Shared Questions

How many bargaining unit employees does each company have?

Progress Energy has approximately 2,000 bargaining unit employees, including craft employees represented by the IBEW in various job classifications in Florida. Duke Energy has approximately 4,500 bargaining unit employees, the majority of these employees being represented by the IBEW, USW and the UWUA. These employees work in a variety of functions including certain craft, technical and clerical job classifications in the Midwest and the Carolinas. The companies are working together to become more familiar with the parties’ relationships and current collective bargaining agreements with these unions.

If your job is eliminated (e.g., due to job relocation) and you leave the company, will you be eligible for unemployment?

Eligibility for unemployment benefits is determined by the Employment Security Commission (ESC) in each state. To determine your eligibility for benefits, contact the ESC office in your state.

Progress Energy Questions

Can you explain what is meant by the following phrase: “leveraging of operational and customer service best practices to help manage our costs and increase our service level to customers?”

What this phrase means is that the new, combined company will be based on implementing existing best practices from both companies – as well as introducing new ways of doing business to operate safer, faster, better and cheaper. For example, by jointly operating and managing the Carolinas utilities’ power plant systems, and through lower fuel costs, the merger will create an estimated savings of approximately $700 million in the Carolinas over the first five years after the merger is completed. These changes will help manage the company’s costs, but also will result in direct savings to Carolinas customers beginning in 2012.

Currently, we are in the analysis phase of the integration planning process. The integration teams are identifying similarities and differences, as well as best practices. No decisions have been made at this time on specific practices to adopt for the combined company.

Is online job searching at work on your lunch hour a Code of Ethics violation? What about receiving emails on your work email from potential employers?

The incidental use of the Internet and company email for private purposes is permitted. However, employees have a responsibility to remain engaged in their jobs and the use of these resources should
not interfere with your work responsibilities. Employees are reminded that there is no expectation of privacy when using company-provided Internet or email, and if they wish to guarantee privacy in their job searching, they should search after business hours from personal devices. View the Code of Ethics SharePoint site for additional guidance.

Please keep in mind that no decisions have been made regarding jobs in the new company. We will communicate as soon as possible this fall when organizational decisions begin to occur.

In the meantime, we encourage everyone to focus on what they can control, especially the need to work safely every day.

Cautionary Statements Regarding Forward-Looking Information

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by words or phrases such as “may,” “will,” “should,” “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “target,” “forecast,” and other words and terms of similar meaning. Forward-looking statements involve estimates, expectations, projections, goals, forecasts, assumptions, risks and uncertainties. Progress Energy cautions readers that any forward-looking statement is not a guarantee of future performance and that actual results could differ materially from those contained in the forward-looking statement. Such forward-looking statements include, but are not limited to, statements about the benefits of the proposed merger involving Duke Energy and Progress Energy, including future financial and operating results, Progress Energy’s or Duke Energy’s plans, objectives, expectations and intentions, the expected timing of completion of the transaction, and other statements that are not historical facts.

Important factors that could cause actual results to differ materially from those indicated by such forward-looking statements include risks and uncertainties relating to: the ability to obtain the requisite Duke Energy and Progress Energy shareholder approvals; the risk that Progress Energy or Duke Energy may be unable to obtain governmental and regulatory approvals required for the merger, or required governmental and regulatory approvals may delay the merger or result in the imposition of conditions that could cause the parties to abandon the merger; the risk that a condition to closing of the merger may not be satisfied; the timing to consummate the proposed merger; the risk that the businesses will not be integrated successfully; the risk that the cost savings and any other synergies from the transaction may not be fully realized or may take longer to realize than expected; disruption from the transaction making it more difficult to maintain relationships with customers, employees or suppliers; the diversion of management time on merger-related issues; general worldwide economic conditions and related uncertainties; the effect of changes in governmental regulations; and other factors we discuss or refer to in the “Risk Factors” section of our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (SEC). These risks, as well as other risks associated with the merger, are more fully discussed in the preliminary joint proxy statement/prospectus that is included in the Registration Statement on Form S-4 that was filed by Duke Energy with the SEC on March 17, 2011 in connection with the merger. Additional risks and uncertainties are identified and discussed in Progress Energy’s and Duke Energy’s reports filed with the SEC and available at the SEC’s website at www.sec.gov. Each forward-looking statement speaks only as of the date of the particular statement and neither Progress Energy nor Duke Energy undertakes any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.
Additional Information and Where to Find It

This document does not constitute an offer to sell or the solicitation of an offer to buy any securities, or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. In connection with the proposed merger between Duke Energy and Progress Energy, on March 17, 2011, Duke Energy filed with the SEC a Registration Statement on Form S-4 that included a preliminary joint proxy statement of Duke Energy and Progress Energy that also constitutes a preliminary prospectus of Duke Energy. These materials are not yet final and may be amended. Duke Energy and Progress Energy will deliver the definitive joint proxy statement/prospectus to their respective shareholders. Duke Energy and Progress Energy urge investors and shareholders to read the preliminary joint proxy statement/prospectus regarding the proposed merger and the definitive joint proxy statement/prospectus, when it becomes available, as well as other documents filed with the SEC, because they contain or will contain important information. You may obtain copies of all documents filed with the SEC regarding this transaction, free of charge, at the SEC's website (www.sec.gov). You may also obtain these documents, free of charge, from Duke Energy’s website (www.duke-energy.com) under the heading “Investors” and then under the heading “Financials/SEC Filings.” You may also obtain these documents, free of charge, from Progress Energy’s website (www.progress-energy.com) under the tab “Investors” and then under the heading “SEC Filings.”

Participants in the Merger Solicitation

Duke Energy, Progress Energy, and their respective directors, executive officers and certain other members of management and employees may be soliciting proxies from Duke Energy and Progress Energy shareholders in favor of the merger and related matters. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of Duke Energy and Progress Energy shareholders in connection with the proposed merger is contained in the preliminary joint proxy statement/prospectus and will be contained in the definitive joint proxy statement/prospectus when it becomes available. You can find information about Duke Energy’s executive officers and directors in its definitive proxy statement filed with the SEC on March 17, 2011. You can find information about Progress Energy’s executive officers and directors in its definitive proxy statement filed with the SEC on March 31, 2011 and Amendment No. 1 to its Annual Report on Form 10-K filed with the SEC on March 17, 2011. Additional information about Duke Energy’s executive officers and directors and Progress Energy’s executive officers and directors can be found in the above-referenced Registration Statement on Form S-4. You can obtain free copies of these documents from Duke Energy and Progress Energy using the contact information above.