



2009 Duke Energy Retail Energy Services Business Plan

Capitalizing on a rapidly evolving environment

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Current Environment

- Political push for “green” energy
- New business model for energy efficiency (save-a-watt)
- Technology investment in SmartGrid
- Money to stimulate a staggering economy
- Customer demand for energy solutions



Voice Of Customers

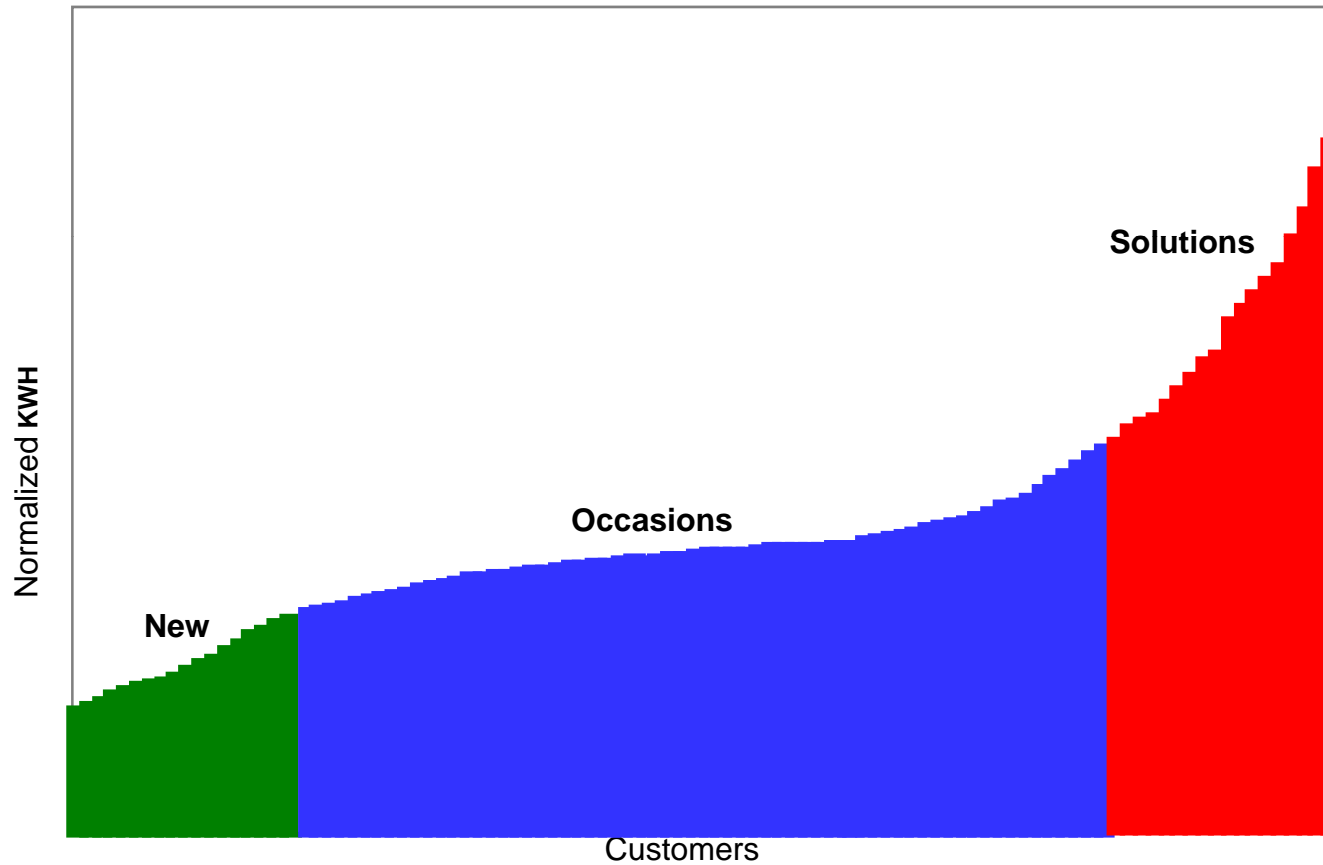


60+ focus groups; 30+ C&I interviews; Dozens of customer offer discrete choice/conjoint studies; Continual customer satisfaction analysis

- Expressing growing interest and concern about rising energy prices, economic stress, climate change, and national energy security
- Large Business emerging focus on sustainability and carbon
- Mass Market managing energy is not a priority
- Will respond to compelling energy related offers that:
 - Do not compromise lifestyle or productivity
 - Require minimal investment, provide a quick and material pay-off
 - Deliver a hassle-free, positive experience
- There is an *emerging, unfilled demand* for an energy services provider who can deliver proactive, simple, affordable and tailored offers



Proactive, tailored energy services offers



Catching the Wave

- **Wave I: Leverage Traditional Programs**

- Equipment Incentives, demand response credits
- Aggressive channel strategy



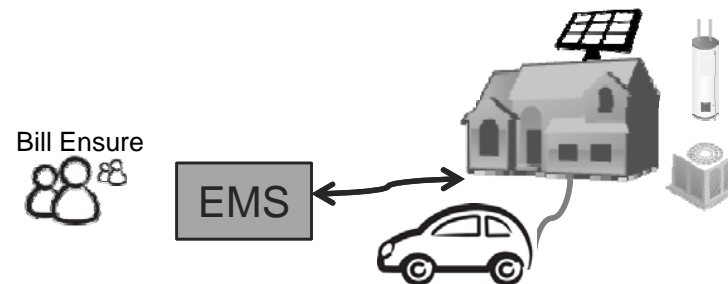
- **Wave II: Comprehensive Solutions**

- Home Performance with Energy Star
- Customer Solutions
- New Construction



- **Wave III: SmartGrid Enabled**

- Home & Away
- Prices to Devices
- Integrated Energy Management and Renewable Systems



Jenna



Cecelia



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Questions