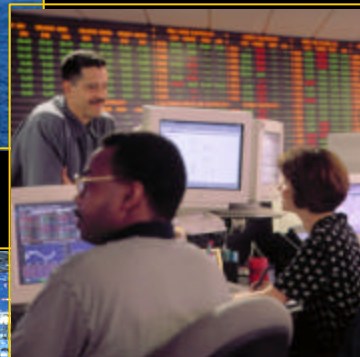




Monthly Chat

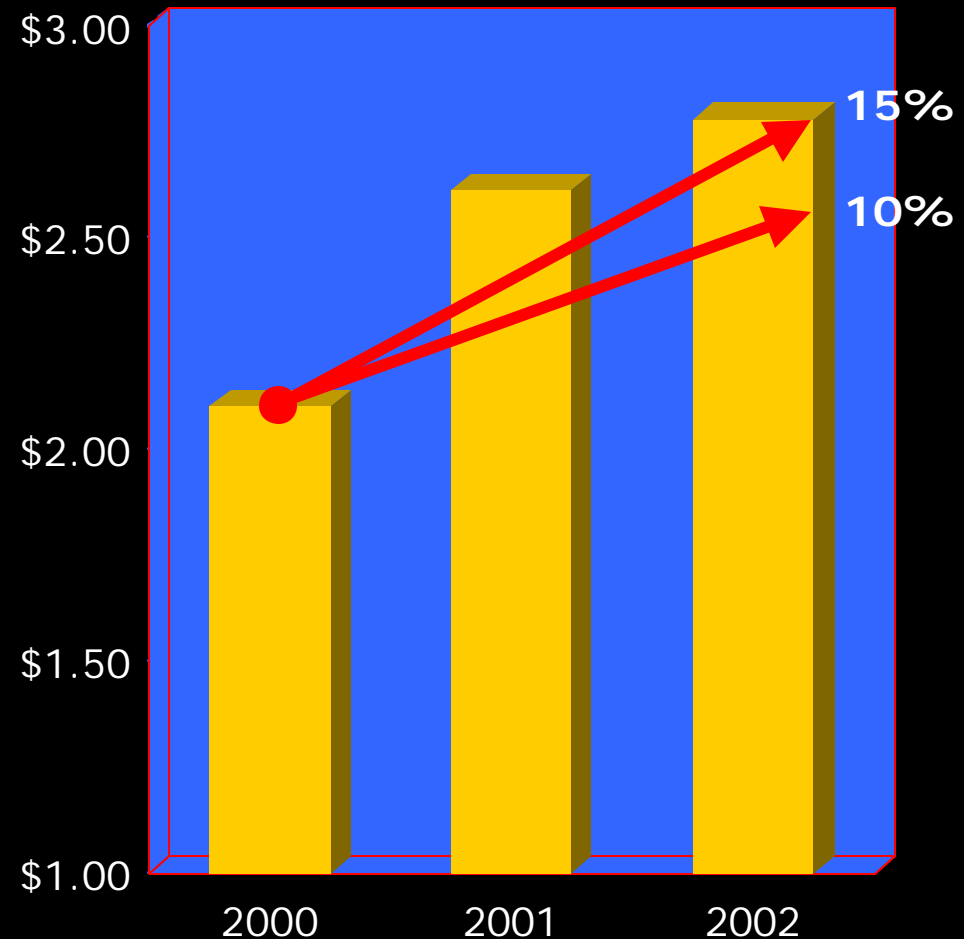
Robert Brace
Executive Vice President and
Chief Financial Officer

March 27, 2002

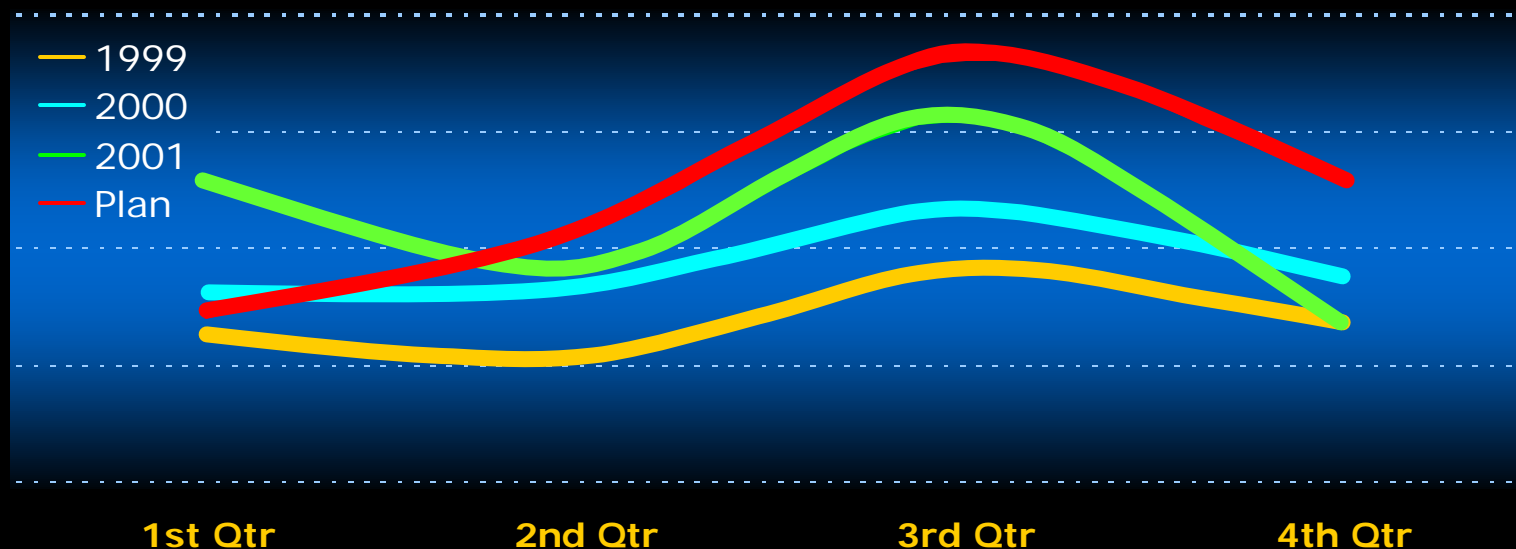


Earnings Guidance for 2002

- † Guidance for the year remains toward the high end of the 10 – 15% range for 2002
- † Duke Energy is currently on plan to meet this goal for the year



Seasonality of Earnings



- † Duke Energy's earnings stream is seasonal by nature, with the strongest quarter being the third quarter
- † First quarter comparisons will be difficult
 - † Unusually high commodity prices and volatility in 1Q01
 - † Mild weather in the Carolinas in 1Q02
 - † Earnings from Westcoast for the month of March 2002

EBIT Guidance

	Projected Average Annual EBIT Growth
Energy Services	30 - 40%
Duke Ventures	20 - 30%
Field Services	5 - 15%
Gas Transmission	7 - 9%*
Franchised Electric	3 - 4%

* Gas Transmission's EBIT target increased from 5 – 7% to 7 – 9% with the closing of the Westcoast acquisition in March 2002.

Expansion into Canada

Duke Energy / Westcoast Energy Combined Gas Transmission System

Strategic Benefits

Extends North American integrated network of energy businesses

Connects key supply sources and markets

Adds storage and transportation assets at a growing Eastern supply hub

Provides significant opportunities to leverage Duke Energy's merchant expertise



Corporate-Wide Daily Earnings at Risk (DER)



- † Daily Earnings at Risk: Favorable or unfavorable impact of one day's price movement on the existing portfolio
 - † 2001 Average DER: \$21 million
 - † Includes \$5 million contract-specific DER for an origination contract initiated and hedged during the year
 - † 2000 Average DER: \$18 million

Valuation Measures

- † NAWE Portfolio Valuation

- † Mark-to-market: \$1.1 billion

- † Accrual: \$6.4 billion

- † Realization Period (cumulative %)

	Mark-to-Market	Accrual
2002	33%	13%
2003	48%	26%
2004	61%	39%

- † Gross Unrealized Mark-to-Market Margin (Duke Energy)

- † 2001: \$619 million 2000: \$139 million

- † Capacity Hedged of Merchant Generation

- † 2002: 91% 2003: 62% 2004: 62%



Q&A

