

**DUKE ENERGY FIELD SERVICES  
GAS VOLUME/MARGIN BY CONTRACT TYPE**

**BASIS OF PRESENTATION:**

*Margins for POP (Percentage of Proceeds) and Keepwhole contracts are stated on the basis of the natural gas feedstock used in our processing activity.*

		<u>2006</u>	<u>2006</u>	<u>2005</u>	<u>2005</u>	<u>2005</u>
		Qtr 2	Qtr 1	Qtr 4	Qtr 3	Qtr 2
<b>CONTRACT TYPE (10):</b>						
<b>POP:</b>	<b>Gas Volume - TBtu/d</b>	3.9	3.9	3.9	3.9	3.9
(Long NGL/Long gas)	<b>Margin (Dollars in Millions)</b>	\$ 337	\$ 327	\$ 400	\$ 373	\$ 316
	<b>Margin/MMbtu</b>	\$ 0.96	\$ 0.93	\$ 1.11	\$ 1.05	\$ 0.88
<b>KEEPWHOLE:</b>						
(Long NGL/Short gas)	<b>Gas Volume - TBtu/d</b>	1.4	1.4	1.2	1.2	1.4
	<b>Margin (Dollars in Millions)</b>	\$ 72	\$ 29	\$ 22	\$ 36	\$ 38
	<b>Margin/MMbtu</b>	\$ 0.58	\$ 0.22	\$ 0.20	\$ 0.32	\$ 0.30
<b>FEE: GAS</b>						
(Primarily gathering & transport)	<b>Gas Volume - TBtu/d</b>	4.3	4.3	4.4	4.3	4.3
	<b>Margin (Dollars in Millions)</b>	\$ 41	\$ 44	\$ 43	\$ 36	\$ 37
	<b>Margin/MMbtu</b>	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.09	\$ 0.09
<b>FEE: NGL</b>						
(NGL transport & fractionation)	<b>NGL Volume - MBbl/day (6)</b>	107.0	101.0	95.0	98.0	111.0
	<b>Margin (Dollars in Millions)</b>	\$ 4	\$ 5	\$ 4	\$ 3	\$ 5
	<b>Margin/Gallon</b>	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01
<b>NGL/Propane Marketing</b>						
	<b>Margin (Dollars in Millions) (7)</b>	\$ 14	\$ 7	\$ 14	\$ 30	\$ 4
<b>OTHER</b>						
	<b>Margin (Dollars in Millions) (4)</b>	\$ 116	\$ 123	\$ 132	\$ 51	\$ 85
<b>TOTAL MARGIN</b>		\$ 584	\$ 536	\$ 615	\$ 528	\$ 485
<b>Direct Operating and G&amp;A Expense</b>		\$ (164)	\$ (170)	\$ (174)	\$ (174)	\$ (158)
<b>DD&amp;A</b>		(70)	(70)	(72)	(72)	(71)
<b>Other Income (5)</b>		(4)	27	(3)	0	6
<b>EBIT - DEFS - 100%</b>		\$ 346	\$ 322	\$ 367	\$ 281	\$ 262
<b>Duke Energy ownership percent (11)</b>						69.7%
<b>Duke Energy ownership - DEFS</b>						\$ 183
<b>Duke Energy ownership- Field Svc activities (8)</b>						(18)
<b>Duke Energy EBIT - Field Services (9)</b>						\$ 165
<b>Interest Expense, net</b>		\$ (29)	\$ (30)	\$ (29)	\$ (33)	
<b>Income Tax Expense</b>		(19)	(1)	(6)	2	
<b>(Loss) income from disc. ops</b>		0	0	0	1	
<b>Minority interest - interest expense</b>		1	1	0	(0)	
<b>NET INCOME - DEFS - 100%</b>		\$ 298	\$ 291	\$ 332	\$ 252	
<b>Duke Energy ownership percent (11)</b>		50.0%	50.0%	50.0%	50.0%	
<b>Duke Energy Equity Earnings - DEFS</b>		\$ 149	\$ 146	\$ 166	\$ 126	
<b>Duke Energy ownership- Field Svc activities (12)</b>		-	-	(4)	575	
<b>Duke Energy ownership - Field Services</b>		\$ 149	\$ 146	\$ 162	\$ 701	
<b>Total Gas Volume per above (TBtu/d)</b>		9.5	9.6	9.5	9.4	9.6
<b>Volumes Doublecounted (TBtu/d)</b>		(2.8)	(2.7)	(2.6)	(2.7)	(2.7)
<b>Reported Gas Volumes (TBtu/d) (9)</b>		6.7	6.9	6.9	6.7	6.9
<b>NGL Production (MBbl/d) (9)</b>		365	357	345	342	365
<b>NYMEX HENRY HUB (1)</b>		\$ 6.79	\$ 8.98	\$ 12.97	\$ 8.37	\$ 6.73
<b>WGHTD AVG NGL PRICE (2)</b>		\$ 0.98	\$ 0.89	\$ 1.00	\$ 0.91	\$ 0.75
<b>FRAC SPREAD (3)</b>		\$ 4.42	\$ 1.07	\$ (1.20)	\$ 2.37	\$ 1.97

**FOOTNOTES:**

- (1) Represents last day closing of Nymex Henry Hub.
- (2) Represents monthly average Belvieu and Conway pricing weighted with the Company's NGL component mix.
- (3) Represents the difference between Nymex Henry Hub and the monthly average Belvieu and Conway pricing weighted with the Company's NGL component mix converted to an MMBtu basis.
- (4) "Other" includes Condensate Sales, DEFS Gas Marketing activity, and other items.
- (5) "Other Income" includes gain/(loss) on asset sales, asset impairments, and Minority Interest. 1Q06 reflects the gain on sale of Brookeland/Masters Creek and Jasper Pipelin of approximately \$29 million.
- (6) This volume represents equity and third party volumes transported on the Company's liquid pipeline assets and fractionated volumes associated with our 'non-operating' interest in certain facilities at Mont Belvieu.
- (7) Includes NGL Marketing and propane wholesale activity.
- (8) Includes TEPPCO LP/Class B income and allocated risk management activity.
- (9) Prior period amounts have been restated to conform with new segment presentation.
- (10) Represents management's best approximate categorizations. Prior quarters restated to conform with current period categorizations.
- (11) Duke Energy restructured its ownership interest in DEFS by transferring 19.7 percent of its interest to ConocoPhillips, Duke Energy's partner in the joint venture. The restructuring creates an equal 50-percent share in DEFS for both companies. Duke Energy received directly and indirectly through its ownership interest in DEFS approximately \$1.1 billion in cash and assets from ConocoPhillips. The transaction included the transfer of DEFS' Canadian assets to Duke Energy Gas Transmission (DEGT).
- (12) Includes a \$576 million pretax gain on sale of 19.7% ownership interest in DEFS to ConocoPhillips in 3Q05.

\*\* Margin consists of total operating revenues less purchases of natural gas and petroleum products. Margin is viewed as a non-Generally Accepted Accounting Principles ("GAAP") measure under the rules of the Securities and Exchange Commission ("SEC"), but is included as a supplemental disclosure because it is a primary performance measure used by management as it represents the results of product sales versus product purchases. As an indicator of our operating performance, margin should not be considered an alternative to, or more meaningful than, net income or cash flow as determined in accordance with GAAP. Our margin may not be comparable to a similarly titled measure of another company because other entities may not calculate gross margin in the same manner.