

BUSINESS PERFORMANCE MEASURES



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Utility CIO Summit

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Business Performance Measures

- Background & Business Drivers
- Business Partnership
- Business Requirements & Challenges
- Our Solution
- Benefits, Results & Next Steps

Facts about Duke Energy

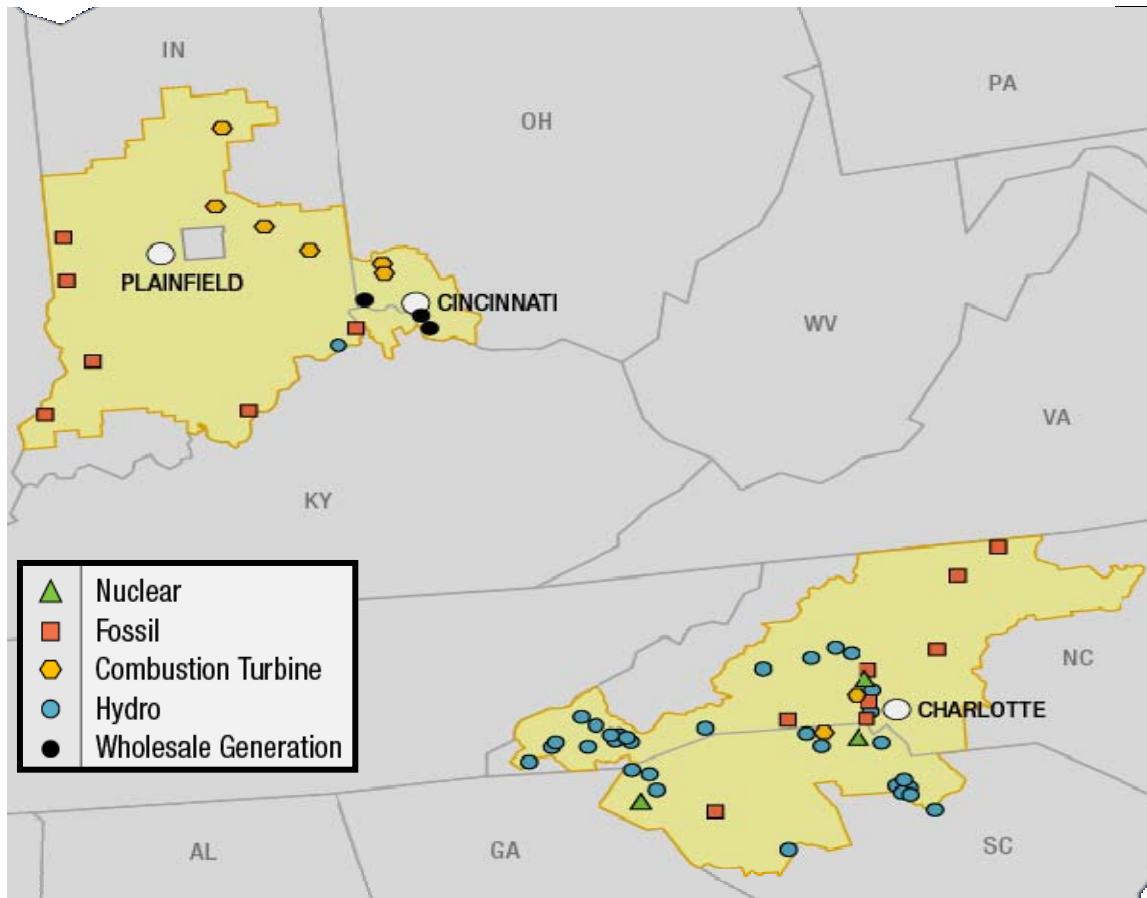
- Fortune 500
- Assets over \$48 billion
- 4 million customers
- Top-tier electric utility
- 150+ years of service
- Dow Jones Sustainability Index
- Traded on NYSE as DUK
- Stock dividends for 80+ years



Business Performance Measures



US Franchised Electric & Gas



- 5 states: North Carolina, South Carolina, Indiana, Ohio and Kentucky
- 47,000 square miles of service area
- ~28,000 MW
- 3.8 million retail electric customers
- 500,000 retail gas customers

Business Performance Measures



Business Drivers

- Duke/Cinergy merger
- New data architecture model
- Governance of data
- Reduce operational costs

Business Performance Measures



Business Partnership

- Partnered with other business areas and IT Strategy & Compliance
- Actively collaborated (Business and IT) to define business requirements
- Solicited RFI responses from seven vendors
- Collectively evaluated responses and selected a standard scorecard application

Implementation Challenges

- Business agreement on KPI's and calculations between three groups
- Very short implementation schedule
- Learning curve associated with new IT infrastructure
- Defined ownership of core data elements involved in KPI calculations

Generation Scorecard

- Regulated and Non-Regulated Generation implemented scorecards monitoring performance against key metrics

- Safety Total Incident Rate
- Starting Reliability
- Regulatory Citations
- Capacity Factor
- EFOR " Effective Forced Outage Factor"
- O&M \$
- Fuel Cost Per MWh
- Commercial Availability
- Weighted Availability
- Operating Generation
- EFOR "Effective Forced Outage Rate"
- Heat Rate
- Capital \$
- Non-Fuel Cost Per MWh

- Built on enterprise standard scorecard technology
- Secured application

Business Performance Measures

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Leverage Scorecard Technology for Process Improvement

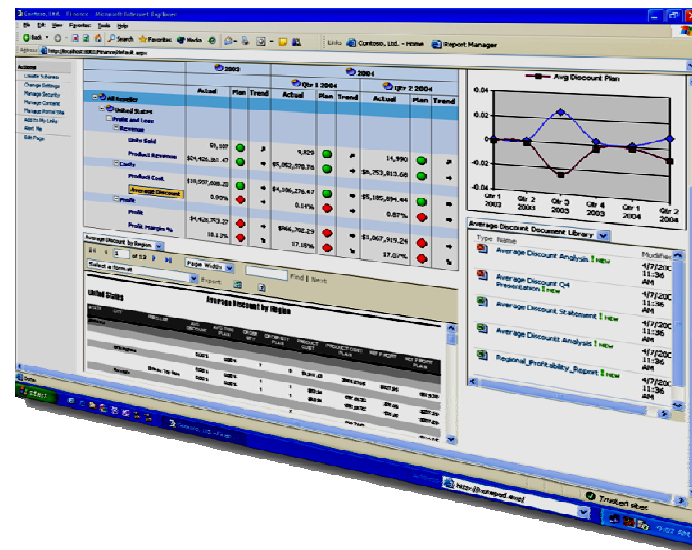
Articulate
Goals

Monitor
Metrics

Analyze
Issues

Collaborate
and Act

 Microsoft Office
**Business Scorecard
Manager 2005**

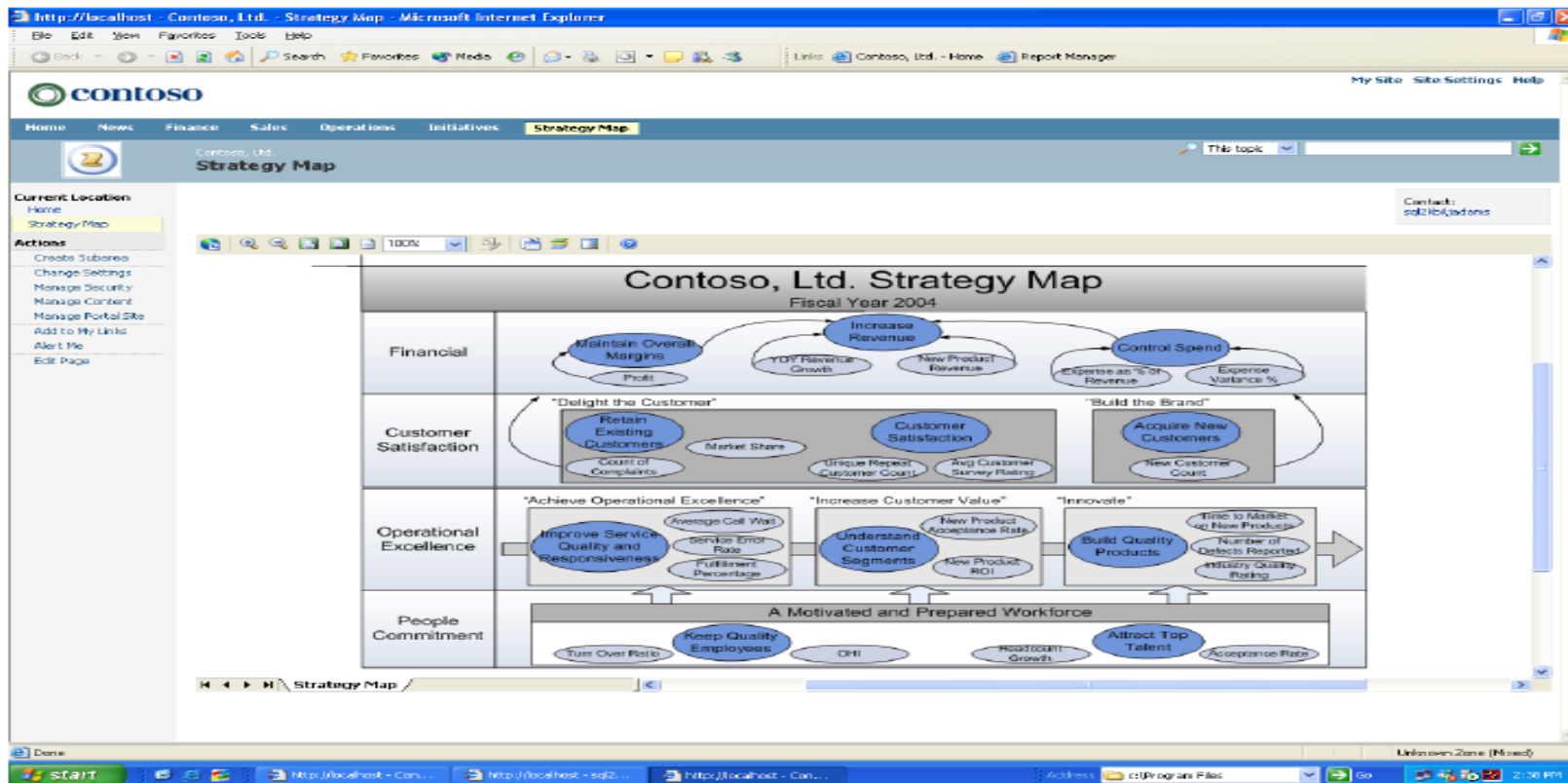


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Identify cause and effect relationships...



Business Performance Measures

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Business Case to Expand...

- Common Scorecard presentation
 - Chief Operations level and other departments
- Consistency
 - Other Business Intelligence, Information Management Architecture and Measures projects approved or under consideration.
- Cost Savings
 - Common Processes
 - Scalability
 - Eliminated Duplication
- Interdependencies of business information.
 - How does generation affect customer satisfaction?

Benefits Realized...

- Common terminology
- Alignment and consistency of information
- Eliminated many manual updates to present management information
- Replaced a multi-sourced, static scorecard with a multi-dimensional, dynamic scorecard
- Increased depth and availability of power generation information
- Increased access to the generation performance metrics

Questions?

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