



September 2, 2008

LEHMAN BROTHERS CEO ENERGY / POWER CONFERENCE

David Hauser
Group Executive and Chief Financial Officer

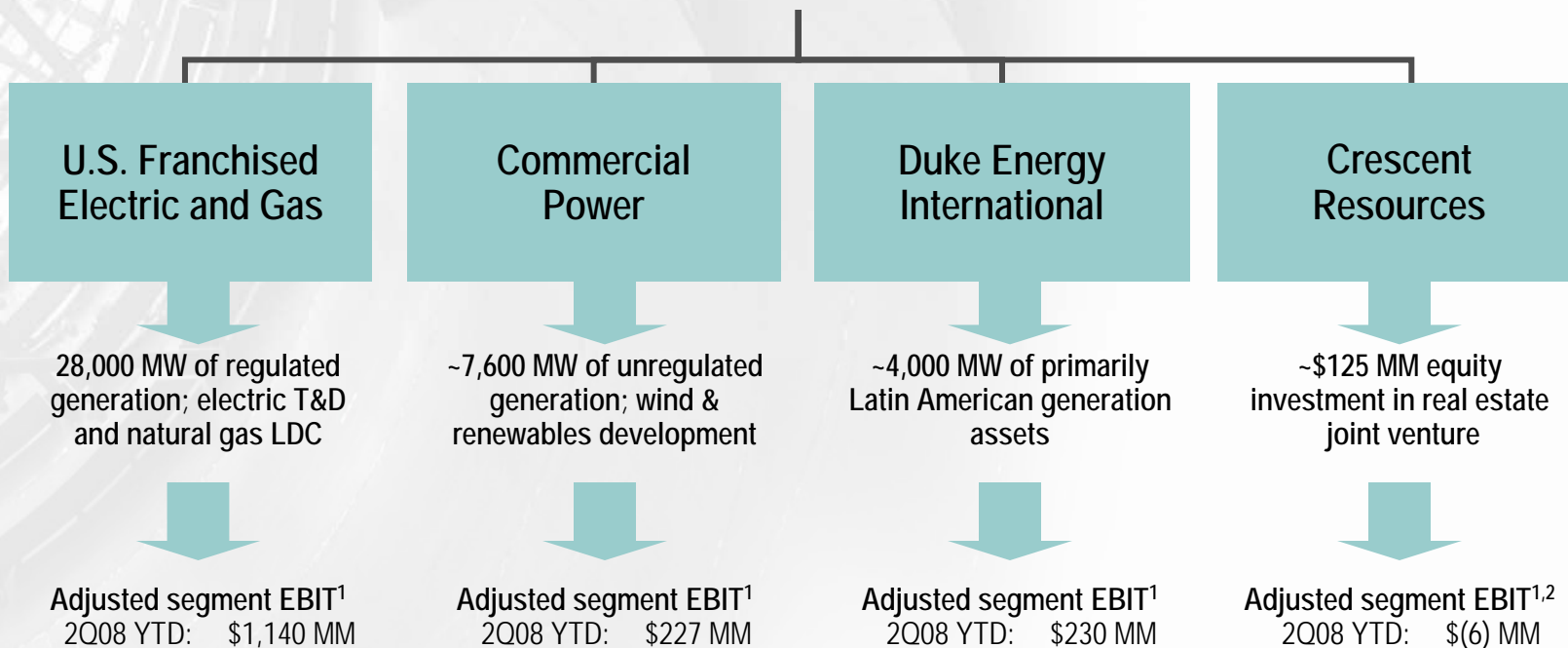
SAFE HARBOR STATEMENT

Some of the statements in this document concerning future company performance will be forward-looking within the meanings of the securities laws. Actual results may materially differ from those discussed in these forward-looking statements, and you should refer to the additional information contained in Duke Energy's 2007 Form 10-K filed with the SEC and our other SEC filings concerning factors that could cause those results to be different than contemplated in today's discussion.

REG G DISCLOSURE

In addition, today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is available on our Investor Relations website at www.duke-energy.com.

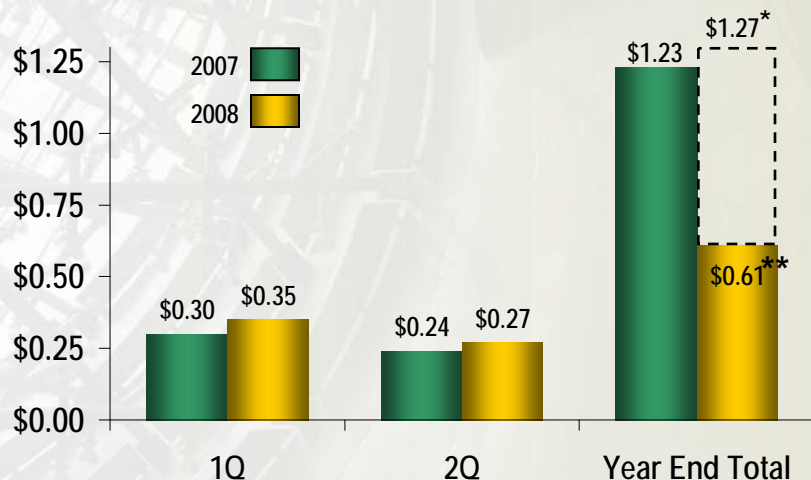
LOW-RISK BUSINESS PROFILE



(1) All references to EBIT represent adjusted segment EBIT amounts
 (2) Proportionate share of equity earnings

ADJUSTED EARNINGS AND DIVIDENDS – STEADY AND GROWING

Adjusted Diluted Earnings Per Share



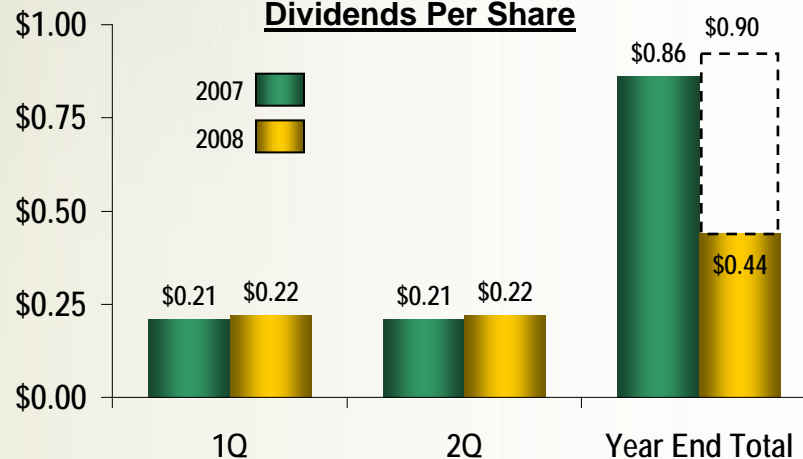
* Employee incentive target

** Quarterly amounts may not add to YTD amounts due to rounding

- Year-to-date adjusted earnings per share have been favorable compared to the same period in 2007
 - Increased from \$0.54 in 2007 to \$0.61 in 2008
- Traditionally 3Q represents Duke Energy's largest earnings quarter

- 2008 represents the 82nd consecutive year that Duke has paid quarterly cash dividends
- Recently announced dividend increase
 - From \$0.88 annual dividend per share to \$0.92
- Dividend payments are subject to Board approval

Dividends Per Share



Note: 3Q 2008 quarterly dividend of \$0.23 per share to be paid September 16, 2008

MODERNIZATION PROJECTS

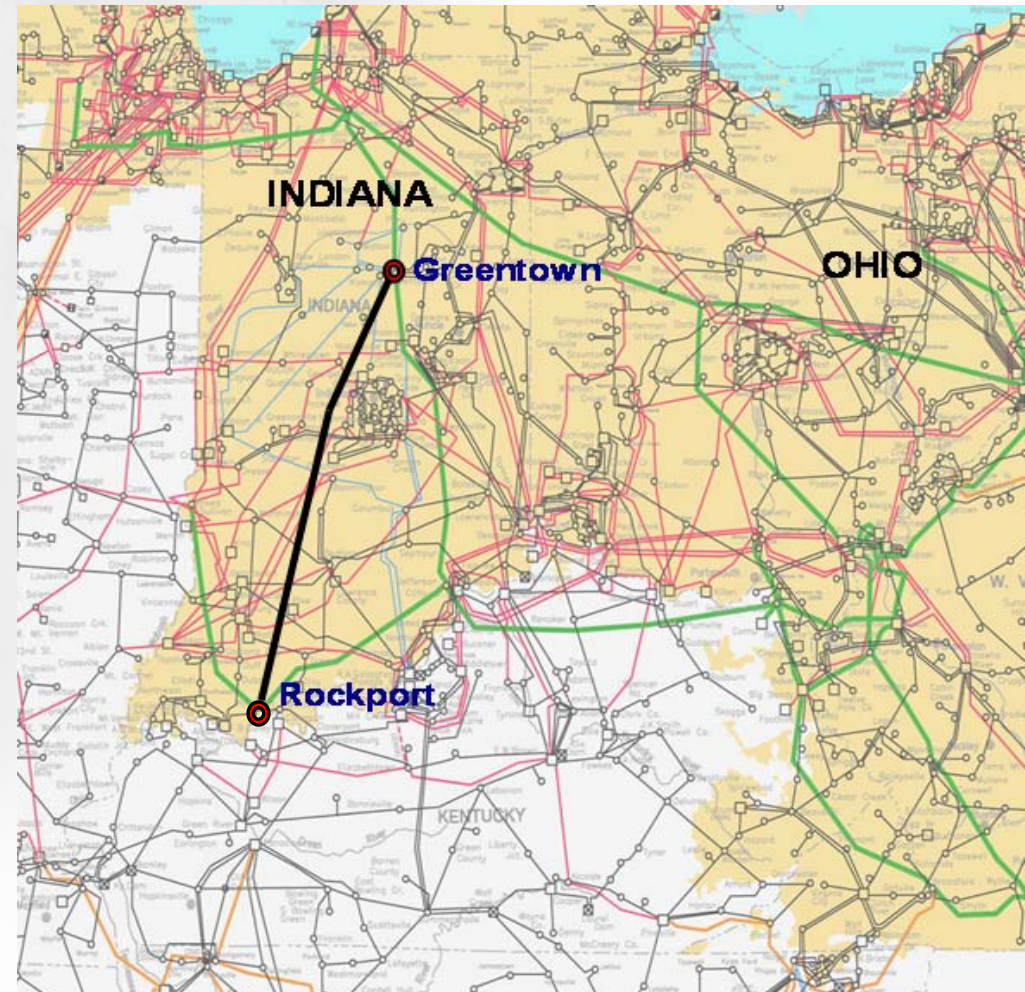
Carolinas	Fleet Modernization	Cliffside	<ul style="list-style-type: none"> ▪ Construction underway for 800MW coal-fired facility ▪ \$1.8 billion expected cost (\$2.4 billion including AFUDC) ▪ On target for 2012 completion
		N.C. gas-fired plants	<ul style="list-style-type: none"> ▪ Received approval from NCUC to build two 620 MW gas-fired CC plants <ul style="list-style-type: none"> ▪ Initial installation as CT ▪ Air permit for Buck expected in 3Q08 and Dan River expected by late 2009 ▪ 2010 and 2011 in-service dates
		Lee Nuclear	<ul style="list-style-type: none"> ▪ Two Westinghouse AP1000 reactors <ul style="list-style-type: none"> ▪ ~2,200 total MW ▪ Filed COL in December 2007 ▪ Continue to advance plans ▪ Expect to file CPCN in 4Q08 <ul style="list-style-type: none"> ▪ Cost estimates to be included with filing
		Distributed Solar PV Generation	<ul style="list-style-type: none"> ▪ Filed application in N.C. to invest \$100 million for up to 850 rooftop solar sites ▪ Total capacity of ~20 MW ▪ Will help satisfy N.C. REPS <ul style="list-style-type: none"> ▪ State requirement of 0.02% of retail sales from solar by 2010 ▪ Hearings scheduled for October 2008

MODERNIZATION PROJECTS CONT'D

Indiana	Fleet Modernization	Edwardsport IGCC	<ul style="list-style-type: none"> ▪ Construction is underway on 630 MW IGCC facility ▪ Updated cost estimate of \$2.35 billion <ul style="list-style-type: none"> ▪ 18% increase over prior estimate ▪ Awaiting IURC approval based on revised cost estimate ▪ 2012 in-service date
	Grid Modernization	Smart Grid	<ul style="list-style-type: none"> ▪ Filed proposal with IURC ▪ Five-year initiative to add more than 800,000 smart meters <ul style="list-style-type: none"> ▪ Save energy ▪ Improve system reliability and customer service ▪ Hearings in 1Q09 ▪ Expect to file similar proposals in other jurisdictions

TRANSMISSION JOINT VENTURE

- 50-50 joint venture with AEP
 - Construct, own and operate 240 mile 765-kV transmission line in Indiana
- ~\$1 billion project
- Will provide a link between:
 - North central Indiana including ~3,000 MW of potential wind development
 - and
 - Baseload generation in southwestern Indiana
- Earliest possible completion date of 2014 or 2015



REGULATORY UPDATE

Save A Watt	Key Attributes	<ul style="list-style-type: none"> ▪ Places energy efficiency on par with new generation ▪ Retains characteristics of regulatory model based on a percentage of the Company's avoided cost of new generation ▪ Pay for performance – the Company only receives payment for verified results
	Indiana	<ul style="list-style-type: none"> ▪ Reached settlement with the Office of Utility Consumer Counselor ▪ Filed settlement with the Indiana Regulatory Commission on August 15 ▪ Decision could be reached by year end
	N. C. / S.C.	<ul style="list-style-type: none"> ▪ Hearings have been held ▪ Reached settlement in S.C. ▪ Currently waiting on Commission approval
	Ohio / Kentucky	<ul style="list-style-type: none"> ▪ OH – plan included in ESP filing ▪ KY - anticipate filing later this year

REGULATORY UPDATE CONT'D

Ohio Electric Security Plan

- Filed ESP on July 31, 2008
 - Term of plan: 2009-2011
 - Rates effective 1/1/2009
 - ~6% initial increase in total annual electric revenues
 - Increased rates for higher generation costs
 - Provide compensation for dedication of generation assets
- Continues existing riders as well as proposes new riders
- Includes plans to meet new renewable energy portfolio standards in Ohio

PUCO Procedural Schedule For Duke's ESP

9/4/08	Motions to intervene to be filed
10/3/08	Intervenor testimony is due
10/7/08	Discovery requests to be served
10/10/08	PUCO Staff testimony is due
10/20/08	Evidentiary hearing

Local public hearings to be scheduled at a later date

Ohio T&D Rate Filing

- Requested \$86 million (~5%) increase
- Anticipate order in 2Q09
- New rates to be effective mid-2009

ENVIRONMENTAL PROJECTS

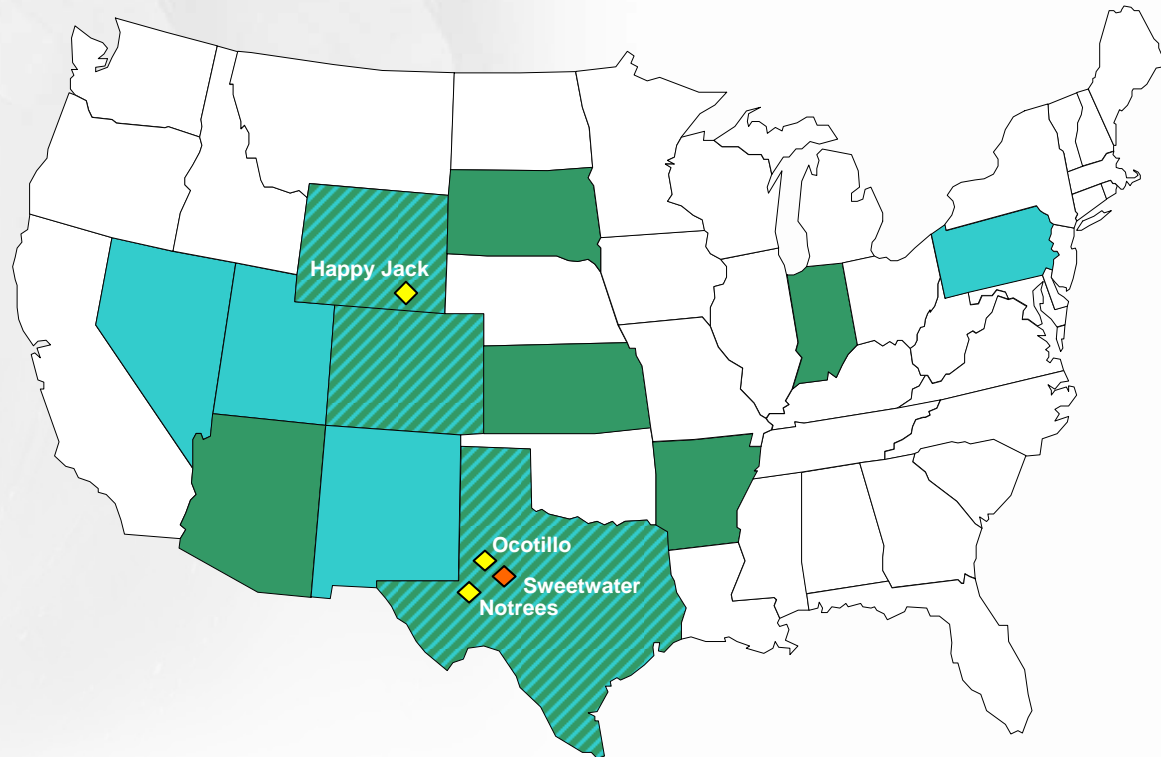
- Duke less impact by vacated Clean Air Interstate Rule (CAIR)
- ~\$5 billion environmental compliance program largely completed
- Potential for new rule to be more stringent

		Net MW	% Complete (Const.)	Est. Completion		Cost Recovery Mechanism
				SCR	FGD	
Carolinas	Allen 1-5	1,145	73% (FGD)	N/A	2009	Expended amounts above amount amortized under NCCAP will be included in rate base
	Belews Creek 1,2	2,270	100% (FGD)	In service	In service	
	Cliffside 5	562	21% (FGD)	In service	2010	
	Marshall 1,2,4	1,440	100%	N/A	In service	
	Marshall 3	670	59% (SCR)	2008	In service	
Indiana	Cayuga 1, 2	1,005	96% (FGD)	N/A	In svc / 2008	Semi-annual tracker with return of and on
	Gibson 1-5	2,845	100%	In service	In service	
Ohio	Conesville 4	312	59%	2009	2009	Annual tracker with return of and on
	Killen 2	198	100%	In service	In service	
	Miami Fort 7,8	640	100%	In service	In service	
	Stuart 1-4	912	100%	In service	In service	
	Zimmer	605	100%	In service	In service	
Kentucky	East Bend	414	100%	In service	In service	Included with rates

COMMERCIAL BUSINESS UPDATE

■ Wind generation

- Over 500 MW in operation by end of 2009
 - 240 MW currently under construction
 - 283 net MW acquired with Catamount Energy transaction
 - Expect to close 4Q08
- Over 5,000 MW development pipeline (including Catamount)



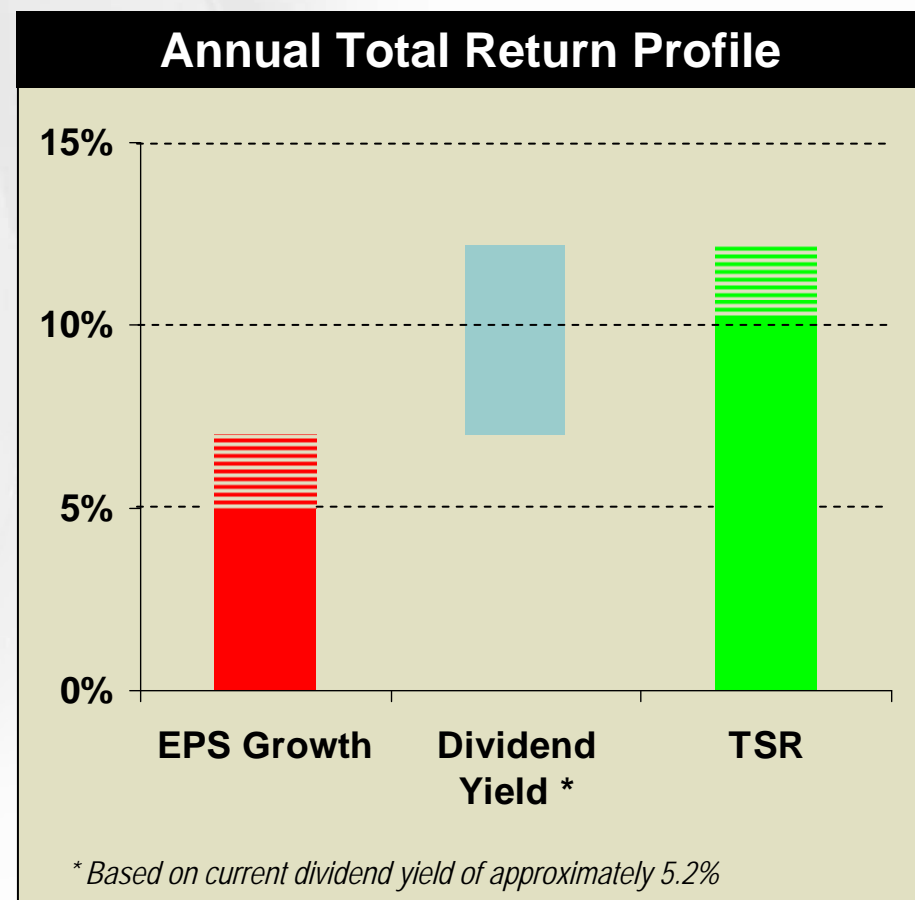
<u>Project</u>	<u>Net MW</u>	<u>In Service Date</u>
Ocotillo	59	2H 2008
Happy Jack	29	2H 2008
Notrees 1	91	2H 2008
Notrees 2	60	2H 2009
Sweetwater Phase 1-5*	283	In operation

- ◆ Wind projects currently under construction
- ◆ Catamount Energy wind assets in operation
- Location of existing wind development pipeline
- Catamount Energy wind development pipeline
- Location of both Duke and Catamount development pipeline

*Subject to closing acquisition of Catamount Energy

VALUE PROPOSITION

- Proactive regulatory strategy
- Forecast 5% to 7% CAGR in adjusted diluted EPS through 2012
- Annual dividend growth
- Strong balance sheet provides flexibility





DUKE ENERGY – SEPTEMBER 2008