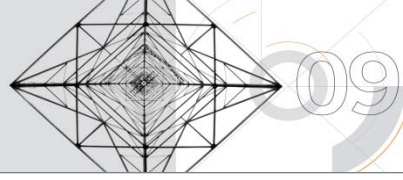


SAFE HARBOR STATEMENT

Some of the statements in this document concerning future company performance will be forward-looking within the meanings of the 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.



FOCUS ON KEY PRIORITIES ("WHAT WE CAN CONTROL")

▶ Manage through the economic downturn

- Decline in weather-normalized volumes (principally industrial)
- Low commodity prices
- \$150 million O&M expense reduction for 2009
- \$200 – 300 million reduction in 2009 capital expenditures

▶ Make progress on our regulatory and legislative initiatives

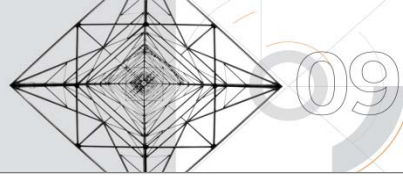
- Reduce regulatory lag

▶ Continue to reinvest in the business

- Reinvestment principally relates to the regulated business
- Identify the right projects that meet our return expectations

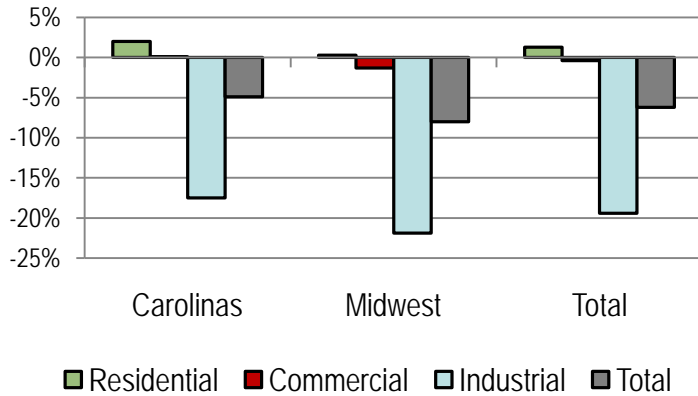
▶ Maintain liquidity and the strong balance sheet

- \$2.65 billion of fixed-rate debt issued in 2009
- Maintain or improve our credit ratings
- No common stock issuances anticipated through 2013 other than the \$600 million contemplated through the DRIP and other internal plans

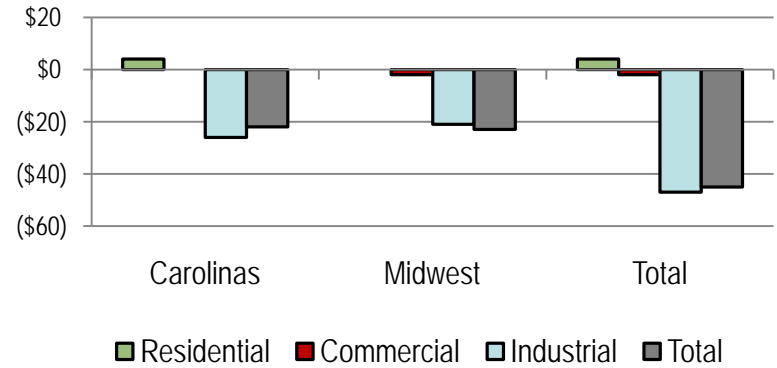


USFE&G RETAIL VOLUMES BY CUSTOMER CLASS

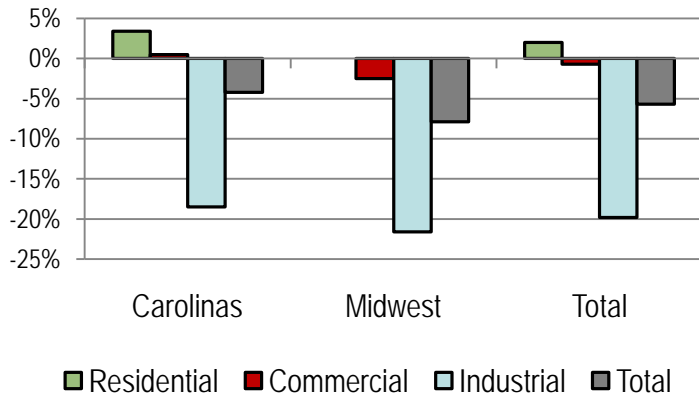
% Change in Weather Normalized Volumes – 2Q09 vs. 2Q08



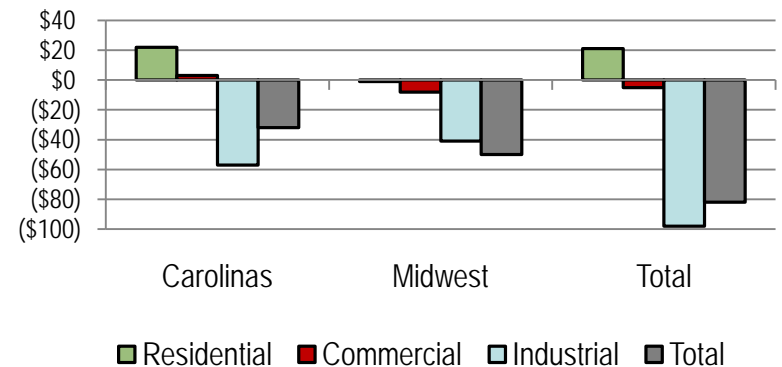
Net Margin \$ Change in Weather Normalized Volumes – 2Q09 vs. 2Q08 (In millions)

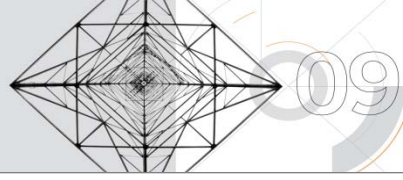


% Change in Weather Normalized Volumes – YTD 2Q09 vs. YTD 2Q08



Net Margin \$ Change in Weather Normalized Volumes – YTD 2Q09 vs. YTD 2Q08 (In millions)





COMPETITIVE OHIO ENVIRONMENT

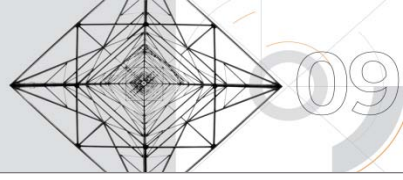
► Recent Events Affecting Competitive Environment in Ohio

- Low wholesale power market prices continue
- Competitive environment in other portions of Ohio is historically different from our service territory
- Customer switching
 - Increased customer switching experienced by Duke Energy Ohio during 2Q 2009 – approximately 10 percent of retail load has switched as of June 30, 2009
 - Level of switching as of June 30, 2009 differs by customer class (excluding any mitigation from Duke Energy Retail Sales)

Residential	5%
Commercial	6%
Industrial	20%

► Duke Energy Ohio's Strategic Response

- Competing outside of our service territory through Duke Energy Retail Sales
- Working to maintain our customer base within our service territory
 - Actively monitor aggregation activity
 - Aggressively market large customers



CAROLINAS RATE CASES

	North Carolina	South Carolina
Requested Increase	\$496 million	\$104 million ⁽¹⁾
Average Increase	12.6%	7.2% ⁽¹⁾
Average Residential Increase	13.5%	10.5%
Average Commercial Increase	9.8%	6.0%
Average Industrial Increase	15.2%	4.2%

- Requesting approval of a 12.3% return on equity with revenue requirements for the filings established using an 11.5% return on equity.
- Requesting approval of a 53% equity component of capital structure.
- Primary driver of rate increase requests is growth in rate base including Cliffside construction work in progress (CWIP)
 - Cliffside CWIP represents an approximate \$90 million and \$30 million increase in revenues in NC and SC, respectively
- Test period is year ending December 31, 2008.
- Anticipate rates in effect in early 2010.

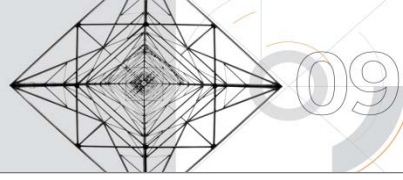
NC Procedural Schedule (Key Dates)	
Public Hearings	September 9, 10, 15, 17, 22
Staff and Intervenor Testimony Due	Filed by September 21 st
DUK Rebuttal Testimony Due	Filed by October 5 th
Evidentiary Hearing	October 19 th

SC Procedural Schedule (Key Dates)	
Staff and Intervenor Testimony Due	Filed by October 26 th
DUK Rebuttal Testimony Due	November 5 th
Evidentiary Hearing	November 30 th

SC filing includes:

- Request to begin returning demand side management (DSM) funds collected but not spent (included in numbers above)
- Request for approval of energy efficiency cost recovery mechanism based on percent of avoided costs. The requested rider represents an average residential increase of 2.3% and an average non-residential increase of 1.0% (in addition to numbers above).

(1) - The requested SC increase before consideration of the return of the DSM funds is \$133 million and 9.3%

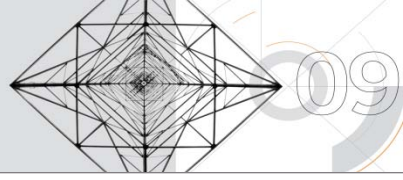


CAPITAL EXPENDITURES

<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>	2009		2010-2013		Cumulative
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>	2009		2010-2013		Cumulative
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 ⁽²⁾	\$	20,000	\$ 24,750

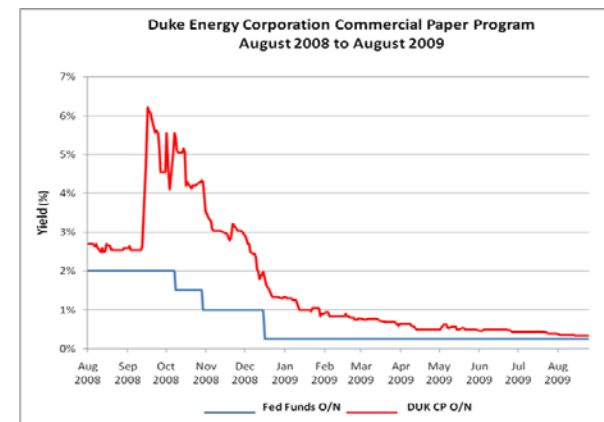
(1) Smart Grid approval received in Ohio with ESP resolution.

(2) As announced during the Second Quarter Earnings Review and Business Update on August 4, 2009, capital expenditures for 2009 are being targeted for a reduction between \$200 million and \$300 million.

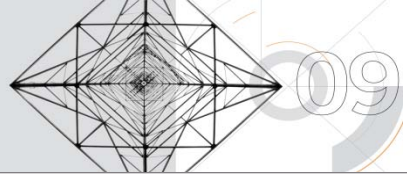


CREDIT AND LIQUIDITY

- Total Available Liquidity at June 30, 2009 - approximately \$1.5 billion⁽¹⁾
 - Master Credit Facility⁽²⁾ - available liquidity of approximately \$1.3 billion
 - Approximately \$150 million⁽¹⁾ of cash, cash equivalents and short-term investments at June 30, 2009
- Financings Completed in 2009
 - Duke Energy Corp - \$750 million, 6.3% 5 year fixed-rate unsecured debt issued in January 2009
 - Duke Energy Ohio - \$450 million, 5.45% 10 year fixed-rate first mortgage bonds issued in March 2009
 - Duke Energy Indiana - \$450 million, 6.45% 30 year fixed-rate first mortgage bonds issued in March 2009
 - Duke Energy Corp - \$500 million, 3.95% 5 year and \$500 million, 5.05% 10 year fixed-rate unsecured debt issued in August 2009
- Commercial Paper
 - Weighted average rate of 0.7% and average maturity of 16 days at June 30, 2009
- Equity Issuances
 - Through the DRIP and other internal plans we issued approximately \$280 million in 2009 (through June 30, 2009)



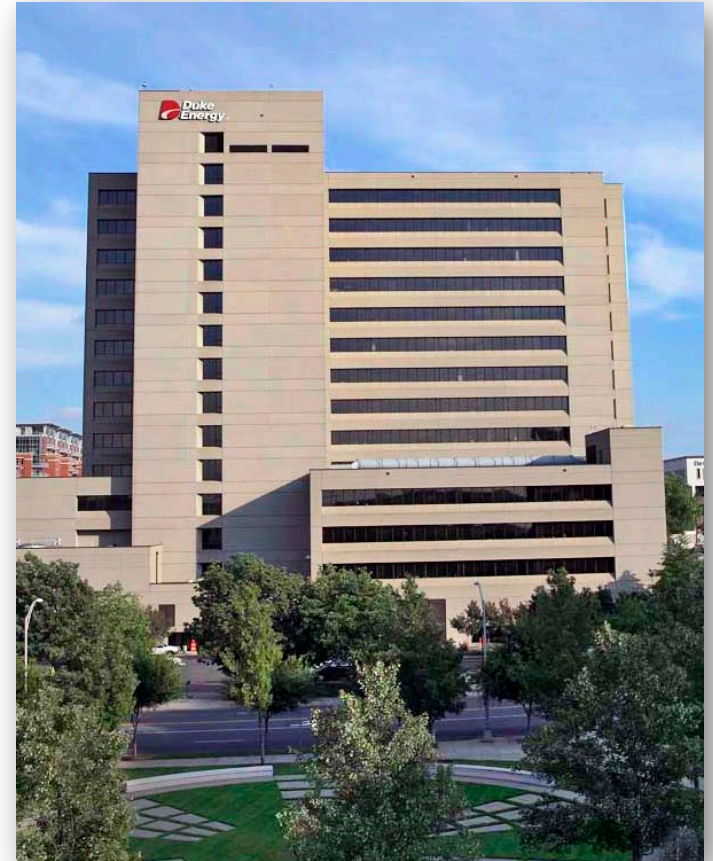
(1) – Excludes approximately \$550 million of cash, cash equivalents and short-term investments in foreign jurisdictions.
(2) – \$3.1 billion Master Credit Facility expires in June 2012.



SUMMARY

Focus for our Long-Term Value

- Developing the right opportunities to reinvest in the businesses
- Accessing reasonably priced capital
- Successfully executing on our regulatory initiatives and strategies





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CEO Energy/Power Conference

Duke Energy Corporation
Non-GAAP Reconciliations
Barclays Capital CEO Energy/Power Conference
September 10, 2009

2009 Employee EPS Incentive Target Measure

The materials for Duke Energy's presentation on September 10, 2009 at the Barclays Capital CEO Energy/Power Conference include a discussion of the 2009 Earnings Per Share ("EPS") incentive target of \$1.20 per share. The EPS measure used for employee incentive bonuses is primarily based on adjusted diluted EPS. Adjusted diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations attributable to Duke Energy Corporation common shareholders, adjusted for the per-share impact of special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Special items represent certain charges and credits which management believes will not be recurring on a regular basis. Mark-to-market adjustments reflect the mark-to-market impact of derivative contracts, which is recognized in GAAP earnings immediately as such derivative contracts do not qualify for hedge accounting or regulatory accounting, used in Duke Energy's hedging of a portion of the economic value of certain of its generation assets in the Commercial Power segment. The economic value of the generation assets is subject to fluctuations in fair value due to market price volatility of the input and output commodities (e.g., coal, power) and, as such, the economic hedging involves both purchases and sales of those input and output commodities related to the generation assets. Because the operations of the generation assets are accounted for under the accrual method, management believes that excluding the impact of mark-to-market changes of the economic hedge contracts from adjusted earnings until settlement better matches the financial impacts of the hedge contract with the portion of the economic value of the underlying hedged asset. The most directly comparable GAAP measure for adjusted diluted EPS is reported diluted EPS from continuing operations attributable to Duke Energy Corporation common shareholders, which includes the impact of special items and the mark-to-market impacts of economic hedges in the Commercial Power segment. Due to the forward-looking nature of these non-GAAP financial measures for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project special items or mark-to-market adjustments for future periods.

Duke Energy Corporation
Available Liquidity Reconciliation
As of June 30, 2009
(In millions)

Cash and Cash Equivalents	\$706	
Short-Term Investments	<u>4</u>	
Subtotal	710	
Less: Amounts Held in Foreign Jurisdictions	<u>(565)</u>	
	\$145	
Plus: Remaining Availability under Master Credit Facility	<u>1,324</u>	
Total Available Liquidity as of June 30, 2009 (a)	<u><u>\$1,469</u></u>	(approximately \$1.5 billion)

(a) The available liquidity balance presented is a non-GAAP financial measure as it represents the aggregated presentation of cash and cash equivalents and short-term investments (excluding amounts held in foreign jurisdictions), and remaining availability under the master credit facility. The most directly comparable GAAP financial measure for available liquidity is cash and cash equivalents.