



*Duke Energy Corporation
Investor Relations Department
P.O. Box 1005
Charlotte, NC 28201-1005*

Dear Shareholder:

On April 3, 2006, Duke Energy and Cinergy merged to form New Duke Energy. All shareholders having physical possession of stock certificates dated prior to April 3, 2006, must return their stock certificates for shares of New Duke Energy. All dividends for the unexchanged shares have been accruing (without interest) and will be paid only upon completion of the exchange.

Additionally, on January 2, 2007, New Duke Energy separated its natural gas business from the rest of its businesses to create Spectra Energy Corp. Consequently, each unexchanged share of Old Duke Energy or Cinergy stock is entitled to receive 0.5 shares of Spectra Energy Corp for every share of New Duke Energy, to which such unexchanged shares are entitled, as well as accrued dividends. The Spectra Energy shares and accrued dividends will be distributed to you automatically after the exchange of your old stock certificates into New Duke Energy is complete.

You have been notified at various times by Bank of New York Shareowner Services, now BNY Mellon Shareowner Services, and by Georgeson Securities of Duke Energy's recent corporate actions. Until now, BNY Mellon Shareowner Services and Georgeson Securities have assisted Duke Energy shareholders in exchanging Old Duke Energy and/or Cinergy shares for the New Duke Energy shares to which they are entitled. New Duke Energy is now the exchange agent for any Old Duke Energy or Cinergy Corp. stock certificates issued prior to April 3, 2006.

To complete the exchange of your stock certificates, please complete the attached Letter of Transmittal and return it, together with your stock certificates, to the address provided above. We recommend using insured registered mail for \$0.60 per share or \$10.00, whichever is greater, with return receipt.

If you are unable to locate your stock certificates, please follow the instructions provided in the section entitled, Affidavit of Lost, Stolen or Destroyed Stock Certificates.

Upon receipt of all correctly executed documentation, we will be happy to exchange your stock certificates for shares in New Duke Energy. If you have additional questions or need assistance in this process, please contact Investor Relations Department by telephone at 1-800-488-3853, Monday through Friday, 8 a.m. until 5 p.m. ET, or by mail, using the mailing addresses provided above.

Sincerely,

Duke Energy Investor Relations

LETTER OF TRANSMITTAL

To accompany certificate(s) for
Shares of Common Stock of

DUKE ENERGY CORPORATION
(a North Carolina corporation)
(Old Duke Energy)

Surrendered in connection with the

CONVERSION BY MERGER

of such stock

into

Common Stock of

DUKE ENERGY CORPORATION
(a Delaware corporation)
(New Duke Energy)

IMPORTANT INSTRUCTIONS:

- (1) ATTACH YOUR OLD DUKE ENERGY COMMON STOCK CERTIFICATE(S) TO THIS LETTER OF TRANSMITTAL
- (2) COMPLETE EACH SECTION BELOW MARKED WITH AN (X)
- (3) RETURN THIS LETTER OF TRANSMITTAL WITH YOUR ATTACHED CERTIFICATE(S) IN THE ENCLOSED RETURN ENVELOPE (It is recommended that such be insured for \$0.60 per share or \$10.00, whichever is greater, and sent by registered mail with return receipt.)
- (4) IF CERTIFICATES ARE REGISTERED IN DIFFERENT NAMES, A SEPARATE LETTER OF TRANSMITTAL MUST BE COMPLETED AND SUBMITTED FOR EACH DIFFERENT REGISTERED HOLDER
- (5) PLEASE READ AND FOLLOW CAREFULLY EACH OF THE INSTRUCTIONS IN THIS LETTER, INCLUDING INSTRUCTIONS ON PAGE 6

The Exchange Agent is:

DUKE ENERGY CORPORATION

For information, call:
(800)488-3853 or (704)382-3853

By Mail:

Duke Energy Corporation
Investor Relations Department
P. O. Box 1005
Charlotte, North Carolina 28201-1005

By Overnight or Hand Delivery:

Duke Energy Corporation
Investor Relations Department
526 South Church Street EC01W
Charlotte, North Carolina 28202-1802

DESCRIPTION OF SHARES SURRENDERED

Please list all the Certificates representing Old Duke Energy Common Stock you hold (all of which should be submitted with this Letter of Transmittal). If there is not enough space below to list all of your Certificates, please attach a separate sheet. A separate Letter of Transmittal should be submitted for shares registered in different names.

Name(s) and Address(es) of Registered Holder(s) (Please fill in.)	Old Duke Energy Common Stock Certificate(s) Surrendered	
	Certificate Number(s)	Number of Shares Represented by Certificate(s)
	(X)	(X)

Duke Energy Corporation

Former holders of Old Duke Energy Common Stock:

The Letter of Transmittal is submitted in connection with the Agreement and Plan of Merger (the "Merger Agreement") by and among Duke Energy Corporation (a North Carolina corporation, now known as Duke Energy Carolinas, LLC, "Old Duke Energy"), Cinergy Corp. ("Cinergy"), Deer Holding Corp. (a Delaware corporation, now known as Duke Energy Corporation, "New Duke Energy"), Deer Acquisition Corp., and Cougar Acquisition Corp., dated as of May 8, 2005, and as subsequently amended, pursuant to which Cinergy became a wholly-owned subsidiary of New Duke Energy (the "Merger"). As a result of the Merger, you have the right to receive 1 share of New Duke Energy Common Stock for each share of Old Duke Energy Common Stock you own. If you also held shares in the Duke Energy InvestorDirect Choice Plan (direct stock purchase and dividend reinvestment plan), those shares were automatically converted into shares of New Duke Energy Common Stock at the same exchange rate, including fractional shares, and are being held in the InvestorDirect Choice Plan maintained by New Duke Energy. You should have received a separate statement confirming that transaction.

The undersigned, as the registered holder of the certificate(s) referred to above or the assign(s) of such registered holder, hereby irrevocably surrenders to New Duke Energy the certificate(s) referred to above, which represented shares of Old Duke Energy Common Stock, in exchange for shares of New Duke Energy Common Stock on a one-to-one basis (the "Exchange Ratio").

The undersigned hereby represents and warrants that the undersigned has full power and authority to submit the certificate(s) referred to above. The undersigned will, upon request, execute and deliver any additional documents deemed by New Duke Energy to be necessary or desirable to complete the surrender and exchange of the certificate(s) submitted hereby. The undersigned represents that the undersigned has read and agreed to all terms and conditions set forth herein. Delivery of the enclosed certificate(s) shall be effected, and risk of loss and title to the shares represented by such certificate(s) shall pass, only upon proper delivery of such certificate(s) to New Duke Energy.

All authority herein conferred or agreed to be conferred shall survive the death or incapacity of the undersigned, and any and all obligations of the undersigned thereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

Submission of the certificate(s) referred to above is subject to the terms, conditions and limitations set forth in the Merger Agreement and in the Instructions included herewith. New Duke Energy is hereby instructed to issue in the name indicated above, unless other instructions are indicated in Box A below, Direct Registration System (DRS) shares representing the shares of New Duke Energy Common Stock into which the shares of Old Duke Energy Common Stock represented by the certificate(s) referred to above and delivered herewith were converted pursuant to the Merger Agreement. The undersigned hereby agrees that a statement representing such shares of New Duke Energy Common Stock shall be delivered to the address shown on page 1 unless other instructions are given in Box B below.

BOX A: SPECIAL REGISTRATION AND PAYMENT INSTRUCTIONS Medallion Signature Guarantee Required
Entitlements will be issued in the name shown on the FRONT of this form unless otherwise instructed below. To determine if Medallion Signature Guarantee is required, see Instruction VI.
Issue to: Name _____ (Please Print)
Address _____ _____ (Include Zip Code)
_____ (Taxpayer Identification or Social Security Number) (Also Complete and Sign Substitute Form W-9 on Page 3 Hereof.)

BOX B: SPECIAL DELIVERY INSTRUCTIONS
Entitlements will be mailed to the address shown on the FRONT of this form (or to the person and address listed in Box A) unless otherwise instructed below.
Mail to: Name _____ (Please Print)
Address _____ _____ (Include Zip Code)

**IMPORTANT — ALL EXCHANGING SHAREHOLDERS
SIGN HERE AND, IF REQUIRED, HAVE SIGNATURES MEDALLION GUARANTEED.**
(To determine if Medallion Signature Guarantee is required, see Instruction VI)

(X) _____

 Signature(s) of Holder(s)

Must be signed by registered holder(s) exactly as the name(s) appear(s) on the stock certificate(s) (or by person(s) authorized to become registered holder(s) by certificate(s) and documents transmitted herewith). See Instruction VI. If signature is by attorney, executor, administrator, trustee, guardian, agent or other acting in a fiduciary or representative capacity, please provide the following information and see Instruction VI:

Name _____
 (Please Print)

Address (x) _____

 (Area Code and Daytime Telephone Number)

Dated(X): _____, 20__

Signature(s) guaranteed by:
 (When Required—See Instruction VI)

 (Authorized Signature)

 (Name of Firm – Please Print)

AFFIDAVIT OF LOST, STOLEN OR DESTROYED CERTIFICATE(S)

THIS FORM IS TO BE COMPLETED ONLY IF YOU CANNOT LOCATE YOUR DUKE CERTIFICATE(S)

(IMPORTANT NOTE: IF YOUR LOST SHARES EXCEED 5,000 SHARES YOU WILL BE REQUIRED TO PROVIDE ADDITIONAL INFORMATION BEFORE WE CAN PROCESS THIS PAPERWORK. PLEASE CONTACT DUKE ENERGY INVESTOR RELATIONS AT 1-800-488-3853 FOR DETAILS)

STATE OF _____ NAME OF STOCKHOLDER _____
 COUNTY OF _____ ADDRESS _____
 CITY/STATE/ZIP _____
 CERTIFICATE NUMBER(S) _____ for _____ share(s) and
 for _____ share(s) of common stock
 (If any number is not known, leave space blank.)

I am the lawful owner of the above described certificate(s). The certificate(s) has not been endorsed, transferred, assigned or otherwise disposed of. I have made a diligent search for the certificate(s) and have been unable to find it, and make this affidavit for the purpose of inducing the exchange of the certificate(s) without surrender of the certificate(s). I agree to indemnify Travelers Casualty and Surety Company of America from all liabilities, losses, damages and expenses which it may sustain or incur by reason or account of assuming liability under its indemnity Bond No. 104695458. I hereby agree to surrender the certificate(s) for cancellation should I, at any time, find the certificate(s). To replace my shares, I am enclosing a bond premium payment as calculated below. I understand that my certificate(s) cannot be replaced without the proper payment.

HOW TO CALCULATE YOUR REPLACEMENT BOND PREMIUM PAYMENT		
Number of shares to be replaced	\$0.60 per share	TOTAL Bond Premium Payment Required
_____	X	Minimum \$10.00
		Rounded to the nearest dollar
		= _____
Please make your check or money order payable to: AON RISK SERVICES and return along with this duly executed affidavit and your Transmittal Form in the enclosed preaddressed envelope.		

Signed by Affiant this _____ day of _____, 20____.
 Signature of Affiant (stockholder) _____
 Signature of Co-Affiant (co-stockholder) _____
 Notary Public (Affix Notarial Seal) _____
 (NOTE: Notary required for all replacements)

Substitute Form W-9

Part 1—PLEASE PROVIDE YOUR TAXPAYER IDENTIFICATION NUMBER (“TIN”) IN THE BOX AT THE RIGHT AND CERTIFY BY SIGNING AND DATING BELOW	Social Security No. OR Employer ID No.
CERTIFICATION—UNDER THE PENALTIES OF PERJURY, I CERTIFY THAT: (1) THE NUMBER SHOWN ON THIS FORM IS MY CORRECT TIN (OR I AM WAITING FOR A NUMBER TO BE ISSUED TO ME), (2) I AM NOT SUBJECT TO BACKUP WITHHOLDING BECAUSE (A) I AM EXEMPT FROM BACKUP WITHHOLDING, OR (B) I HAVE NOT BEEN NOTIFIED BY THE INTERNAL REVENUE SERVICE (“IRS”) THAT I AM SUBJECT TO BACKUP WITHHOLDING AS A RESULT OF A FAILURE TO REPORT ALL INTEREST OR DIVIDENDS, OR (C) THE IRS HAS NOTIFIED ME THAT I AM NO LONGER SUBJECT TO BACKUP WITHHOLDING (YOU MUST CROSS OUT ITEM (2) ABOVE IF YOU HAVE BEEN NOTIFIED BY THE IRS THAT YOU ARE SUBJECT TO BACKUP WITHHOLDING BECAUSE OF UNDER REPORTING INTEREST OR DIVIDENDS ON YOUR TAX RETURN) AND (3) I AM A U.S PERSON (INCLUDING A U.S. RESIDENT ALIEN).	Part 2— <input type="checkbox"/> TIN applied for (or intended to apply for in near future) CHECK BOX IF APPLICABLE Part 3— <input type="checkbox"/> EXEMPT PAYEE
Signature _____ Name _____ Address _____ Date _____	Department of the Treasury, Internal Revenue Service Payer’s Request for Taxpayer Identification Number (TIN)

IMPORTANT TAX INFORMATION - Substitute Form W-9. To avoid backup withholding, your account must be tax certified. Your account is tax certified if Duke Energy Investor Relations Department has a completed Form W-9 on file. If you have not previously submitted a completed Form W-9, or are in doubt as to the certification status of your account, please use the Substitute Form W-9 for tax certification, by inserting your Taxpayer Identification Number in Part 1 and signing the certification. If shares of Duke Energy common stock are to be registered in a name other than the one which appears on the front of the Transmittal Form, insert the TIN of the person to whom the shares of Duke Energy common stock are to be registered and have this person sign the certification. Please review the enclosed “Instructions for Certification of Taxpayer Identification Number.” If the correct TIN is not provided, you may be subject to a \$50 penalty from the Internal Revenue Service. Also, any cash payments to you for fractional shares and future Duke Energy dividends may be subject to 28% U.S. backup withholding. The box in Part 2 of the Substitute Form W-9 may be checked if the shareholder has not been issued a TIN and has applied for a TIN or intends to apply for a TIN in the near future. If the box in Part 2 is

checked, 28% of all reportable payments made prior to the time a properly certified TIN is provided may be withheld until a TIN is provided to the payer. If you are not a citizen or resident of the United States, you should complete and return with your Transmittal Form the appropriate IRS Form W-8 (generally IRS Form W-8BEN). If you need the Form W-8BEN and/or “Instructions for Form W-8BEN”, these documents are available on the U.S. Internal Revenue Service Web site at www.irs.gov or you may obtain a copy by contacting the Exchange Agent. To ensure compliance with Treasury Department Circular 230, stockholders are hereby notified that: (A) any discussion of federal tax issues in this information statement is not intended or written to be relied upon, and cannot be relied upon, by stockholders for the purpose of avoiding penalties that may be imposed on stockholders under the Internal Revenue Code; (B) such discussion is being used in connection with the promotion or marketing (within the meaning of Circular 230) by Duke Energy of the transactions or matters addressed herein; and (C) stockholders should seek advice based on their particular circumstances from an independent tax advisor.

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU CHECKED THE BOX IN PART 2 OF THE SUBSTITUTE FORM W-9

CERTIFICATE OF AWAITING TAXPAYER IDENTIFICATION NUMBER I certify under the penalties of perjury that a TIN has not been issued to me, and either (1) I have mailed or delivered an application to receive a TIN to the appropriate IRS Center or Social Security Administration Office or (2) I intend to mail or deliver an application in the near future. I understand that if I do not provide a TIN within 60 days, 28% of all reportable payments made to me thereafter will be withheld until I provide a number.	
Signature _____	Date _____
Name (Please Print) _____	

IMPORTANT NOTICE

**INSTRUCTIONS FOR
CERTIFICATION OF TAXPAYER
IDENTIFICATION NUMBER**

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note: If a requester gives you a form other than Form W-9 to request your TIN, you should use the requester's form. However, this form must meet the acceptable specifications described in *Pub. 1167*, General Rules and Specifications for Substitute Tax Forms and Schedules.

Foreign person. If you are a foreign person, use the appropriate Form W-8 (see *Pub. 515*, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien. Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause."

Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

Example. Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a **nonresident alien or a foreign entity** not subject to backup withholding, give the requester the appropriate completed Form W-8.

What is backup withholding? Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments. This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

Payments you receive will be subject to backup withholding if:

1. You do not furnish your TIN to the requester, or
2. You do not certify your TIN when required (see the Part II instructions on page 5 for details), or
3. The IRS tells the requester that you furnished an incorrect TIN, or
4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate **Instructions for the Requester of Form W-9**.

Penalties

Failure to furnish TIN. If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

Civil penalty for false information with respect to withholding. If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

Criminal penalty for falsifying information. Willfully falsifying certifications or affirmations may subject you to Criminal penalties including fines and/or imprisonment.

Misuse of TINs. If the requester discloses or uses TINs in violation of Federal law, the requester may be subject to civil and criminal penalties.

Specific Instructions

Name

If you are an individual, you must generally enter the name shown on your social security card. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

Sole proprietor. Enter your **individual** name as shown on your social security card on the "Name" line. You may enter your business, trade or "doing business as (DBA)" name on the "Business name" line.

Limited liability company (LLC). If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, **enter the owner's name on the "Name" line.** Enter the LLC's name on the "Business name" line.

Other entities. Enter your business name as shown on required Federal tax documents on the "Name" line. This name should match the name shown on the

charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

Note: You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

Exempt payees. Backup withholding is **not required** on any payments made to the following payees: An organization exempt from tax under section 501 (a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2);

The United States or any of its agencies or instrumentalities;

A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities;

A foreign government or any of its political subdivisions, agencies, or instrumentalities; or An international organization or any of its agencies or instrumentalities.

Other payees that **may be exempt** from backup withholding include:

A corporation;

A foreign central bank of issue;

A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States;

A futures commission merchant registered with the Commodity Futures Trading Commission;

A real estate investment trust;

An entity registered at all times during the tax year under the Investment Company Act of 1940;

A common trust fund operated by a bank under section 584(a);

A financial institution;

A middleman known in the investment community as a nominee or custodian; or

A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

If the payment is for...	THEN the payment is exempt for...
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000	Generally, exempt recipients 1 through 7

¹ See **Form 1099-MISC**, Miscellaneous Income, and its instructions

² However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045 (f) even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a Federal executive agency.

Part I. Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. If you are a **resident alien** and you do not have and are not eligible to get an SSN your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see **How to get a TIN** below.

If you are a **sole proprietor** and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN. If you are a single-owner LLC that is disregarded as an entity separate from its owner (see **Limited liability company (LLC)** on page 4), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

Note: See the chart to the right for further clarification of name and TIN combination.

How to get a TIN. If you do not have a TIN, apply for one immediately. To apply for an SSN, get **Form SS-5**, Application for a Social Security Card, from your local Social Security Administration office or get this form on-line at www.ssa.gov/online/ss5.html. You may also get this form by calling 1-800-772-1213. Use **Form W-7**, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or **Form SS-4**, Application for Employer Identification Number, to apply for an EIN. You can get Forms W-7 and SS-4 from the IRS by calling 1-800-TAX-FORM (1-800-829-3676) or from the IRS Web site at www.irs.gov.

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

Note: Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

Caution: A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.

Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA or Archer MSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, and the District of Columbia to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, or to Federal and state agencies to enforce Federal nontax criminal laws and to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.

Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 3, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see **Exempt from backup withholding** on page 4.

Signature requirements. Complete the certification as indicated in 1 through 5 below.

1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983. You must give your correct TIN, but you do not have to sign the certification.

2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983. You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

3. Real estate transactions. You must sign the certification. You may cross out item 2 of the certification.

4. Other payments. You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requesters trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA or Archer MSA contributions or distributions, and pension distributions. You must give your correct TIN, but you do not have to sign the certification.

What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account. ¹
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor ²
4.a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee ¹
b. So-called trust account that is not a legal or valid trust under state law	The actual owner ¹
5. Sole proprietorship or single-owner LLC	The owner ³
For this type of account :	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner ³
7. A valid trust, estate, or pension trust	Legal entity ⁴
8. Corporate or LLC electing corporate status on Form 8837	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

¹ List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

² Circle the minor's name and furnish the minor's SSN.

³ You must show your individual name, but you may also enter your business or "DBA" name. You may use either your SSN or EIN (if you have one).

⁴ List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Note: If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

INSTRUCTIONS TO LETTER OF TRANSMITTAL
Terms and Conditions of this Letter of Transmittal

I. General

You are urged to complete and return this Letter of Transmittal promptly. Dividends and other distributions, if any, payable to holders of record of New Duke Energy Common Stock after the Merger will not be delivered to you but will be held (without interest) until you surrender your Old Duke Energy Common Stock certificates. Duke Energy InvestorDirect Choice Plan shares, including fractional shares, were converted into shares of New Duke Energy Common Stock on the basis of the Exchange Ratio, and rolled into the InvestorDirect Choice Plan maintained by the New Duke Energy as of the effective time of the Merger.

II. Execution and Delivery

This Letter of Transmittal, or a photocopy of it, must be properly completed, dated and signed, and must be delivered with your certificate(s) formerly representing shares of Old Duke Energy Common Stock and any other required documents to New Duke Energy at the appropriate address set forth on page 1 hereof. THE METHOD OF DELIVERY OF CERTIFICATE(S), LETTERS OF TRANSMITTAL AND ANY OTHER REQUIRED DOCUMENTS TO DUKE ENERGY IS AT YOUR OPTION AND RISK. IF MAIL IS USED TO SEND CERTIFICATE(S), REGISTERED MAIL WITH RETURN RECEIPT REQUESTED, INSURED FOR \$0.60 PER SHARE OR \$10.00, WHICHEVER IS GREATER, IS SUGGESTED. DELIVERY OF THIS LETTER OF TRANSMITTAL AND YOUR CERTIFICATE(S) FOR OLD DUKE ENERGY COMMON STOCK WILL NOT BE DEEMED EFFECTIVE UNTIL ACTUALLY RECEIVED BY NEW DUKE ENERGY.

III. Insufficient Space

If there is insufficient space to list all of your stock certificates being submitted to New Duke Energy, please attach a separate signed schedule.

IV. Signatures

The signature (or signatures, in the case of certificate(s) owned by two or more joint holders where record ownership is not stated in the alternative) on this Letter of Transmittal should correspond exactly with the name as written on the face of the stock certificate(s) transmitted, without alteration, enlargement or any change whatsoever, unless the certificate(s) formerly representing shares of Old Duke Energy Common Stock described on this Letter of Transmittal have been transferred or assigned by the registered holder, or holders in which event this Letter of Transmittal should be signed in exactly the same form as the name of the last transferee indicated on the transfers attached to or endorsed on the certificate(s).

If any certificates formerly representing shares of Old Duke Energy Common Stock are registered in different names on several certificates, it will be necessary to complete, sign and submit as many separate Letters of Transmittal as there are different registrations of certificates.

If this Letter of Transmittal and/or any certificate(s) are signed by a trustee, executor, administrator, guardian, officer of a corporation, attorney-in-fact, agent or in any other representative or fiduciary capacity, the person signing must give such person's full title in such capacity and appropriate evidence of authority to act in such capacity must be forwarded with this Letter of Transmittal.

V. Certificates in Same Name

If the DRS shares representing shares of New Duke Energy Common Stock are to be registered in exactly the same name that appears on the certificate(s) formerly representing shares of Old Duke Energy Common Stock being submitted herewith, you will not be required to endorse such certificate(s), have signatures guaranteed or make payment for transfer taxes.

VI. Certificates in Different Name – Signature Guarantee Required

If the DRS shares representing shares of New Duke Energy Common Stock are to be registered other than in exactly the name of the registered holder of the certificate(s) submitted herewith, then the certificate(s) submitted must be properly endorsed to the person who is to receive the DRS shares representing shares of New Duke Energy Common Stock, or accompanied by appropriate stock powers, properly executed by such registered holder and the signature guaranteed by one of the following institutions having membership in an approved medallion signature guarantee program: commercial bank, savings and loan, credit union or member of the New York Stock Exchange having an office or correspondent in the United States (an "Eligible Institution"). Also, in such case this Letter of Transmittal must be signed by the transferee or by his agent, and should not be signed by the transferor: The signature of such transferee or agent on this Letter of Transmittal must also be guaranteed by an Eligible Institution. If the DRS shares representing shares of New Duke Energy Common Stock are to be issued in the name of and sent to a person other than the name appearing on page 1 hereof or to an address other than that appearing on page 1 hereof or sent to a person other than the name appearing on page 1 hereof, the appropriate boxes on this Letter of Transmittal should be completed. Additionally, in the event that any transfer or other taxes become payable by reason of the issuance of any DRS shares representing shares of New Duke Energy Common Stock in any name other than that of the registered holder, such transferee must pay such tax to New Duke Energy or must establish to the satisfaction of New Duke Energy that such tax has been paid or is not payable.

VII. Correction or Change in Name

For a correction of name or for a change in name which in either case does not involve a change of ownership, proceed as follows: (i) for a change in name by marriage, etc., the surrendered certificate(s) should be endorsed, e.g., "Mary Doe, now by marriage Mrs. Mary Jones," with the signature guaranteed by an Eligible Institution; and (ii) for a correction in name, the surrendered certificate(s) should be endorsed, e.g., "James E. Browne, incorrectly inscribed as J.E. Brown," with the signature guaranteed by an Eligible Institution. This Letter of Transmittal may be signed using the name as changed or corrected according to this instruction.

VIII. Lost, Stolen, or Destroyed Certificates

If your certificate representing shares of Old Duke Energy Common Stock has been lost, stolen or destroyed, complete the Affidavit of Lost, Stolen or Destroyed Certificate(s) section on page 3. You will need to submit a check for the replacement fee as calculated on page 3.

IX. Waiver of Conditions

New Duke Energy reserves the absolute right to waive any of the conditions set forth herein or any defect with respect to the transmittal of certificate(s) formerly representing shares of Old Duke Energy Common Stock.

X. Miscellaneous

Additional copies of this Letter of Transmittal are available from New Duke Energy. New Duke Energy is under no duty to give notification of defects in any Letter of Transmittal or in any other required documents and shall not incur any liability for failure to give such notification. Any and all Letters of Transmittal (including any other required documents) not in proper form are subject to rejection, in the sole discretion of New Duke Energy as Exchange Agent. Surrenders of certificates will not be deemed to have been made until all defects or irregularities that have not been waived have been cured. The terms and conditions of the Merger Agreement are incorporated herein by reference and are deemed to form part of the terms and conditions of this Letter of Transmittal.

**IF YOU REQUIRE FURTHER INSTRUCTIONS, CONTACT DUKE ENERGY CORPORATION, THE EXCHANGE AGENT,
AT (800) 488-3853 or (704) 382-3853.**