

Duke Energy Corporation
Non-GAAP Reconciliation Schedules
2006 Earnings Review and 2007 Outlook
February 6, 2007

Ongoing Diluted Earnings per Share (“EPS”)

The slides and prepared remarks for Duke Energy’s 2006 Earnings Review and 2007 Outlook include a discussion of ongoing diluted EPS for the quarterly and annual periods ended December 31, 2006 and 2005. Ongoing diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations plus the per-share effect of any amounts reported as discontinued operations from the company’s Crescent Resources real estate unit in 2006 or 2005, adjusted for the per-share 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.

Ongoing Segment and Other EBIT for 2005 and 2006 and Forecasted Ongoing Segment EBIT for 2007

The slides and prepared remarks for Duke Energy’s 2006 Earnings Review and 2007 Outlook include a discussion of ongoing segment and Other EBIT for 2005 and 2006 and a discussion of forecasted 2007 ongoing segment EBIT for the company’s Commercial Power segment. Ongoing segment and Other EBIT are non-GAAP financial measures as they represent reported segment and Other EBIT adjusted for 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 measures for ongoing segment and Other EBIT are reported segment and Other EBIT, which represent EBIT from continuing operations, including any special items. Due to the forward-looking nature of forecasted 2007 ongoing segment EBIT for the Commercial Power segment, 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 project any special items for 2007.

2007 Employee EPS Incentive Target Measure

The slides and prepared remarks for Duke Energy’s 2006 Earnings Review and 2007 Outlook include a reference to the company's 2007 Employee EPS incentive target of \$1.15. The EPS measure used for employee incentive bonuses is based on ongoing diluted EPS. Ongoing diluted EPS is a non-GAAP financial measure as it represents diluted EPS from continuing operations, adjusted for the per-share 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 this non-GAAP financial measure, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project any special items for 2007.

Ongoing Diluted EPS Growth Rates through 2009

The slides and prepared remarks for Duke Energy's 2006 Earnings Review and 2007 Outlook include a discussion of the expected range of growth in ongoing diluted EPS through 2009. These percentages are based on anticipated ongoing diluted EPS amounts for future periods. This ongoing diluted EPS measure is a non-GAAP financial measure as it represents 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, and related growth rates, for future periods, information to reconcile such 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.

DUKE ENERGY CORPORATION
ONGOING TO REPORTED EARNINGS RECONCILIATION
December 2005 Quarter-to-date
(Dollars in millions, except per-share amounts)

	Special Items (Note 1)							Total Adjustments	Reported Earnings
	Ongoing Earnings	Loss on Southeast DENA contract termination	Field Services hedge de-designation, net	MTM change on de-designated Field Services hedges for 2005, net	MTM impact of de-designated Southeast DENA hedges	Tax Adjustments	Discontinued Operations/ Cumulative Effect of Change in Accounting Principle		
SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS									
U.S. Franchised Electric & Gas	\$ 279	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 279
Natural Gas Transmission	344	-	-	-	-	-	-	-	344
Field Services	127	-	35 B	-	-	-	-	35	162
Commercial Power	1	(75) A	-	-	-	-	-	(75)	(74)
International Energy	97	-	-	-	-	-	-	-	97
Crescent	104	-	-	-	-	-	-	-	104
Total reportable segment EBIT	952	(75)	35	-	-	-	-	(40)	912
Other	(119)	-	-	64 C	(9) D	-	-	55	(64)
Total reportable segment EBIT and other EBIT	\$ 833	\$ (75)	\$ 35	\$ 64	\$ (9)	\$ -	\$ -	\$ 15	\$ 848
EARNINGS FOR COMMON									
Total reportable segment EBIT and other EBIT	\$ 833	\$ (75)	\$ 35	\$ 64	\$ (9)	\$ -	\$ -	\$ 15	\$ 848
Interest expense	(250)	-	-	-	-	-	-	-	(250)
Interest income and other	14	-	-	-	-	-	(4) E	(4)	10
Income taxes from continuing operations	(195)	28	(13)	(22)	3	12	-	8	(187)
Discontinued operations, net of taxes	5	-	-	-	-	-	175 F,G	175	180
Total Earnings for Common	\$ 407	\$ (47)	\$ 22	\$ 42	\$ (6)	\$ 12	\$ 171	\$ 194	\$ 601
EARNINGS PER SHARE, BASIC	\$ 0.44	\$ (0.05)	\$ 0.02	\$ 0.05	\$ (0.01)	\$ 0.01	\$ 0.19	\$ 0.21	\$ 0.65
EARNINGS PER SHARE, DILUTED	\$ 0.43	\$ (0.04)	\$ 0.02	\$ 0.04	\$ (0.01)	\$ 0.01	\$ 0.18	\$ 0.20	\$ 0.63

Note 1 - Amounts for special items are entered net of minority interest

A - Recorded in Gains (Losses) on Sales of Other Assets and Other, net on the Consolidated Statements of Operations

B - Fourth quarter settlement of the 2005 portion of the Field Services de-designated hedges as of 2/22/05, recorded in Equity in earnings of unconsolidated affiliates (Other Income and Expenses) on the Consolidated Statements of Operations

C - Recorded in Other income and expenses, net (Other Income and Expenses) on the Consolidated Statements of Operations.

D - Recorded in Non-regulated electric, natural gas, natural gas liquids and other revenues (Operating Revenues) on the Consolidated Statements of Operations

E - Cumulative Effect of Change in Accounting Principle.

F - Excludes Crescent discontinued operations.

G - Primarily DENA discontinued operations. Recorded in (Loss) Income From Discontinued Operations, net of tax on the Consolidated Statements of Operations

Weighted Average Shares (reported and ongoing) - in millions

Basic	928
Diluted	962

DUKE ENERGY CORPORATION
ONGOING TO REPORTED EARNINGS RECONCILIATION
December 2005 Year-to-date
(Dollars in millions, except per-share amounts)

	Special Items (Note 1)									Total Adjustments	Reported Earnings	
	Ongoing Earnings	Loss on Southeast DENA contract termination	Mutual insurance liability adjustment	Gain on transfer of 19.7% interest in DEFS	Gains (Losses) on sales and impairments of equity investments	Field Services hedge de-designation, net	Initial gain and subsequent MTM change on de-designated Southeast DENA hedges	Tax Adjustments	Discontinued Operations/ Cumulative Effect of Change in Accounting Principle			
SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS												
U.S. Franchised Electric & Gas	\$ 1,495	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,495
Natural Gas Transmission	1,388	-	-	-	-	-	-	-	-	-	-	1,388
Field Services	505	-	-	576 A	888 C	(23) E	-	-	-	-	1,441	1,946
Commercial Power	(43)	(75) A	-	-	-	-	-	-	-	-	(75)	(118)
International Energy	334	-	-	-	(20) D	-	-	-	-	-	(20)	314
Crescent	314	-	-	-	-	-	-	-	-	-	-	314
Total reportable segment EBIT	3,993	(75)	-	576	868	(23)	-	-	-	-	1,346	5,339
Other	(511)	-	(28) B	-	-	-	21 F	-	-	-	(7)	(518)
Total reportable segment EBIT and other EBIT	\$ 3,482	\$ (75)	\$ (28)	\$ 576	\$ 868	\$ (23)	\$ 21	\$ -	\$ -	\$ -	\$ 1,339	\$ 4,821
EARNINGS FOR COMMON												
Total reportable segment EBIT and other EBIT	\$ 3,482	\$ (75)	\$ (28)	\$ 576	\$ 868	\$ (23)	\$ 21	\$ -	\$ -	\$ -	\$ 1,339	\$ 4,821
Interest expense	(1,066)	-	-	-	-	-	-	-	-	-	-	(1,066)
Interest income and other	44	-	-	-	-	-	-	-	(4) G	-	(4)	40
Income taxes from continuing operations	(797)	28	10	(213)	(323)	9	(8)	12	-	-	(485)	(1,282)
Discontinued operations, net of taxes	7	-	-	-	-	-	-	-	(708) H,I	-	(708)	(701)
Total Earnings for Common	\$ 1,670	\$ (47)	\$ (18)	\$ 363	\$ 545	\$ (14)	\$ 13	\$ 12	\$ (712)	\$ -	\$ 142	\$ 1,812
EARNINGS PER SHARE, BASIC	\$ 1.79	\$ (0.05)	\$ (0.02)	\$ 0.39	\$ 0.58	\$ (0.01)	\$ 0.01	\$ 0.01	\$ (0.76)	\$ -	\$ 0.15	\$ 1.94
EARNINGS PER SHARE, DILUTED	\$ 1.73	\$ (0.04)	\$ (0.02)	\$ 0.37	\$ 0.56	\$ (0.01)	\$ 0.01	\$ 0.01	\$ (0.73)	\$ -	\$ 0.15	\$ 1.88

Note 1 - Amounts for special items are entered net of minority interest

A - Recorded in Gains (Losses) on Sales of Other Assets and Other, net on the Consolidated Statements of Operation

B - Recorded in Operation, maintenance and other (Operating Expenses) on the Consolidated Statements of Operation

C - Gain on sale of investment in units of TEPPCO LP, \$97 million, and TEPPCO GP, \$791 million net of \$343 million of minority interest. Recorded in (Losses) gains on sales and impairments of equity investments (Other Income and Expenses) on the Consolidated Statements of Operation

D - Equity investment impairment, recorded in (Losses) gains on sales and impairments of equity investments (Other Income and Expenses) on the Consolidated Statements of Operation

E - De-designation of hedges due to the transfer of 19.7% interest in DEFS to ConocoPhillips. \$125 million loss reduced by \$102 million of hedge settlements recorded in Impairments and other charges (Operating Expenses) on the Consolidated Statements of Operation

F - Recorded in Non-regulated electric, natural gas, natural gas liquids and other revenues (Operating Revenues) on the Consolidated Statements of Operation

G - Cumulative Effect of Change in Accounting Principle

H - Excludes Crescent discontinued operations

I - Primarily the non-cash, after-tax charge related to the planned exit of substantially all of DENA's physical and commercial assets outside the midwestern United States and the reclassification of DENA 2005 operations. Recorded in (Loss) Income From Discontinued Operations net of tax on the Consolidated Statements of Operations

Weighted Average Shares (reported and ongoing) - in million

Basic	934
Diluted	970

DUKE ENERGY CORPORATION
ONGOING TO REPORTED EARNINGS RECONCILIATION
December 2006 Quarter-to-date
(Dollars in millions, except per-share amounts)

Special Items (Note 1)

	Ongoing Earnings	Settlement Reserves	Adjustment to Impairment of Campeche Investment	Impairment of Bolivia Investment	Costs to Achieve, Cinergy Merger	Costs to Achieve, Anticipated Gas Spin-off	Tax Adjustments	Discontinued Operations	Total Adjustments	Reported Earnings
SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS										
U.S. Franchised Electric & Gas	\$ 423	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 423
Natural Gas Transmission	338	-	-	-	-	(2) A	-	-	(2)	336
Field Services	119	-	-	-	-	-	-	-	-	119
Commercial Power	(29)	-	-	-	-	-	-	-	-	(29)
International Energy	81	(100) A	5 A	(28) B	-	-	-	-	(123)	(42)
Crescent	17	-	-	-	-	-	-	-	-	17
Total reportable segment EBIT	949	(100)	5	(28)	-	(2)	-	-	(125)	824
Other	(91)	(65) A	-	-	(31) A	(41) A	-	-	(137)	(228)
Total reportable segment EBIT and other EBIT	\$ 858	\$ (165)	\$ 5	\$ (28)	\$ (31)	\$ (43)	\$ -	\$ -	\$ (262)	\$ 596
EARNINGS FOR COMMON										
Total reportable segment EBIT and other EBIT	\$ 858	\$ (165)	\$ 5	\$ (28)	\$ (31)	\$ (43)	\$ -	\$ -	\$ (262)	\$ 596
Interest expense	(325)	-	-	-	-	-	-	-	-	(325)
Interest income and other	111	-	-	-	-	-	-	-	-	111
Income taxes from continuing operations	(102)	58	-	31	11	6	8	-	114	12
Discontinued operations, net of taxes	-	-	-	-	-	-	-	(7) C	(7)	(7)
Total Earnings for Common	\$ 542	\$ (107)	\$ 5	\$ 3	\$ (20)	\$ (37)	\$ 8	\$ (7)	\$ (155)	\$ 387
EARNINGS PER SHARE, BASIC										
	\$ 0.43	\$ (0.08)	\$ -	\$ -	\$ (0.01)	\$ (0.03)	\$ 0.01	\$ (0.01)	\$ (0.12)	\$ 0.31
EARNINGS PER SHARE, DILUTED										
	\$ 0.43	\$ (0.08)	\$ -	\$ -	\$ (0.01)	\$ (0.03)	\$ 0.01	\$ (0.01)	\$ (0.12)	\$ 0.31

Note 1 - Amounts for special items are presented net of any related minority interest.

A - Recorded in Operation, maintenance and other (Operating Expenses) on the Consolidated Statements of Operations.

B - \$25 million recorded in Impairments and other charges (Operating Expenses) and \$3 million recorded in Impairment of goodwill (Operating Expenses) on the Consolidated Statements of Operations.

C - Recorded in (Loss) Income From Discontinued Operations, net of tax on the Consolidated Statements of Operations

Weighted Average Shares (reported and ongoing) - in millions

Basic	1,256
Diluted	1,265

DUKE ENERGY CORPORATION
ONGOING TO REPORTED EARNINGS RECONCILIATION
December 2006 Year-to-date
(Dollars in millions, except per-share amounts)

Special Items (Note 1)

	Ongoing Earnings	Settlement Reserves	Gain on Sales of Assets	Gain on Sale of Interest in Crescent	Net Gain on Settlement of Contract	Impairment of Bolivia Investment	Impairment of Campeche Investment	Costs to Achieve, Cinergy Merger	Costs to Achieve, Anticipated Gas Spin-off	Tax Adjustments	Discontinued Operations	Total Adjustments	Reported Earnings
SEGMENT EARNINGS BEFORE INTEREST AND TAXES FROM CONTINUING OPERATIONS													
U.S. Franchised Electric & Gas	\$ 1,811	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,811
Natural Gas Transmission	1,401	-	15 B	-	24 E	-	-	-	(2) A	-	-	37	1,438
Field Services	555	-	14 C	-	-	-	-	-	-	-	-	14	569
Commercial Power	21	-	-	-	-	-	-	-	-	-	-	-	21
International Energy	317	(100) A	-	-	-	(28) F	(50) G	-	-	-	-	(178)	139
Crescent	286	-	-	246 D	-	-	-	-	-	-	-	246	532
Total reportable segment EBIT	4,391	(100)	29	246	24	(28)	(50)	-	(2)	-	-	119	4,510
Other	(330)	(65) A	-	-	-	-	-	(128) A	(58) A	-	-	(251)	(581)
Total reportable segment EBIT and other EBIT	\$ 4,061	\$ (165)	\$ 29	\$ 246	\$ 24	\$ (28)	\$ (50)	\$ (128)	\$ (60)	\$ -	\$ -	\$ (132)	\$ 3,929
EARNINGS FOR COMMON													
Total reportable segment EBIT and other EBIT	\$ 4,061	\$ (165)	\$ 29	\$ 246	\$ 24	\$ (28)	\$ (50)	\$ (128)	\$ (60)	\$ -	\$ -	\$ (132)	\$ 3,929
Interest expense	(1,253)	-	-	-	-	-	-	-	-	-	-	-	(1,253)
Interest income and other	186	-	-	-	-	-	-	-	-	-	-	-	186
Income taxes from continuing operations	(850)	58	(10)	(124)	(8)	31	-	45	7	8	-	7	(843)
Discontinued operations, net of taxes	-	-	-	-	-	-	-	-	-	-	(156) H,I	(156)	(156)
Total Earnings for Common	\$ 2,144	\$ (107)	\$ 19	\$ 122	\$ 16	\$ 3	\$ (50)	\$ (83)	\$ (53)	\$ 8	\$ (156)	\$ (281)	\$ 1,863
EARNINGS PER SHARE, BASIC	\$ 1.83	\$ (0.09)	\$ 0.02	\$ 0.10	\$ 0.02	\$ -	\$ (0.04)	\$ (0.07)	\$ (0.05)	\$ 0.01	\$ (0.14)	\$ (0.24)	\$ 1.59
EARNINGS PER SHARE, DILUTED	\$ 1.81	\$ (0.09)	\$ 0.02	\$ 0.10	\$ 0.01	\$ -	\$ (0.04)	\$ (0.07)	\$ (0.05)	\$ 0.01	\$ (0.13)	\$ (0.24)	\$ 1.57

Note 1 - Amounts for special items are presented net of any related minority interest.

A - Recorded in Operation, maintenance and other (Operating Expenses) on the Consolidated Statements of Operations.

B - Recorded in Gain on sale of subsidiary stock (Other Income and Expenses) on the Consolidated Statements of Operations.

C - Recorded in Equity in earnings of unconsolidated affiliates (Other Income and Expenses) on the Consolidated Statements of Operations.

D - Recorded in Gains (Losses) on Sales of Other Assets and Other, net on the Consolidated Statements of Operations.

E - \$23 million recorded in Gains (Losses) on Sales of Other Assets and Other, net and \$1 million recorded in Other income and expenses, net (Other Income and Expenses) on the Consolidated Statements of Operations.

F - \$25 million recorded in Impairments and other charges (Operating Expenses) and \$3 million recorded in Impairment of goodwill (Operating Expenses) on the Consolidated Statements of Operations.

G - \$33 million recorded in Operation, maintenance and other (Operating Expenses) and \$17 million recorded in (Losses) gains on sales and impairments of equity investments (Other Income and Expenses) on the Consolidated Statements of Operations.

H - Excludes Crescent discontinued operations.

I - Primarily DENA and CMT discontinued operations. Recorded in (Loss) Income From Discontinued Operations, net of tax on the Consolidated Statements of Operations.

Weighted Average Shares (reported and ongoing) - in millions

Basic	1,170
Diluted	1,188

Duke Energy Corporation
Presentation of Illustrative Ongoing Diluted EPS Split Between Duke Energy and Spectra Energy
Year-Ended December 31, 2006
(Unaudited)

Consolidated Ongoing Earnings (for the Year-Ended December 31, 2006)

(Amounts in millions, except per share data)

<u>Duke Energy Corporation</u>	<u>Duke Energy Ongoing Earnings</u>	<u>Spectra Energy Spinoff</u>	<u>New Duke Energy</u>
Ongoing Segment EBIT:			
U.S. Franchised Electric & Gas	\$ 1,811	\$ -	\$ 1,811
Natural Gas Transmission	1,401	1,401 (1)	-
Field Services	555	555 (1)	-
Commercial Power	21	-	21
International Energy	317	-	317
Crescent	286	-	286
Total Ongoing Segment EBIT	4,391	1,956	2,435
Other	(330)	(150) (2)	(180)
Total Ongoing Segment EBIT and Other EBIT	4,061	1,806	2,255
Interest Expense	(1,253)	(600) (3)	(653)
Interest Income and Other	186	40 (4)	146
Income Taxes from Continuing Operations	(850)	(377) (5)	(473)
Total Ongoing Earnings for Common Stockholders	<u>\$ 2,144</u>	<u>\$ 869</u>	<u>\$ 1,275</u>
Weighted Avg Shares Outstanding:			
Basic	1,170	1,170	1,170
Diluted	1,188	1,188	1,188
Ongoing Earnings Per Share (EPS):			
Basic	\$ 1.83	\$ 0.74	\$ 1.09
Diluted	\$ 1.81	\$ 0.74	\$ 1.07
Expected Spectra Energy Shares Issued at Distribution Date			
Basic	n/a	630 (6)	n/a
Diluted	n/a	632 (6)	n/a
Spectra Energy Ongoing EPS, based on Expected Shares Issued at Distribution Date			
Basic	n/a	\$ 1.38	n/a
Diluted	n/a	\$ 1.38	n/a

Basis of Presentation:

On January 2, 2007, Duke Energy Corporation (Duke Energy) completed the previously announced spinoff of its natural gas businesses to shareholders, creating a separate stand-alone entity, Spectra Energy Corp. (Spectra Energy). This presentation is intended to provide a reasonable approximation of the relative allocation of Duke Energy's 2006 ongoing diluted earnings per share of \$1.81 between the operations included in the spinoff of Spectra Energy and those retained by Duke Energy. This presentation does not include the impact of additional costs or savings which would result from operating two separate stand-alone entities. This presentation involves the use of several assumptions, such as an allocation of costs and taxes to Duke Energy and Spectra Energy. As a result, this presentation is not indicative of the ongoing results of operations of Duke Energy and Spectra Energy as separate stand-alone entities.

This presentation is also not intended to reflect the impacts to Duke Energy's ongoing results of operations for the potential presentation of the operations transferred to Spectra Energy as discontinued operations. Guidelines for the presentation of discontinued operations contain certain restrictions regarding the amounts of certain costs (e.g., allocated overhead, governance, and interest costs) which can be presented and classified as discontinued operations. Accordingly, in the event Duke Energy's 2006 results are subsequently reclassified to reflect the operations transferred to Spectra Energy as discontinued operations, the resulting amounts presented as discontinued operations could materially differ from the amounts presented herein.

Additionally, this presentation does not and is not meant to portray pro forma financial information as would or may be required by the Securities and Exchange Commission's Regulation S-X Article 11 - Pro Forma Financial Information, as it does not include the impact of all pro forma adjustments which would be required for the impacts of the spin-off of Spectra Energy as well as the pro forma impacts of other transactions during 2006, such as the Duke Energy merger with Cinergy Corp., Duke Energy's sale of Cinergy Marketing and Trading, and the Crescent joint venture transaction.

Non-GAAP Financial Measures:

Duke Energy's consolidated ongoing earnings and ongoing diluted EPS as well as ongoing segment EBIT are non-GAAP financial measures. See detailed explanations of these measures as well as the most directly comparable GAAP financial measures included elsewhere in this 2006 Earnings Review and 2007 Outlook presentation. Additionally, see the reconciliation of ongoing earnings to reported earnings included elsewhere in this 2006 Earnings Review and 2007 Outlook presentation.

Notes:

- (1) Natural Gas Transmission and Field Services segments included in the spin-off of Spectra Energy.
- (2) Allocation of governance and other costs to Spectra Energy based upon pro forma amounts included in the Spectra Energy Form 10 filing.
- (3) Allocation of interest expense to Spectra Energy based upon pro forma amounts included in the Spectra Energy Form 10 filing.
- (4) Allocation of Interest Income and Other to Spectra Energy based upon pro forma amounts included in the Spectra Energy Form 10 filing.
- (5) Income taxes allocated to Spectra Energy based upon an estimated 32% effective tax rate applicable to Spectra Energy operations, less \$22 million of tax benefits for those operations recognized in the fourth quarter 2006. The above tax allocations are not necessarily indicative of expected future tax expense and effective tax rates for either Duke Energy or Spectra Energy.
- (6) Spectra Energy basic shares issued at distribution date based upon the anticipated shares of common stock expected to be distributed by Spectra Energy, as disclosed in the Spectra Energy Form 10 filing. Diluted shares outstanding increased by the approximate 2 million of estimated additional diluted shares, as disclosed in the Spectra Energy Form 10 filing.

Duke Energy Corporation
Net Cash Balance Reconciliation
As of December 31, 2006
(Dollars in millions)

	Duke Energy Before Spin-Off of Spectra	Less Amounts Included in Spin-Off of Spectra	Duke Energy After Spin-off of Spectra	
Cash and Cash Equivalents	\$ 948	\$ 387	\$ 561	
Short-Term Investments	1,514	-	1,514	
Subtotal	2,462	387	2,075	
Short-Term Commercial Paper Outstanding	(450)	(350)	(100)	
Net Cash Balance (12/31/2006)	\$ 2,012	\$ 37	\$ 1,975	(Approximately \$2 billion)

Note:

The net cash balances presented above are non-GAAP financial measures as they represent the net presentation of cash and cash equivalents, short-term investments and outstanding short-term commercial paper balances. The most directly comparable GAAP financial measure for net cash is cash and cash equivalents.