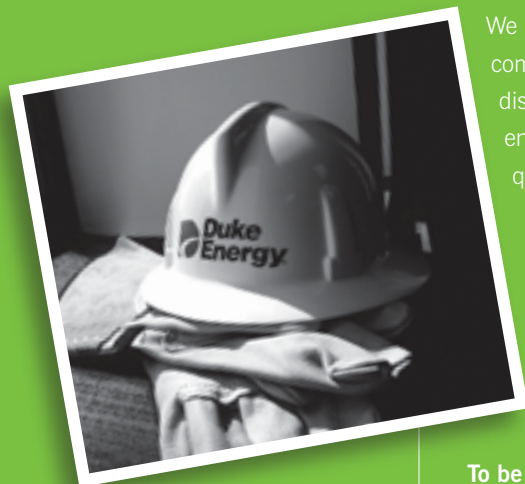


our charter



We are Duke Energy, a leading energy company focused on electric power and gas distribution operations in the Americas. We energize our communities and enhance the quality of life for the people who live there.

Our purpose is to create superior and sustainable value for our customers, employees, communities and investors through the production, delivery and sale of energy and energy services.

To be successful in 2007 and beyond, we must:

- Establish the identity and culture of the new Duke Energy, unifying our people, values, strategy, processes and systems
- Optimize our operations by focusing on safety, simplicity, accountability, inclusion, customer satisfaction, cost management and employee development
- Achieve public policy, regulatory and legislative outcomes that balance our customers' needs for reliable energy at competitive prices with our shareholders' expectation of superior returns
- Invest in energy infrastructure that meets rising customer demands for reliable energy in an energy efficient and environmentally sound manner
- Achieve 2007 financial objectives and position the company to meet future growth targets

In conducting our business, we value:

- **Stewardship** – A commitment to health, safety, environmental responsibility and our communities
- **Integrity** – Ethically and honestly doing what we say we will do
- **Safety** – A relentless commitment to working safely and looking out for the safety of our co-workers and others with whom we do business
- **Respect for the Individual** – Embracing diversity and inclusion, enhanced by openness, sharing, trust, teamwork and involvement
- **High Performance** – Achieving superior business results, stretching our capabilities and valuing the contributions of every employee
- **Win-Win Relationships** – Having relationships which focus on the creation of value for all parties
- **Initiative** – Having the courage, creativity and discipline to lead change and shape the future

We will be successful when:

- Our investors realize a superior return on their investment over time
- Our customers, suppliers and communities benefit from our business relationships
- Every employee starts each day with a sense of purpose, and ends each day safely with a sense of accomplishment

ON THE COVER

Main Image: Path located on the Latta Plantation Nature Preserve near Charlotte, NC.
Photo courtesy of Thomas Wyche.

Inset Images: (Top to bottom)

Michelle Morris, Power Delivery Work Center Dispatcher, enters data into the line crew dispatch system.

Catawba Nuclear Station.

Avery Cockerl, Carolinas Distribution Line Technician, at a substation near the Duke Energy Little Rock Operations Center in Charlotte, NC.