

**Duke Energy Corporation
Non-GAAP Reconciliation for SEC Regulation G
2006 Annual Meeting of Shareholders
October 24, 2006**

Anticipated Ongoing Earnings-per-share (EPS) Growth Percentages

The company's prepared remarks for the 2006 Annual Meeting of Shareholders include a discussion of anticipated growth in ongoing EPS over at least the next three years for post-spinoff Duke Energy and for the gas company Duke Energy anticipates spinning off in January 2007. These growth percentages are based on anticipated ongoing diluted EPS for future periods and are non-GAAP financial measures, as they represent diluted EPS from continuing operations adjusted for the impact of special items. Special items represent certain charges and credits which management believes will not be recurring on a regular basis. The most directly comparable GAAP measure for ongoing diluted EPS is reported diluted EPS from continuing operations, which includes the impact of special items. Due to the forward-looking nature of ongoing diluted EPS for future periods, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to forecast any special items for future periods.

Composition of Post-Spinoff Duke Energy Ongoing Earnings

The company's prepared remarks for the 2006 Annual Meeting of Shareholders includes a statement that virtually 100% of post-spinoff Duke Energy's ongoing earnings will come from energy infrastructure businesses. Ongoing earnings for future periods is a non-GAAP financial measure, as it represents income from continuing operations adjusted for the impact of special items. Special items represent certain charges and credits which management believes will not be recurring on a regular basis. The most directly comparable GAAP measure for ongoing earnings is reported income from continuing operations, which includes the impact of special items. Due to the forward-looking nature of ongoing earnings for future periods, information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to forecast any special items for future periods.

Ongoing Segment EBIT as a Percentage of Ongoing Total Segment EBIT

The company's prepared remarks for the 2006 Annual Meeting of Shareholders include a discussion of post-spinoff Duke Energy forecasted ongoing EBIT for certain segments as a percentage of forecasted ongoing total segment EBIT. Ongoing segment EBIT amounts are non-GAAP financial measures as they represent reported segment EBIT adjusted for special items, which represent certain charges and credits which management believes will not be recurring on a regular basis. The most directly comparable GAAP measure for ongoing segment EBIT is reported segment EBIT, which represents EBIT from continuing operations, including any special items. Ongoing total segment EBIT is a non-GAAP financial measure as it represents reported total reportable segment EBIT adjusted for special items. The most directly comparable GAAP measure for ongoing total segment EBIT is reported total reportable segment EBIT, which represents EBIT from continuing operations in total for all reportable segments, including any special items. Due to the forward-looking nature of forecasted ongoing segment EBIT and ongoing total segment EBIT for future periods, information to reconcile these non-GAAP financial measures to the most directly comparable GAAP financial measures is not available at this time, as management is unable to project any special items for any future periods.