Questions from Duke Energy’s 2018 Annual Meeting of Shareholders
May 3, 2018

All questions are presented verbatim as submitted (with no edits to grammar, spelling or punctuation) both prior to and during the 2018 Annual Meeting of Shareholders. Duke Energy expressly disclaims an obligation to update its responses below.

Transcript of answers to questions addressed during the Annual Meeting of Shareholders by Chairman, President and Chief Executive Officer Lynn Good

Question #1

- Why is compensation so over the top for executives while customers are getting rate increases. Their pay and benefits are outrageous while many struggle just to pay their bill.

Lynn Good:

Thank you for that question. What I’d like to do as we respond to this important topic is to provide some broad context. And then joining me today is Marie McKee, who chairs the Compensation Committee of the Board, and Marie will take the opportunity to share her perspective on the Board’s role and also on CEO pay in particular.

Compensation is an important tool for Duke Energy and for any corporation to attract and retain talent. And when I think about the world in which we operate with a lot of transformation, new technologies, new ways of doing business, it’s extraordinarily important for Duke Energy to be able to attract and retain employees and executives that enable us to move the company forward. We perform very rigorous analysis of compensation, benchmarking to peers in the industry but beyond that also benchmarking to market at large, particularly for skills that are in demand.

And as I think about the executives, the team that works closely with me, with that compensation come great expectations. And by great expectations I mean expectations around delivering performance, safety, reliability of our assets, satisfying our customers, delivering on our commitments whether earnings or dividends, stock price, and in this environment where strategy is so important, looking ahead and preparing Duke Energy for the future. If we fail to meet these objectives, it’s reflected directly in compensation. If we do meet the objectives or exceed them, there’s success not only for shareholders but for customers because we’re delivering a reliable and affordable product.

And so as I draw some of my comments to a close, it’s an honor to lead Duke Energy. I take this responsibility very seriously … 28,000 employees, assets around the U.S. I feel the weight of this responsibility, and it’s my commitment to continue to drive performance and achieve these objectives to strengthen Duke Energy for the future, always be accountable to customers, to shareholders, our employees who are developing careers here, and the communities who are counting on us.

I’d like at this point to turn it to Marie, who chairs our Compensation Committee, so she can speak directly to CEO comp and to the Board’s perspective. So, Marie, let me turn it to you.
Marie McKee:

Thank you, Lynn. The Compensation Committee is made up of independent Board members of Duke Energy’s Board. The Board believes it is essential that Lynn be compensated fairly as compared to peer CEOs. We worked with independent compensation consultants to design a market-based pay program.

Lynn’s leadership is instrumental in the evolution of Duke Energy. She’s led the development of our strategy, she’s restructured our portfolio of businesses and she’s improved returns and reduced risk for Duke. Lynn’s leadership is critical as we advance the vision and the execution of our strategy.

When Lynn became CEO in 2013, her compensation was set significantly below market. Now, why did we do this? Because Lynn was a first-time CEO and because our Board takes a conservative approach to compensation. This decision, however, created a major gap between Lynn’s pay and relative CEOs. We have increased her pay over several years based on her performance and Duke results.

Lynn’s 2017 compensation is not representative of a typical year. It included a one-time performance-based retention stock grant. The Board wanted to send Lynn a clear message that we wanted to retain and reward Lynn but based on the company’s strong performance. This grant is not a part of our regular program. This grant has not yet been paid. This grant will only be paid if the performance goals are met after a three-year period of time.

Approximately 90 percent of Lynn’s pay is at risk, meaning it is tied to the performance of Duke Energy’s stock price. That means that pay for stock awards can differ from the target amount that is reported in the proxy. Again, why is that? Because that amount is paid later than when it’s reported and based on the actual company performance.

We recognize that Lynn is well paid and that this is a very important issue. And it is vital that she is compensated well as compared to her peers. The actual amount Lynn receives is tied to the company’s success and the shareholders’ success. Thank you for allowing me to speak with you today about this very important topic.

Question #2

- Other than keeping shareholders in the dark, why did you discontinue the physical meeting, and the distribution of the annual report. I feel that I am not being properly informed.

Lynn Good:

I appreciate that question and certainly the intent is to do nothing but continue to expand on transparency to our shareholders. And I recognize the change. This is a change and so adaptation to change is going to be part of that. But as you mentioned, as we debriefed on last year’s meeting, we had twice the attendance we typically have at annual meetings, and also because of the format and the follow-up on questions where we had a chance to answer every question and post that to our website, we actually got to several times more the number of questions than shareholders were able to enjoy in a face-to-face meeting.
Our commitment is to continue to energize this format in a way that meets shareholders’ needs, and I would strongly encourage shareholders to visit our website frequently. There is a lot of good information directed at keeping you informed so that you’re always informed about what’s going on: Quarterly reports are there, annual reports are there, the 10-K is there and special interest stories where you might find our work in Puerto Rico, for example, with the recent hurricane results.

And so as you embrace this digital format, I think you’ll find a wealth of information, and our intent is to keep that fresh and new so that you always know what’s going on at Duke Energy.

Question #3

• Why are only 2 women up for election. Surly there are more than 2 women qualified to be considered for election. As a 70 year old woman I find this dismissive of women in general who probably make up 50% of your customer base.

Lynn Good:

Diversity is a topic that’s near and dear to my heart, and I believe diversity makes Duke Energy stronger, whether it’s at the Board level, it’s in my senior executive ranks, or really throughout the company. And we are always on a journey to continue to add diversity. And I think about some of the comments I made a moment ago around transformation and the strategies of the company. I’m even a more firm believer that we need diverse thoughts in a period of transformation so that we have the voices around the table helping us get to the best solutions.

Today across gender and ethnicity, we have 30 percent of our Board that is diverse. Women, as you said, Marie and I represent the women on the Board, and my commitment to shareholders and also to the broader stakeholders of Duke Energy is that we will continue to strive to add diverse talent, not only to our Board but to our executives, keeping in mind that we’re also focused on the right skills, we’re focused on people and availability to spend the time necessary to really devote to our company.

And we do have some requirements around geography with our Board that we also are very attuned to and so we will continue to work to adding diversity both to our Board and to our executive team. But I just want to leave you with that commitment because it is extraordinarily important to Duke.

Question #4

• Invest more in Alternative Energies, not oil, gas, coal. Too much old guard thinking at DUKE, but its NOT 1950 anymore! Duke and Wells Fargo need to be public-transparent with lobbyist activities and their expenditure as are those serving the interest of public sector corporations.

Lynn Good:

I’ll take lobbying first and disclosure, and then I will get to renewables.

We take our responsibility around being involved in the political process very seriously. And as we have heard from shareholders on this important topic, the feedback that we’ve received is
that shareholders want more information on how we govern those expenditures, who approves them, what is the Board’s role and also expanded disclosure.

We took a very deliberate and intentional approach toward this, and continue to refine it, a couple of years ago, where you will find on our website our governance policy, how we approve expenditures at management level and at the Duke Board level. And we also included disclosure on our federal and state lobbying, corporate contributions, Duke PAC … so you’ll find a wealth of information.

And our commitment is, we’ll continue to provide the appropriate oversight that our shareholders expect on this important issue, and we’ll continue to stay involved in the political process because we think that’s important for corporations and for citizens. And so you can expect to continue to see us in that way as well.

Question #5

- **I believe Duke should abandon the pursuit of natural gas, and turn attention and resources instead to the growing industries of solar and wind. Where does the Board stand on that?**

Lynn Good:

Renewable energy represents an increasingly important part of the Duke portfolio, and I want to spend a minute on this because I believe Duke’s track record around renewables is very strong. I think catching shareholders up on the commitment that we have already demonstrated to renewable investment as well as where we’re going is important for people to understand. We have invested $6 billion in renewable energy and have another $3 billion forecast over the next five years.

We operate 20 wind farms around the U.S. We have 60 solar farms. North Carolina is second in the U.S. in solar. South Carolina in 2017 moved to the top 10 of solar being added in South Carolina. We’ve announced 700 megawatts in Florida. And so the progress around adding renewable generation has been extraordinary. And today Duke Energy is in the top 5 utilities in the U.S. in terms of the number of renewables that we have in our portfolio.

I think the investment has been very strong and very aggressive but I also think it’s important to understand that our responsibilities go beyond just investment in a technology. Our responsibility is providing reliable, affordable energy 24 hours a day, seven days a week and in all seasons. And given the technologies that exist today, we need a diverse portfolio to accomplish that. We surround those renewables with natural gas, with nuclear, with hydro power, we have customers involved in energy efficiency. We have demand-side management programs and we continue to operate coal plants in many of our states. And that diverse portfolio is what makes it possible for us to provide the reliability that customers count on.

Natural gas has been really important for Duke. As I think about the 30 percent reduction in carbon, that has largely been the result of adding clean natural gas and retiring coal. As we go forward, we’ll continue to keep our eye on carbon emissions, we’ll continue to add renewables, but we will also keep our eye on diversity of mix so that our customers can count on affordable and reliable energy.
Question #6

- Why can't the coal ash (all of it) be shipped back to the place where it came from?

Lynn Good:

I wish resolution of a decadeslong storage issue was a quick answer or an easy solution, but what I will say to you is we have committed to closing our basins in an environmentally responsible way, based on science and engineering, to keep the environment safe but also our customers safe. And that will include excavation, some excavation of the ash. It also includes beneficiation, which is a fancy word for recycling, primarily for the concrete industry. And we will also close them in a safe way on-site. We’re using off-site landfills as well.

And so it's a comprehensive program that will play out in the next 10 to 15 years consistent with the standards that have been established in our states and by the EPA to ensure that we do so in a safe way. Our commitment is to continue to operate our plants safely and also to complete our storage of ash in a way that’s safe for the environment and for our customers and communities.

Question #7

- Why do you 14 directors? 11 would be plenty.

Lynn Good:

Fourteen directors, 11 would be plenty. You know, it's a good question but I think we should step back for a moment and think about the role of a Board for an industry as complex as Duke Energy’s. Duke is the largest operator of nuclear, regulated nuclear, in the U.S. We have a committee that includes nuclear experts that are specifically focused on ensuring the safe and sustainable operations of nuclear.

We also have a regulatory policy committee that focuses on the rest of the operation of the company and also on the jurisdictions in which we serve. We have traditional compensation. We have a governance committee. We have an audit committee. We have a finance committee because of the amount of capital that our company spends. On an annual basis, Duke Energy is spending between $8 billion and $10 billion dollars of capital. That capital is governed by our finance committee to ensure that it’s being deployed in the right way.

If you look at the scope and complexity of those operations and the fiduciary responsibilities that sit within those committees, I find that 14 is a reasonable number to make sure we have the right mix of skills across our complex business. We continue to focus on skills within our Board and refreshment and evaluation of the way we govern, and that will continue. But I’m very comfortable with the number of directors we have today.

Question #8

- What changes are you making to come inline with the METOO movement?

Lynn Good:
We have taken the MeToo movement and some of the disclosures that have come out very seriously at Duke Energy. We strive to have a culture and an environment for employees where people feel safe and comfortable so that they can give their best work to the company. And as the MeToo movement unfolded, we took a pause at Duke to evaluate our policies, our procedures, our reporting, and I’m pleased to say that we found appropriate policies and appropriate actions being taken if warranted. And really not only reviewed this at the management level but we also reviewed it at the Board level because it’s an important topic for our company.

On something like this, you always remain vigilant. We will continue to ensure that our culture provides the atmosphere for people to feel comfortable reporting and to create that culture of safety and comfort throughout Duke Energy. The work continues but I’m pleased with where we are.

Question #9

- **While the advisory board is being authorized to consider compensation for Corporate Executives, it should also consider an increase in retiree compensation. With inflation and continued rising medical premiums, retirees have not received an increase in years. Why not consider increasing retirees compensation?**

Lynn Good:

I appreciate that question and really want to start by thanking the retirees that have been so important to Duke Energy, not only to position us with where we are today but they continue to be active in the community, representing our company well and involved in so many activities that are important.

I recognize that the pension benefits that we provide have not adjusted for inflation. That is consistent with our practice and with many corporations, most in fact, but that pension is not intended to be the only part of retirement income – 401(k) investments, personal investments, Social Security. We target to replace 70 percent or more of a working wage for our retirees and strongly encourage planning because we want nothing more than our retirees to achieve their goals.

When I’m with the retirees, one of the most frequent questions is the one you raised on – what about the dividend? Keep the dividend coming. And, of course, our commitment is to continue dividend growth in a way that our shareholders expect. I want to thank retirees for their work. They’re an important part of the Duke community. And we’ll look for ways we can continue to support their efforts as we go forward.

Question #10

- **If the city of Charlotte gets the GOP Convention will Duke Energy be picking up the tab for unpaid bills like they did for the Democrat Convention? Why did the stockholders have to pick up the bill???? I know the GOP pays their bills.....and the DEMs are deadbeats.....but that is beside the point.**

Lynn Good:
A national convention, yes. And Charlotte is in the running, as are other cities, I believe, for the Republican National Convention in 2020. And Duke Energy is a part of a bipartisan group of corporate leaders and companies in the city really working to see if we can position the city to be a success to host the convention.

The whole objective is to showcase Charlotte. The whole objective is to showcase North Carolina and to drive economic development. We will contribute in a manner consistent with other corporate partners. It'll be structured differently than it was in 2012, but we look at this as a way to probably recommend our state and our city in a way that we believe will benefit Charlotte and North Carolina. So we're anxious to see where this comes out and I guess we'll know soon.

Question #11
• Growing evidence points to serious consequences from excessive outdoor lighting. What is Duke doing to lower the light level to the night environment, especially to street lighting and to the blue part of the spectrum?

Lynn Good:

Outdoor lighting, as it comes to my mind, we’re working with a lot of communities and municipalities on kind of a smart city approach, which typically includes converting outdoor lighting to LED and putting sensors on the lights and even safety techniques with cameras and other things so that we’re lighting the night in a way that communities want.

I think there are more technologies available today to address some of the concerns that the shareholder is raising and I would encourage conversations with your municipality. That’s where we’re engaged in the conversation so we can be a part of achieving what those communities want to achieve.

Question #12
• Is our dividend relatively with the rising interest rates? Will it remain the same? Why is our stock price down? Thanks

Lynn Good:

I think there are a couple of questions in that one, and the first thing I’d like to acknowledge is that it’s been a rising interest rate environment. Dividend paying stocks are typically impacted. So when investors have an alternative called a corporate bond or a treasury note that earns the higher yield, it typically has a downward pressure on dividend paying stocks. And we’ve seen some of that late ’17 into early ’18.

We can't control interest rates at Duke Energy, but what we can control is our dividend and positioning our company to be successful in all environments. So you can count on Duke to continue to grow the dividend, growing it within the pace of earnings growth, 4 to 6 percent. And, we have a demonstrated track record of the dividend, 92 consecutive years of paying our dividend. We understand how important it is to our investors and how important it is to our value proposition.
With the combination of a dividend – a growing dividend, earnings growth at 4 to 6 percent, we’re really targeting a stock with an 8 to 10 percent total shareholder return. And that is our commitment to shareholders.
Answers to questions not asked during the Annual Meeting of Shareholders

Question #13

- The financial performance of Duke Energy reflected on page 29 of the annual report shows under performance to the Philadelphia utility index as well as the S&P 500, yet the compensation for Ms. Good shows extraordinary growth over this period. Net of excuses, clearly this is not pay for performance. Please try to justify her executive compensation in performance and magnitude.

Answer:

Approximately 90 percent of Ms. Good's target compensation is stock and/or performance-based, or "at risk." The payments she actually receives under the incentive plans, therefore, are based on how well Duke Energy performs. She could receive more or less than the value of her stock grants that is reported in the proxy statement, depending on Duke Energy’s performance compared to pre-established goals.

For example, the payout of performance shares granted with respect to the three most recently completed performance cycles under our long-term incentive plan were based exclusively on our relative total shareholder return ("TSR") performance as compared to the other companies in the Philadelphia Utility Index. Although stock awards granted under these three cycles were disclosed in our proxy statements assuming that the “target” performance level would be achieved, these performance shares eventually paid out well below the target level, consistent with our relative TSR performance for these three performance cycles. In particular, the payout percentages were 53 percent of the target level for the 2015-2017 cycle, zero percent of the target level for the 2014-2016 cycle, and 63 percent of the target level for the 2013-2015 cycle. As a result, the compensation actually received under these awards was directly linked to our relative TSR results.

Question #14

- Why should anyone consider the compensation practices approved by the board to be anything but unjust to customers, shareholders and employees, embarrassing to Duke Energy in general and wholly immoral. The board and the Company's other leaders should set a better example than this demonstration of over extravagance. NO individual is worth such compensation. And such compensation is not warranted if the benefactor is truly loyal to the organization. How can such compensation even be considered and in the same moment rate increases requested, and funding for needs within the company reduced? The board should enact a compensation formula which stipulates that the compensation for the highest paid individual cannot exceed 50 times the compensation for the lowest paid, full-time individual. Surely our company leaders can scrape by on that amount. I appeal to a common decency and sense of fairness of management, which I trust still exists, but is woefully unapparent at this moment

Answer:

Please see response to question #1.
Question #15

- Where do I get the officer compensation info? and other questions 4 and 5?

Answer:


Question #16

- Why vote against this: Shareholder proposal regarding providing an annual report on Duke Energy's lobbying expenses

Answer:

Please see response to question #4.

Question #17

- We the increase in inflation, as well as medical care cost increase, the Board of Directors would consider an increase in compensation for the Retirees.

Answer:

Please see response to question #9.

Question #18

- Why is the board against Proposal #5. This does not seem to be an outrageous proposal. As a shareholder I usually vote the way the board recommends. I am a little concerned when the boards does not want the shareholders to know about lobbying.

Answer:

Please see response to question #4.

Question #19

- Why do you need 14 directors?? 11 directors would be plenty. Director cash pay should not be over 100,000 per year. Stock should not be over 120,000 per year.

Answer:

Please see response to question #7.

Our non-employee director compensation program is designed to pay our directors at "market" levels, so that we can attract and retain highly qualified directors and align their interests with those of our shareholders. When recommending director pay levels, the Compensation
Committee considers the significant amount of time expended, and the skill level required, by each non-employee director in fulfilling his or her duties on the Board and each director's role and involvement on the Board and its committees. It also hires an independent consultant, who engages in a rigorous process to compare our director compensation program with our peers and to confirm that director pay levels are reasonable, competitive and consistent with market practices.

**Question #20**

- **Why does the CEO deserve a 6-figure pay increase when the budget for tree trimming was reduced in Pinellas County?** Too many outages during even normal weather conditions.

**Answer:**

Duke Energy maintains a competitive, market-based compensation structure for every job at every level, including the CEO position, to ensure attraction and retention of top talent.

Duke Energy continues to upgrade and harden our equipment to improve reliability and grid resilience in Pinellas County and throughout our Florida Service area. Annual spending on tree trimming varies year to year, but in the last three years, the company has spent $95 million in tree trimming across Florida, with 30 percent focused just in Pinellas County.

We know our customers depend on us for reliable power, and that’s why we’re investing $45 million over the next four years in Pinellas County in grid automation and self-healing technologies that will improve reliability by automatically reconfiguring the grid during an outage.

In addition, we plan to invest approximately $29 million through 2021 to underground approximately 48 miles of our overhead lines across Pinellas County, reducing the number of vegetation-related outages.

Overall, we expect our plan to improve reliability for our customers by 20 percent.

**Question #21**

- **Should employee compensation increase be the same percentage as the executive compensation increase?** If the executive committee gets an increase, the employees and retirees should get the same percentage raise.

**Answer:**

Please see responses to questions #1 and #9.

**Question #22**

- **On Duke Energy the choices on Question one. Vote individually--does not work, Why? Thank you.**

**Answer:**

Shareholder was contacted before meeting regarding this issue.
Question #23

- Does Ms. Good really believe she is worth the compensation she is paid?

Answer:

Please see response to question #1.

Question #24

- Would like to see compensation package

Answer:


Question #25

- Are there considerations to give a COLA increase to retirees? Since 2008 inflation has increased by more than 14 per cent according to NCRGEA Raleigh. Retirees were an integral part of the success of Duke Energy- Progress Energy in making the great company it is today.

Answer:

Please see response to question #9.

Question #26

- Is there a proposal for a dividend increase?

Answer:

Please see response to question #12.

Question #27

- What actions will the Board commit to in order to increase the Board's diversity in terms of gender and race in next year's slate of candidates?

Answer:

Please see response to question #3.

Question #28

What are you going to do about the environment?

Answer:
Please see responses to questions #5 and #6.

Question #29

- Why is the picture quality not HD for this telecast? Why is the audio of low quality? I am using a 2018 Apple iMac 20" with all the bells and whistles.

Answer:

The Annual Meeting was broadcast in high definition. Video or audio quality may have differed based on the viewer’s computer and internet connection speed. A high-definition replay of the meeting is available on our website at [http://duke-energy.com/our-company/investors/financial-news](http://duke-energy.com/our-company/investors/financial-news) under “05/03/2018 - 2018 Annual Meeting of Shareholders.”

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management’s beliefs and assumptions and can often be identified by terms and phrases that include “anticipate,” “believe,” “intend,” “estimate,” “expect,” “continue,” “should,” “could,” “may,” “plan,” “project,” “predict,” “will,” “potential,” “forecast,” “target,” “guidance,” “outlook” or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include but are not limited to state, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices; the extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate; the ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process; the costs of decommissioning Crystal River Unit 3 and other nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process; costs and effects of legal and administrative proceedings, settlements, investigations and claims; industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies; federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service
territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs; advancements in technology; additional competition in electric and natural gas markets and continued industry consolidation; the influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change; the ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources; the ability to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business; operational interruptions to our natural gas distribution and transmission activities; the availability of adequate interstate pipeline transportation capacity and natural gas supply; the impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches and other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences; the inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers; the timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets; the results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions; credit ratings of the Duke Energy Registrants may be different from what is expected; declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds; construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all; changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants; the ability to control operation and maintenance costs; the level of creditworthiness of counterparties to transactions; employee workforce factors, including the potential inability to attract and retain key personnel; the ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent); the performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities; the effect of accounting pronouncements issued periodically by accounting standard-setting bodies; the impact of new U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings; the impacts from potential impairments of goodwill or equity method investment carrying values; the ability to successfully complete future merger, acquisition or divestiture plans; and the ability to implement our business strategy. Additional risks and uncertainties are identified and discussed in the Duke Energy Registrants' reports filed with the SEC and available at the SEC's website at www.sec.gov. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different
extent or at a different time than described. Forward-looking statements speak only as of the
date they are made and the Duke Energy Registrants expressly disclaim an obligation to
publicly update or revise any forward-looking statements, whether as a result of new
information, future events or otherwise.