
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **January 14, 2013**

DUKE ENERGY CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-32853
(Commission File Number)

20-2777218
(IRS Employer
Identification No.)

550 South Tryon Street, Charlotte, North Carolina 28202
(Address of Principal Executive Offices, including Zip Code)

(704) 382-3853
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01. Other Events.

On January 9, 2013, Duke Energy Corporation (the “Company”) entered into an underwriting agreement, dated as of January 9, 2013 (the “Underwriting Agreement”), with Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, UBS Securities LLC and Wells Fargo Securities, LLC, as representatives of the several underwriters named therein (the “Underwriters”), pursuant to which the Company agreed to issue and sell to the Underwriters \$500 million aggregate principal amount of the Company’s 5.125% Junior Subordinated Debentures due 2073 (the “Securities”). The Securities will be issued pursuant to an Indenture, dated as of June 3, 2008 (the “Indenture”), by and between the Company and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), as amended and supplemented by various supplemental indentures thereto, including the Eighth Supplemental Indenture, dated as of January 14, 2013 (the “Eighth Supplemental Indenture”), between the Company and the Trustee, relating to the Securities. The disclosure in this Item 8.01 is qualified in its entirety by the provisions of the Indenture, the Eighth Supplemental Indenture, which is filed as Exhibit 4.1 hereto, and the Underwriting Agreement, which is filed as Exhibit 99.1 hereto. Such exhibits are incorporated herein by reference. Also, in connection with the issuance and sale of the Securities, the Company is filing a legal opinion regarding the validity of the Securities as Exhibit 5.1 to this Form 8-K and a legal opinion regarding certain tax matters as Exhibit 8.1 to this Form 8-K for the purpose of incorporating such opinions into the Company’s Registration Statement No. 333-169633.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

| Exhibit | Description |
|----------------|---|
| Exhibit 4.1 | Eighth Supplemental Indenture, dated as of January 14, 2013, to the Indenture, dated as of June 3, 2008, between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee (incorporated by reference to Exhibit 2 to the Registration Statement on Form 8-A of the Company filed on January 14, 2013) |
| Exhibit 5.1 | Opinion of Robert T. Lucas III regarding validity of the Securities |
| Exhibit 8.1 | Opinion of Robinson, Bradshaw & Hinson, P.A. regarding certain tax matters |
| Exhibit 23.1 | Consent of Robert T. Lucas III (included as part of Exhibit 5.1) |
| Exhibit 23.2 | Consent of Robinson, Bradshaw & Hinson, P.A. (included as part of Exhibit 8.1) |
| Exhibit 99.1 | Underwriting Agreement, dated as of January 9, 2013 (the “Underwriting Agreement”), between the Company and Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, UBS Securities LLC and Wells Fargo Securities, LLC, as representatives of the several underwriters named therein |

SIGNATURE

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 14, 2013

DUKE ENERGY CORPORATION

By: /s/ Robert T. Lucas III, Esq.
Name: Robert T. Lucas III, Esq.
Title: Deputy General Counsel and
Assistant Corporate Secretary

EXHIBIT INDEX

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DUKE ENERGY CORPORATION
550 S. Tryon Street
Charlotte, North Carolina 28202-4200

January 14, 2013

Duke Energy Corporation
550 S. Tryon Street
Charlotte, North Carolina 28202-4200

Re: Duke Energy Corporation \$500 million 5.125% Junior Subordinated Debentures due 2073

Ladies and Gentlemen:

I am Deputy General Counsel and Assistant Corporate Secretary of Duke Energy Corporation, a Delaware corporation (the "Company"), and in such capacity have acted as counsel to the Company in connection with the public offering of \$500 million aggregate principal amount of the Company's 5.125% Junior Subordinated Debentures due 2073 (the "Securities"). The Securities are to be issued pursuant to an Indenture, dated as of June 3, 2008 (the "Original Indenture"), by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"), as amended and supplemented by various supplemental indentures thereto, including the Eighth Supplemental Indenture, dated as of January 14, 2013, between the Company and the Trustee, relating to the Securities (the "Supplemental Indenture") (the Original Indenture, as amended and supplemented, being referred to as the "Indenture"). On January 9, 2013, the Company entered into an Underwriting Agreement (the "Underwriting Agreement") with Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, UBS Securities LLC and Wells Fargo Securities, LLC, as representatives of the several underwriters named therein (the "Underwriters"), relating to the sale by the Company to the Underwriters of the Securities.

This opinion is being delivered in accordance with the requirements of Item 601(b)(5) of Regulation S-K under the Securities Act.

I am a member of the bar in the State of North Carolina and my opinions set forth herein are limited to Delaware corporate law and the laws of the State of New York and the federal laws of the United States that, in my experience, are normally applicable to transactions of the type contemplated above and, to the extent that judicial or regulatory orders or decrees or consents, approvals, licenses, authorizations, validations, filings, recordings or registrations with governmental authorities are relevant, to those required under such laws (all of the foregoing being referred to as "Opined on Law"). I do not express any opinion with respect to the law of any jurisdiction other than Opined on Law or as to the effect of any such non-opined law on the opinions herein stated. This opinion is limited to the laws, including the rules and regulations, as in effect on the date hereof, which laws are subject to change with possible retroactive effect.

In rendering the opinion set forth herein, I or attorneys under my supervision (with whom I have consulted) have examined originals or copies, certified or otherwise identified by my satisfaction, of:

(a) the registration statement on Form S-3 (File No. 333-169633) of the Company relating to the Securities and other securities of the Company filed on September 29, 2010, with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"), allowing for delayed offerings pursuant to Rule 415 under the Securities Act and the information deemed to be a part of such registration statement as of the date hereof pursuant to Rule 430B of the General Rules and Regulations under the Securities Act (the "Rules and Regulations") (such registration statement, being hereinafter referred to as the "Registration Statement");

(b) the prospectus, dated September 29, 2010 relating to the offering of securities of the Company, which forms a part of and is included in the Registration Statement;

(c) the preliminary prospectus supplement, dated January 9, 2013, and the prospectus, dated September 29, 2010, relating to the offering of the Securities in the form filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations;

(d) the prospectus supplement, dated January 9, 2013, and the prospectus, dated September 29, 2010, relating to the offering of the Securities in the form filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations;

(e) the Amended and Restated Certificate of Incorporation of the Company, dated as of April 3, 2006, as amended, as certified by the Secretary of State of the State of Delaware;

(f) the Amended and Restated By-laws of the Company, effective as of February 26, 2008, as amended;

(g) an executed copy of the Original Indenture;

(h) the form of Supplemental Indenture;

(i) an executed copy of the Underwriting Agreement;

(j) the certificate representing the Securities;

(k) the issuer free writing prospectus issued at or prior to 3: 15 p.m. (Eastern time) on January 9, 2013, which the Company was advised is the time of the first contract of sale of the Securities, substantially in the form attached as Schedule C to the Underwriting Agreement and as filed with the Commission pursuant to Rule 433(d) of the Securities Act and Section 5(e) of the Underwriting Agreement;

(l) the Statement of Eligibility under the Trust Indenture Act of 1939, as amended, on Form T-1, of the Trustee;

(m) resolutions of the Board of Directors of the Company, adopted on May 6, 2010, relating to the preparation and filing with the Commission of the Registration Statement and the issuance of the Company's securities; and

(n) the written consent of the Assistant Treasurer of the Company, dated as of January 9, 2013.

I or attorneys under my supervision (with whom I have consulted) have also examined originals or copies, certified or otherwise identified to my satisfaction, of such records of the Company and such agreements, certificates and receipts of public officials, certificates of officers or other representatives of the Company and others, and such other documents as I or attorneys under my supervision (with whom I have consulted) have deemed necessary or appropriate as a basis for the opinions set forth below.

In my examination, I or attorneys under my supervision (with whom I have consulted) have assumed the legal capacity of all natural persons, the genuineness of all signatures, the authenticity of all documents submitted to me as originals, the conformity to original documents of all documents submitted to me as facsimile, electronic, certified, conformed, or photostatic copies, and the authenticity of the originals of such documents. In making my examination of executed documents or documents to be executed, I have assumed that the parties thereto, other than the Company had or will have the power, corporate or otherwise, to enter into and perform all obligations thereunder and have also assumed the due authorization by all requisite action, corporate or other, and the execution and delivery by such parties of such documents, and, as to parties other than the Company, the validity and binding effect on such parties. As to any facts material to this opinion that I or attorneys under my supervision (with whom I have consulted) did not independently establish or verify, we have relied upon statements and representations of officers and other representatives of the Company and others and of public officials.

The opinion set forth below is subject to the following further qualifications, assumptions and limitations:

(i) the validity or enforcement of any agreements or instruments may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law) and

(ii) I do not express any opinion as to the applicability or effect of any fraudulent transfer, preference or similar law on any agreements or instruments or any transactions contemplated thereby.

Based upon the foregoing and subject to the limitations, qualifications, exceptions and assumptions set forth herein, I am of the opinion that the Securities have been duly authorized and executed by the Company, and that when duly authenticated by the Trustee and issued and delivered by the Company against payment therefore in accordance with the terms of the Underwriting Agreement and the Indenture, the Securities will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms.

I hereby consent to the filing of this opinion with the Commission as Exhibit 5.1 to the Registration Statement through incorporation by reference of a current report on Form 8-K. I also hereby consent to the use of my name under the heading "Legal Matters" in the prospectus which forms a part of the Registration Statement. In giving this consent, I do not thereby admit that I am within the category of persons whose consent is required under Section 7 of the Act or the rules and regulations of the Commission promulgated thereunder. This opinion is expressed as of the date hereof unless otherwise expressly stated, and I disclaim any undertaking to advise you of any subsequent changes in the facts stated or assumed herein or of any subsequent changes in applicable laws.

Very truly yours,

/s/ Robert T. Lucas III, Esq.

Deputy General Counsel,
Assistant Corporate Secretary



January 14, 2013

Duke Energy Corporation
550 S. Tryon Street
Charlotte, North Carolina 28202-4200

Re: Duke Energy Corporation \$500 million 5.125% Junior Subordinated Debentures due 2073

Ladies and Gentlemen:

We have acted as counsel to Duke Energy Corporation, a Delaware corporation (the "Company"), in connection with the issuance and sale of \$500 million aggregate principal amount of its 5.125% Junior Subordinated Debentures due 2073 (the "Debentures") pursuant to the prospectus supplement dated January 9, 2013 (the "Prospectus Supplement") and the accompanying prospectus dated September 29, 2010 (the "Base Prospectus"). The Debentures are to be issued pursuant to an Indenture, dated as of June 3, 2008 (the "Original Indenture"), by and between the Company and The Bank of New York Mellon Trust Company, N.A., as Trustee (the "Trustee"), as amended and supplemented by various supplemental indentures thereto, including the Eighth Supplemental Indenture, dated as of January 14, 2013, between the Company and the Trustee, relating to the Debentures (the "Supplemental Indenture") (the Original Indenture, as amended and supplemented, being referred to as the "Indenture").

In rendering the opinion expressed below, we have made such legal and factual examinations and inquiries as we have deemed necessary or advisable for the purpose of rendering this opinion letter, including but not limited to the examination of the following: (i) the Base Prospectus and the Prospectus Supplement, (ii) the Indenture and (iii) such other documents as we have deemed necessary or appropriate as a basis for the opinion set forth below.

As to any facts material to the opinion expressed herein, we have relied upon certificates, statements, representations and warranties of the officers and other representatives and agents of the parties to the documents and of public officials. In rendering this opinion letter, except for the matters that are specifically addressed in the opinion expressed below, we have assumed, and are relying on without independent investigation, (i) the authenticity of all documents submitted to us as originals, (ii) the conformity to the originals of all documents submitted to us as certified or photostatic copies and the authenticity of the originals of such copies, (iii) the genuineness of signatures, (iv) the legal capacity of natural persons signing the documents, (v) the necessary entity formation and continuing existence in the jurisdiction of formation, and the necessary licensing and qualification in all jurisdictions, of all parties to the documents, (vi) the necessary entity authorization, execution, delivery and enforceability (as limited by bankruptcy and other insolvency laws) of all documents by all parties thereto, and the necessary entity power and

Robinson Bradshaw & Hinson, P.A. 101 North Tryon Street, Suite 1900 • Charlotte, NC 28246 • 704.377.2536

authority with respect thereto, (vii) the validity, binding effect, and enforceability of all documents, (viii) each of the parties to the documents will comply (without waiver) with all of the terms of such documents, and (ix) there is not any other agreement that modifies or supplements the agreements expressed in any document to which this opinion letter relates and that renders the opinion expressed below inconsistent with such document as so modified or supplemented.

In rendering this opinion letter, except for matters that are specifically addressed in the opinion expressed below, we have made no inquiry, have conducted no investigation and assume no responsibility with respect to (i) the accuracy of and compliance by the parties thereto with the representations, warranties, covenants, certifications and assumptions as to factual matters contained in any document or (ii) the conformity of the documents to the requirements of any agreement to which this opinion letter relates.

Based on the foregoing and subject to the limitations, qualifications, exceptions and assumptions stated herein, we are of the opinion that under current U.S. federal income tax law, although there are no regulations, rulings or judicial precedents addressing the characterization of securities having terms substantially similar to the Debentures for U.S. federal income tax purposes, the Debentures will be classified for U.S. federal income tax purposes as indebtedness of the Company.

There are no existing Treasury regulations under section 385 of the Internal Revenue Code of 1986, as amended (the "Code"), defining instruments as equity or indebtedness for U.S. federal income tax purposes. Furthermore, there are no controlling Treasury regulations, published rulings, or judicial decisions involving securities with terms substantially the same as the Debentures that discuss whether, for U.S. federal income tax purposes, such securities constitute equity or indebtedness. Accordingly, our opinion regarding the characterization of the Debentures as evidences of indebtedness is based upon rulings and judicial decisions under the Code involving situations that we consider to be analogous and an analysis of all of the facts and circumstances surrounding the issuance and sale of the Debentures.

The foregoing opinion is based only on the federal income tax laws of the United States, Treasury regulations promulgated thereunder, and administrative and judicial interpretations thereof, all of which are subject to change. The foregoing opinion is limited to the matters addressed herein, and no other opinion is rendered with respect to other United States federal tax matters or to any issues arising under the tax laws of any other country or any state or locality or governmental agency (other than the Internal Revenue Service), including without limitation (i) any statute, regulation, or provision of law of any state, county, municipality, or other political subdivision or any agency or instrumentality thereof or (ii) the securities or tax laws of any jurisdiction (other than the federal tax laws of the United States). You should be aware that this opinion letter represents conclusions as to the application of existing law, regulations, administrative rules and practices, and legislative history to the transactions described above. There can be no assurance, however, that existing law will not change or that contrary positions

will not be taken by the Internal Revenue Service. Any such change might be retroactive and might affect the opinion set forth above.

Except for the specific conclusion set forth in our opinion above, we intimate no view on any other matter that may be relevant to your interests. We also caution you that our opinion depends upon the facts, representations, warranties, covenants, certifications, assumptions and documents to which this letter refers, which are subject to change, reinterpretation and misunderstanding. Our conclusion could differ if these items on which we have relied are, become or are found to be different.

This opinion letter is rendered as of the date hereof, and we undertake no obligation to update the opinion expressed herein after the date of this letter or advise you of changes in the event there is any change in legal authorities, facts, representations, warranties, covenants, certifications, assumptions or documents on which this opinion letter is based (including the taking of any action by any party to the documents pursuant to any opinion of counsel or a waiver), or any inaccuracy in any of these items upon which we have relied in rendering this opinion letter, unless we are specifically engaged to do so.

We hereby consent to the filing of this opinion as an exhibit to the Company's Current Report on Form 8-K of even date herewith. We also consent to the references to Robinson, Bradshaw & Hinson, P.A. under the captions "U.S. Federal Income Tax Considerations" and "Legal Matters" in the Prospectus Supplement. In giving this consent, we do not admit that we are in the category of persons whose consent is required by Section 7 of the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder by the Securities and Exchange Commission.

Very truly yours,

/s/ Robinson, Bradshaw & Hinson, P.A.

DUKE ENERGY CORPORATION

\$500,000,000 5.125% JUNIOR SUBORDINATED DEBENTURES DUE 2073

UNDERWRITING AGREEMENT

January 9, 2013

Citigroup Global Markets Inc.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
Morgan Stanley & Co. LLC
UBS Securities LLC
Wells Fargo Securities, LLC

As Representatives of the several Underwriters

c/o Morgan Stanley & Co. LLC
1585 Broadway
New York, New York 10036

Ladies and Gentlemen:

1. *Introductory.* DUKE ENERGY CORPORATION, a Delaware corporation (the "Corporation"), proposes, subject to the terms and conditions stated herein, to issue and sell \$500,000,000 aggregate principal amount of 5.125% Junior Subordinated Debentures due 2073 (the "Debentures") to be issued pursuant to the provisions of an Indenture, dated as of June 3, 2008, as the same may be amended and supplemented by supplemental indentures, including the supplemental indenture to be dated as of January 14, 2013 (the "Indenture") relating to the Debentures, between the Corporation and The Bank of New York Mellon Trust Company, N.A. (the "Trustee"). Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, UBS Securities LLC and Wells Fargo Securities, LLC (the "Representatives") are acting as representatives of the several underwriters named in Schedule A hereto (together with the Representatives, the "Underwriters"). The Corporation understands that the several Underwriters propose to offer the Debentures for sale upon the terms and conditions contemplated by (i) this Agreement and (ii) the Base Prospectus, the Preliminary Prospectus and any Permitted Free Writing Prospectus (as defined below) issued at or prior to the Applicable Time (such documents referred to in this subclause (ii) herein called the "Pricing Disclosure Package").

2. *Representations and Warranties of the Corporation.* The Corporation represents and warrants to, and agrees with, the several Underwriters that:

- (a) Registration statement (No. 333-169633), including a prospectus, relating to the Debentures and certain other securities has been filed with the Securities and Exchange Commission (the “Commission”) under the Securities Act of 1933, as amended (the “1933 Act”). Such registration statement and any post-effective amendment thereto, each in the form heretofore delivered to you, became effective upon filing with the Commission pursuant to Rule 462 of the rules and regulations of the Commission under the 1933 Act (the “1933 Act Regulations”), and no stop order suspending the effectiveness of such registration statement has been issued and no proceeding for that purpose or pursuant to Section 8A of the 1933 Act has been initiated or threatened by the Commission (if prepared, any preliminary prospectus supplement specifically relating to the Debentures immediately prior to the Applicable Time (as defined below) included in such registration statement or filed with the Commission pursuant to Rule 424(b) of the 1933 Act Regulations being hereinafter called a “Preliminary Prospectus”); the term “Registration Statement” means the registration statement as deemed revised pursuant to Rule 430B(f)(1) of the 1933 Act Regulations on the date of such registration statement’s effectiveness for purposes of Section 11 of the 1933 Act, as such section applies to the Corporation and the Underwriters for the Debentures pursuant to Rule 430B(f)(2) of the 1933 Act Regulations (the “Effective Date”), including all exhibits thereto and including the documents incorporated by reference in the prospectus contained in the Registration Statement at the time such part of the Registration Statement became effective; the term “Base Prospectus” means the prospectus filed with the Commission on the date hereof by the Corporation; and the term “Prospectus” means the Base Prospectus together with the prospectus supplement specifically relating to the Debentures prepared in accordance with the provisions of Rule 430B and promptly filed after execution and delivery of this Agreement pursuant to Rule 430B or Rule 424(b) of the 1933 Act Regulations; any information included in such Prospectus that was omitted from the Registration Statement at the time it became effective but that is deemed to be a part of and included in such registration statement pursuant to Rule 430B is referred to as “Rule 430B Information;” and any reference herein to any Registration Statement, Preliminary Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein prior to the date hereof; any reference to any amendment or supplement to any Preliminary Prospectus or Prospectus shall be deemed to refer to and include any documents filed after the date of such Preliminary Prospectus or Prospectus, as the case may be, under the Securities Exchange Act of 1934, as amended (the “1934 Act”), and incorporated by reference in such Preliminary Prospectus or Prospectus, as the case may be; and any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Corporation filed pursuant to Section 13(a) or 15(d) of the 1934 Act after the effective date of the Registration Statement that is incorporated by reference in the Registration Statement. For purposes of this Agreement, the term “Applicable Time” means 3:15 p.m. (New York City time) on the date hereof.
- (b) The Registration Statement, any Permitted Free Writing Prospectus(es) specified on Schedule B, any Preliminary Prospectus and the Prospectus, conform, and any

amendments or supplements thereto will conform, in all material respects to the requirements of the 1933 Act and the 1933 Act Regulations, and (A) the Registration Statement, as of the Effective Date, at each deemed effective date with respect to the Underwriters pursuant to Rule 430B(f)(2) of the 1933 Act Regulations, at the Closing Date (as defined in Section 3), did not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and (B) (i) the Pricing Disclosure Package, as of the Applicable Time, did not and will not, (ii) the Prospectus and any amendment or supplement thereto, as of their dates, will not, and (iii) the Prospectus as of the Closing Date will not, include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the Corporation makes no warranty or representation to the Underwriters with respect to any statements or omissions made in reliance upon and in conformity with written information furnished to the Corporation by the Representatives on behalf of the Underwriters specifically for use in the Registration Statement, the Permitted Free Writing Prospectus(es), any Preliminary Prospectus or the Prospectus.

- (c) Any Permitted Free Writing Prospectus specified on Schedule B hereto as of its issue date and at all subsequent times through the completion of the public offer and sale of the Debentures or until any earlier date that the Corporation notified or notifies the Underwriters as described in Section 5(f) did not, does not and will not include any information that conflicts with the information (not superseded or modified as of the Effective Date) contained in the Registration Statement, any Preliminary Prospectus or the Prospectus.
- (d) At the earliest time the Corporation or another offering participant made a bona fide offer (within the meaning of Rule 164(h)(2) of the 1933 Act Regulations) of the Debentures, the Corporation was not an “ineligible issuer” as defined in Rule 405 of the 1933 Act Regulations. The Corporation is, and was at the time of the initial filing of the Registration Statement, eligible to use Form S-3 under the 1933 Act.
- (e) The documents and interactive data in eXtensible Business Reporting Language (“XBRL”) incorporated or deemed to be incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus, at the time they were filed or hereafter are filed with the Commission, complied and will comply in all material respects with the requirements of the 1934 Act and the rules and regulations of the Commission thereunder (the “1934 Act Regulations”), and, when read together with the other information in the Prospectus, (a) at the time the Registration Statement became effective, (b) at the Applicable Time and (c) on the Closing Date did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

- (f) The compliance by the Corporation with all of the provisions of this Agreement has been duly authorized by all necessary corporate action and the consummation of the transactions herein contemplated will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Corporation or any of its Principal Subsidiaries (as hereinafter defined) is a party or by which any of them or their respective property is bound or to which any of their properties or assets is subject that would have a material adverse effect on the business, financial condition or results of operations of the Corporation and its subsidiaries, taken as a whole, nor will such action result in any violation of the provisions of the amended and restated Certificate of Incorporation (the "Certificate of Incorporation"), the amended and restated By-Laws (the "By-Laws") of the Corporation or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Corporation or its Principal Subsidiaries or any of their respective properties that would have a material adverse effect on the business, financial condition or results of operations of the Corporation and its subsidiaries, taken as a whole; and no consent, approval, authorization, order, registration or qualification of or with any such court or governmental agency or body is required for the consummation by the Corporation of the transactions contemplated by this Agreement, except for the approval of the North Carolina Utilities Commission which has been received as of the date of this Agreement, registration under the 1933 Act of the Debentures, qualification under the Trust Indenture Act of 1939 (the "1939 Act") and such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Debentures by the Underwriters.
- (g) This Agreement has been duly authorized, executed and delivered by the Corporation.
- (h) Each of Duke Energy Carolinas, LLC, a North Carolina limited liability company, Duke Energy Indiana, Inc., an Indiana corporation, Duke Energy Ohio, Inc., an Ohio corporation, Progress Energy, Inc., a North Carolina corporation ("Progress Energy"), Carolina Power & Light Company (d/b/a Progress Energy Carolinas, Inc.), a North Carolina corporation and Florida Power Corporation (d/b/a Progress Energy Florida, Inc.), a Florida corporation, is a "significant subsidiary" of the Corporation within the meaning of Rule 405 of the 1933 Act Regulations (herein collectively referred to as the "Principal Subsidiaries").
- (i) The Indenture has been duly authorized, executed and delivered by the Corporation and duly qualified under the 1939 Act and, assuming the due authorization, execution and delivery thereof by the Trustee, constitutes a valid and legally binding instrument of the Corporation enforceable against the Corporation in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law).

- (j) The Debentures have been duly authorized and when executed by the Corporation and, when authenticated by the Trustee, in the manner provided in the Indenture and delivered against payment therefor, will constitute valid and legally binding obligations of the Corporation, enforceable against the Corporation in accordance with their terms, except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law) and are entitled to the benefits afforded by the Indenture in accordance with the terms of the Indenture and the Debentures.
- (k) Any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument filed or incorporated by reference as an exhibit to the Registration Statement or the Annual Report on Form 10-K of the Corporation for the fiscal year ended December 31, 2011, except to the extent that such agreement is no longer in effect or to the extent that neither the Corporation nor any subsidiary of the Corporation is currently a party to such agreement, are all indentures, mortgages, deeds of trust, loan agreements or other agreements or instruments that are material to the Corporation.
- (l) The Corporation is not required to be qualified as a foreign corporation to transact business in Indiana, North Carolina, Ohio and South Carolina and Florida.
- (m) The pro forma financial statements of the Corporation and its subsidiaries and the related notes thereto incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus have been prepared in accordance with the Commission's rules and guidelines with respect to pro forma financial statements and have been properly compiled on the bases described therein.

3. *Purchase, Sale and Delivery of Debentures.*

- (a) On the basis of the representations, warranties and agreements herein contained, but subject to the terms and conditions herein set forth, the Corporation agrees to sell to the Underwriters, and the Underwriters agree, severally and not jointly, to purchase from the Corporation, at a purchase price of (i) for Debentures not sold to institutions, \$24.2125 per Debenture plus accrued interest from January 14, 2013, if settlement takes place after that date (and in the manner set forth below) and (ii) for Debentures sold to institutions, \$24.50 per Debenture plus accrued interest from January 14, 2013, if settlement takes place after that date (and in the manner set forth below), the principal amount of Debentures set forth opposite the names of the Underwriters in Schedule A hereto plus the respective principal amount of additional Debentures which each such Underwriter may become obligated to purchase pursuant to the provisions of Section 8 hereof. The Underwriters hereby agree to reimburse the Corporation in an amount equal to \$125,000 for certain expenses incurred by the Corporation in connection with the offering.
- (b) Payment of the purchase price for the Debentures to be purchased by the Underwriters and the reimbursement shall be made at the offices of Robinson,

Bradshaw & Hinson, P.A., 101 North Tryon Street, Suite 1900, Charlotte, North Carolina 28246, or at such other place as shall be mutually agreed upon by the Representatives and the Corporation, at 10:00 a.m., New York City time, on January 14, 2013 or such other time and date as shall be agreed upon in writing by the Corporation and the Representatives (the "Closing Date"). All other documents referred to herein that are to be delivered at the Closing Date shall be delivered at that time at the offices of Sidley Austin LLP, 787 Seventh Avenue, New York, NY 10019. Payment shall be made to the Corporation by wire transfer in immediately available funds, payable to the order of the Corporation against delivery of the Debentures, in fully registered form, to you or upon your order. The Debentures shall be delivered in the form of one or more global certificates in aggregate denomination equal to the aggregate principal amount of the Debentures upon original issuance and registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC").

4. *Offering by the Underwriters.* It is understood that the several Underwriters propose to offer the Debentures for sale to the public as set forth in the Pricing Disclosure Package and the Prospectus.

5. *Covenants of the Corporation.* The Corporation covenants and agrees with the several Underwriters that:

- (a) The Corporation will cause any Preliminary Prospectus and the Prospectus to be filed pursuant to, and in compliance with, Rule 424(b) of the 1933 Act Regulations, and advise the Underwriters promptly of the filing of any amendment or supplement to the Registration Statement, any Preliminary Prospectus or the Prospectus and of the institution by the Commission of any stop order proceedings in respect of the Registration Statement, and will use its best efforts to prevent the issuance of any such stop order and to obtain as soon as possible its lifting, if issued.
- (b) If at any time when a prospectus relating to the Debentures (or the notice referred to in Rule 173(a) of the 1933 Act Regulations) is required to be delivered under the 1933 Act any event occurs as a result of which the Pricing Disclosure Package or the Prospectus as then amended or supplemented would include an untrue statement of a material fact, or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend the Pricing Disclosure Package or the Prospectus to comply with the 1933 Act, the Corporation promptly will prepare and file with the Commission an amendment, supplement or an appropriate document pursuant to Section 13 or 14 of the 1934 Act which will correct such statement or omission or which will effect such compliance.
- (c) The Corporation, during the period when a prospectus relating to the Debentures is required to be delivered under the 1933 Act, will timely file all documents required to be filed with the Commission pursuant to Section 13 or 14 of the 1934 Act.

- (d) Without the prior consent of the Underwriters, the Corporation has not made and will not make any offer relating to the Debentures that would constitute a “free writing prospectus” as defined in Rule 405 of the 1933 Act Regulations, other than a Permitted Free Writing Prospectus; each Underwriter, severally and not jointly, represents and agrees that, without the prior consent of the Corporation, it has not made and will not make any offer relating to the Debentures that would constitute a “free writing prospectus” as defined in Rule 405 of the 1933 Act Regulations, other than a Permitted Free Writing Prospectus or a free writing prospectus that is not required to be filed by the Corporation pursuant to Rule 433 of the 1933 Act Regulations; any such free writing prospectus (which shall include the pricing term sheet discussed in Section 5(e) below), the use of which has been consented to by the Corporation and the Underwriters, is listed on Schedule B and herein called a “Permitted Free Writing Prospectus.” The Corporation represents that it has treated or agrees that it will treat each Permitted Free Writing Prospectus as an “issuer free writing prospectus,” as defined in Rule 433, and has complied and will comply with the requirements of Rule 433 applicable to any Permitted Free Writing Prospectus, including timely filing with the Commission where required, legending and record keeping.
- (e) The Corporation agrees to prepare a term sheet specifying the terms of the Debentures not contained in any Preliminary Prospectus, substantially in the form of Schedule C hereto and approved by the Representatives on behalf of the Underwriters, and to file such pricing term sheet as an “issuer free writing prospectus” pursuant to Rule 433(b) of the 1933 Act Regulations prior to the close of business two business days after the date hereof.
- (f) The Corporation agrees that if at any time following the issuance of a Permitted Free Writing Prospectus any event occurs as a result of which such Permitted Free Writing Prospectus would conflict with the information (not superseded or modified as of the Effective Date) in the Registration Statement, the Pricing Disclosure Package or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances then prevailing, not misleading, the Corporation will give prompt notice thereof to the Underwriters and, if requested by the Underwriters, will prepare and furnish without charge to each Underwriter a free writing prospectus or other document, the use of which has been consented to by the Underwriters, which will correct such conflict, statement or omission.
- (g) The Corporation will make generally available to its security holders, in each case as soon as practicable but not later than 60 days after the close of the period covered thereby, earnings statements (in form complying with the provisions of Rule 158 under the 1933 Act, which need not be certified by independent certified public accountants unless required by the 1933 Act) covering (i) a twelve-month period beginning not later than the first day of the Corporation’s fiscal quarter next following the effective date of the Registration Statement and (ii) a twelve-month period beginning not later than the first day of the Corporation’s fiscal quarter next following the date of this Agreement.

- (h) The Corporation will furnish to you, without charge, copies of the Registration Statement (four of which will include all exhibits other than those incorporated by reference), the Pricing Disclosure Package and the Prospectus, and all amendments and supplements to such documents, in each case as soon as available and in such quantities as you reasonably request.
- (i) The Corporation will arrange or cooperate in arrangements for the qualification of the Debentures for sale under the laws of such jurisdictions as you designate and will continue such qualifications in effect so long as required for the distribution; provided, however, that the Corporation shall not be required to qualify as a foreign corporation or to file any general consents to service of process under the laws of any state where it is not now so subject.
- (j) The Corporation will pay all expenses incident to the performance of its obligations under this Agreement including (i) the printing and filing of the Registration Statement and the printing of this Agreement and any Blue Sky Survey, (ii) the preparation and printing of certificates for the Debentures, (iii) the issuance and delivery of the Debentures as specified herein, (iv) the fees and disbursements of counsel for the Underwriters in connection with the qualification of the Debentures under the securities laws of any jurisdiction in accordance with the provisions of Section 5(i) and in connection with the preparation of the Blue Sky Survey, such fees not to exceed \$5,000, (v) the printing and delivery to the Underwriters, in quantities as hereinabove referred to, of copies of the Registration Statement and any amendments thereto, of any Preliminary Prospectus, of the Prospectus, of any Permitted Free Writing Prospectus and any amendments or supplements thereto, (vi) any fees charged by independent rating agencies for rating the Debentures, (vii) any fees and expenses in connection with the listing of the Debentures on the New York Stock Exchange, Inc. (the "NYSE"), (viii) any filing fee required by the Financial Industry Regulatory Authority, (ix) the costs of any depository arrangements for the Debentures with DTC or any successor depository and (x) the costs and expenses of the Corporation relating to investor presentations on any "road show" undertaken in connection with the marketing of the offering of the Debentures, including, without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations with the prior approval of the Corporation, travel and lodging expenses of the Underwriters and officers of the Corporation and any such consultants, and the cost of any aircraft chartered in connection with the road show; provided, however, the Underwriters shall reimburse a portion of the costs and expenses referred to in this clause (x).
- (k) The Corporation will use commercially reasonable efforts to effect the listing of the Debentures on the NYSE within 30 days of the date hereof.
- (l) During the period beginning from the date of this Agreement and continuing to and including 30 days after the date hereof, the Corporation will not, without the prior written consent of the Representatives, offer, sell, contract to sell or otherwise dispose of any debt securities of the Corporation which mature more

than one year after the Closing Date and which are substantially similar to the Debentures. For the avoidance of doubt, the foregoing sentence shall not restrict the offer, sale, contract to sell or disposition by the Corporation of Duke Energy Intermotes offered pursuant to a Prospectus Supplement dated November 13, 2012 and an accompanying Prospectus dated September 29, 2010.

6. *Conditions of the Obligations of the Underwriters.* The obligations of the several Underwriters to purchase and pay for the Debentures will be subject to the accuracy of the representations and warranties on the part of the Corporation herein, to the accuracy of the statements of officers of the Corporation made pursuant to the provisions hereof, to the performance by the Corporation of its obligations hereunder and to the following additional conditions precedent:

- (a) The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for filing by the 1933 Act Regulations and in accordance herewith and each Permitted Free Writing Prospectus shall have been filed by the Corporation with the Commission within the applicable time periods prescribed for such filings by, and otherwise in compliance with, Rule 433 of the 1933 Act Regulations.
- (b) On or after the Applicable Time and prior to the Closing Date, no stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceedings for that purpose or pursuant to Section 8A of the 1933 Act shall have been instituted or, to the knowledge of the Corporation or you, shall be threatened by the Commission.
- (c) On or after the Applicable Time and prior to the Closing Date, the rating assigned by Moody's Investors Service, Inc., Standard & Poor's Ratings Services or Fitch Ratings Inc. to any debt securities or preferred stock of the Corporation as of the date of this Agreement shall not have been lowered.
- (d) Since the respective most recent dates as of which information is given in the Pricing Disclosure Package and the Prospectus and up to the Closing Date, there shall not have been any material adverse change in the condition of the Corporation, financial or otherwise, except as reflected in or contemplated by the Prospectus, and, since such dates and up to the Closing Date, there shall not have been any material transaction entered into by the Corporation other than transactions contemplated by the Pricing Disclosure Package and the Prospectus and transactions in the ordinary course of business, the effect of which in your reasonable judgment is so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Debentures on the terms and in the manner contemplated by the Pricing Disclosure Package and the Prospectus.
- (e) You shall have received an opinion of Robert T. Lucas III, Esq., Deputy General Counsel of the Corporation, dated the Closing Date, to the effect that:
 - (i) Each of the Principal Subsidiaries, other than Duke Energy Carolinas, LLC, has been duly incorporated and is validly existing in good standing

under the laws of the jurisdiction of its incorporation has the respective corporate power and authority and foreign qualifications necessary to own its properties and to conduct its business as described in the Pricing Disclosure Package and the Prospectus. Duke Energy Carolinas, LLC has been duly organized and is validly existing and in good standing as a limited liability company under the laws of the State of North Carolina and has full limited liability company power and authority necessary to own its properties and to conduct its business as described in the Pricing Disclosure Package and the Prospectus.

- (ii) Each of the Corporation and the Principal Subsidiaries is duly qualified to do business in each jurisdiction in which the ownership or leasing of its property or the conduct of its business requires such qualification, except where the failure to so qualify, considering all such cases in the aggregate, does not have a material adverse effect on the business, properties, financial condition or results of operations of the Corporation and its subsidiaries taken as a whole.
- (iii) The Registration Statement became effective upon filing with the Commission pursuant to Rule 462 of the 1933 Act Regulations, and, to the best of such counsel's knowledge, no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or are pending or threatened under the 1933 Act.
- (iv) The descriptions in the Registration Statement, the Pricing Disclosure Package and the Prospectus of any legal or governmental proceedings are accurate and fairly present the information required to be shown, and such counsel does not know of any litigation or any legal or governmental proceeding instituted or threatened against the Corporation or any of its Principal Subsidiaries or any of their respective properties that would be required to be disclosed in the Registration Statement, the Pricing Disclosure Package or the Prospectus and is not so disclosed.
- (v) This Agreement has been duly authorized, executed and delivered by the Corporation.
- (vi) The execution, delivery and performance by the Corporation of this Agreement, the Indenture and the issue and sale of the Debentures will not violate or contravene any of the provisions of the Certificate of Incorporation or By-Laws of the Corporation or any statute or any order, rule or regulation of which such counsel is aware of any court or governmental agency or body having jurisdiction over the Corporation or any of its Principal Subsidiaries or any of their respective property, nor will such action conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument known to such counsel to which the Corporation or any of its Principal

Subsidiaries is a party or by which any of them or their respective property is bound or to which any of its property or assets is subject which affects in a material way the Corporation's ability to perform its obligations under this Agreement, the Indenture and the Debentures.

- (vii) The Indenture has been duly authorized, executed and delivered by the Corporation and, assuming the due authorization, execution and delivery thereof by the Trustee, constitutes a valid and legally binding instrument of the Corporation, enforceable against the Corporation in accordance with its terms.
- (viii) The Debentures have been duly authorized, executed and issued by the Corporation and, when authenticated by the Trustee, in the manner provided in the Indenture and delivered against payment therefor, will constitute valid and legally binding obligations of the Corporation enforceable against the Corporation in accordance with their terms, and are entitled to the benefits afforded by the Indenture in accordance with the terms of the Indenture and the Debentures.
- (ix) No consent, approval, authorization, order, registration or qualification is required to authorize, or for the Corporation to consummate the transactions contemplated by this Agreement, except for such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Debentures by the Underwriters and except as required in Condition 7.6 of the order of the North Carolina Utilities Commission dated June 29, 2012, in Docket No. E-7, sub 986, which consent has been obtained.

Such counsel may state that his opinions in paragraphs (vii) and (viii) are subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally and by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law). Such counsel shall state that nothing has come to his attention that has caused him to believe that each document incorporated by reference in the Registration Statement, the Pricing Disclosure Package and the Prospectus, when filed, was not, on its face, appropriately responsive, in all material respects, to the requirements of the 1934 Act and the 1934 Act Regulations. Such counsel shall also state that nothing has come to his attention that has caused him to believe that (i) the Registration Statement, including the Rule 430B Information, as of its effective date and at each deemed effective date with respect to the Underwriters pursuant to Rule 430B(f)(2) of the 1933 Act Regulations, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) the Pricing Disclosure Package at the Applicable Time contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading or (iii) that the Prospectus or any amendment or supplement thereto, as of the date it was filed with, or transmitted for filing to, the Commission and at the Closing Date, contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in

order to make the statements therein, in light of the circumstances under which they were made, not misleading. Such counsel may also state that, except as otherwise expressly provided in such opinion, he does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in or incorporated by reference into the Registration Statement, the Pricing Disclosure Package or the Prospectus and does not express any opinion or belief as to (i) the financial statements or other financial data contained or incorporated by reference therein, including XBRL interactive data, (ii) the statement of the eligibility and qualification of the Trustee included in the Registration Statement (the "Form T-1") or (iii) the information in the Prospectus under the caption "Book-Entry System."

In rendering the foregoing opinion, such counsel may state that he does not express any opinion concerning any law other than the law of the State of North Carolina and may rely as to all matters of the laws of the States of South Carolina, Ohio, Indiana and Florida on appropriate counsel reasonably satisfactory to the Representatives, which may include the Corporation's other "in-house" counsel). Such counsel may also state that he has relied as to certain factual matters on information obtained from public officials, officers of the Corporation and other sources believed by him to be responsible.

- (f) You shall have received an opinion of Robinson, Bradshaw & Hinson, P.A., counsel to the Corporation, dated the Closing Date, to the effect that:
 - (i) This Agreement has been duly authorized, executed and delivered by the Corporation.
 - (ii) The execution and delivery by the Corporation of this Agreement and the consummation by the Corporation of the transactions contemplated hereby, including the issuance and sale of the Debentures, will not (i) conflict with the Corporation's certificate of incorporation or Bylaws, (ii) constitute a violation of, or a breach of or default under, the terms of any of the contracts set forth on Schedule D hereto or (iii) violate or conflict with, or result in any contravention of, any Applicable Law. "Applicable Law" means the General Corporation Law of the State of Delaware and those laws, rules and regulations of the State of New York and those federal laws, rules and regulations of the United States of America, in each case that, in such counsel's experience, are normally applicable to transactions of the type contemplated by this Agreement (other than the United States federal securities laws, state securities or blue sky laws, antifraud laws and the rules and regulations of the Financial Industry Regulatory Authority).
 - (iii) (a) No Governmental Approval of a federal court, a North Carolina court or a Delaware court acting pursuant to General Corporation Law of the State of Delaware, which has not been obtained or taken and is not in full force and effect, is required to authorize, or is required for, the execution or delivery of this Agreement by the Corporation or the consummation by the Corporation of the transactions contemplated hereby, and (b) no other Governmental Approval, which has not been obtained or taken and is not in full force and effect, is required to authorize, or is required for, the

execution or delivery of this Agreement by the Corporation or the consummation by the Corporation of the transactions contemplated hereby. "Governmental Approval" means any consent, approval, license, authorization or validation of, or filing, qualification or registration with, any Governmental Authority required to be made or obtained pursuant to Applicable Laws, other than any consent, approval, license, authorization, validation, filing, qualification or registration that may have become applicable as a result of the involvement of any party (other than the Corporation) in the transactions contemplated by this Agreement or because of such parties' legal or regulatory status or because of any other facts specifically pertaining to such parties and "Governmental Authority" means any court, regulatory body, administrative agency or governmental body of the State of North Carolina or the State of Delaware or the United States of America having jurisdiction over the Corporation under Applicable Law.

- (iv) The Corporation has been duly incorporated and is validly existing in good standing under the laws of the State of Delaware, and has the corporate power and corporate authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby.
- (v) The Indenture has been duly authorized, executed and delivered by the Corporation and, assuming the due authorization, execution and delivery thereof by the Trustee, is a valid and binding agreement of the Corporation, enforceable against the Corporation in accordance with its terms.
- (vi) The Debentures have been duly authorized and executed by the Corporation and, when duly authenticated by the Trustee and issued and delivered by the Corporation against payment therefor in accordance with the terms of this Agreement and the Indenture, will constitute valid and binding obligations of the Corporation entitled to the benefits of the Indenture and enforceable against the Corporation in accordance with their terms.
- (vii) The statements under the caption "U.S. Federal Income Tax Considerations" in the Prospectus Supplement, insofar as such statements summarize legal matters or legal conclusions discussed therein, fairly present, in all material respects such legal matters or legal conclusions.
- (viii) The statements (i) under the caption "Description of Debt Securities" (other than under the caption "Book-Entry Debt Securities") that are included in the Base Prospectus and (ii) under the caption "Description of the Debentures" in the Pricing Disclosure Package and the Prospectus Supplement, insofar as such statements purport to summarize certain provisions of the Indenture and the Debentures, fairly summarize such provisions in all material respects.

- (ix) The Corporation is not and, solely after giving effect to the offering and sale of the Debentures and the application of the proceeds thereof as described in the Prospectus, will not be an “investment company,” as such term is defined in the Investment Company Act of 1940, as amended.
- (x) The statements in the Prospectus under the caption “Underwriting,” insofar as such statements purport to summarize certain provisions of this Agreement, fairly summarize such provisions in all material respects.

You shall also have received a statement of Robinson, Bradshaw & Hinson, P.A., dated the Closing Date, to the effect that:

(i) no facts have come to such counsel’s attention that have caused such counsel to believe that the documents filed by the Corporation under the 1934 Act and the 1934 Act Regulations that are incorporated by reference in the Preliminary Prospectus Supplement that forms a part of the Pricing Disclosure Package and the Prospectus, were not, on their face, appropriately responsive in all material respects to the requirements of the 1934 Act and the 1934 Act Regulations (except that in each case such counsel need not express any view as to the financial statements, schedules and other financial information included or incorporated by reference therein or excluded therefrom, compliance with XBRL interactive data requirements or the Form T-1) (ii) the Registration Statement, at the Applicable Time and the Prospectus, as of its date, appeared on their face to be appropriately responsive in all material respects to the requirements of the 1933 Act and the 1933 Act Rules and Regulations (except that in each case such counsel need not express any view as to the financial statements, schedules and other financial information included or incorporated by reference therein or excluded therefrom, compliance with XBRL interactive data requirements or the Form T-1) and (iii) no facts have come to such counsel’s attention that have caused such counsel to believe that the Registration Statement, at the Applicable Time, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus, as of its date and as of the Closing Date, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that in each case such counsel need not express any view as to the financial statements, schedules and other financial information included or incorporated by reference therein or excluded therefrom, including XBRL interactive data, or the statements contained in the exhibits to the Registration Statement, including the Form T-1). Such counsel shall further state that, in addition, no facts have come to such counsel’s attention that have caused such counsel to believe that the Pricing Disclosure Package, as of the Applicable Time, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that such counsel need not express any view as to the financial statements, schedules and other financial information included or incorporated by reference therein or excluded therefrom, including XBRL interactive data, or the statements contained in the exhibits to the Registration Statement, including the Form T-1).

In addition, such statement shall confirm that the Prospectus has been filed with the Commission within the time period required by Rule 424 of the 1933 Act Regulations and any required filing of a Permitted Free Writing Prospectus pursuant to Rule 433 of the 1933 Act

Regulations has been filed with the Commission within the time period required by Rule 433(d) of the 1933 Act Regulations. Such statement shall further state that the Registration Statement became effective upon filing under the 1933 Act and, pursuant to Section 309 of the Trust Indenture Act of 1939, as amended (the "1939 Act"), the Indenture has been qualified under the 1939 Act, and that such counsel has been orally advised by the Commission that no stop order suspending the effectiveness of the Registration Statement has been issued and, to such counsel's knowledge, no proceedings for that purpose have been instituted or are pending or threatened by the Commission.

Robinson, Bradshaw & Hinson, P.A. may state that its opinions in paragraphs (v) and (vi) are subject to the effects of bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally and by general principles of equity (regardless of whether enforceability is considered in a proceeding in equity or at law). In addition, such counsel may state that they have relied as to certain factual matters on information obtained from public officials, officers and representatives of the Corporation and that the signatures on all documents examined by them are genuine, assumptions which such counsel have not independently verified.

- (g) You shall have received an opinion of Sidley Austin LLP, counsel for the Underwriters, dated the Closing Date, with respect to the validity of the Debentures, the Registration Statement, the Pricing Disclosure Package and the Prospectus, as amended or supplemented, and such other related matters as you may require, and the Corporation shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.
- (h) On or after the Applicable Time, there shall not have occurred any of the following: (i) a suspension or material limitation in trading in securities generally or of the securities of the Corporation, on the New York Stock Exchange; or (ii) a general moratorium on commercial banking activities in New York declared by either Federal or New York State authorities or a material disruption in commercial banking services or securities settlement or clearance services in the United States; or (iii) the outbreak or escalation of hostilities involving the United States or the declaration by the United States of a national emergency or war, if the effect of any such event specified in this subsection (h) in your reasonable judgment makes it impracticable or inadvisable to proceed with the public offering or the delivery of the Debentures on the terms and in the manner contemplated in the Pricing Disclosure Package and the Prospectus. In such event there shall be no liability on the part of any party to any other party except as otherwise provided in Section 7 hereof and except for the expenses to be borne by the Corporation as provided in Section 5(j) hereof.
- (i) You shall have received a certificate of the Chairman of the Board, the President, any Vice President, the Secretary or an Assistant Secretary and any financial or accounting officer of the Corporation, dated the Closing Date, in which such officers, to the best of their knowledge after reasonable investigation, shall state that the representations and warranties of the Corporation in this Agreement are true and correct as of the Closing Date, that the Corporation has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at

or prior to the Closing Date, that the conditions specified in Section 6(c) and Section 6(d) have been satisfied, and that no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or are threatened by the Commission.

- (j) At the time of the execution of this Agreement, you shall have received a letter dated such date, in form and substance satisfactory to you, from Deloitte & Touche LLP, the Corporation's independent registered public accounting firm, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained or incorporated by reference into the Registration Statement, the Pricing Disclosure Package and the Prospectus, including specific references to inquiries regarding any increase in long-term debt (excluding current maturities), decrease in net current assets (defined as current assets less current liabilities) or common stockholders' equity, change in the Corporation's common stock, and decrease in operating revenues or net income for the period subsequent to the latest financial statements incorporated by reference in the Registration Statement when compared with the corresponding period from the preceding year, as of a specified date not more than three business days prior to the date of this Agreement, which letter shall also include, from Deloitte & Touche LLP, in its capacity as Progress Energy's independent registered public accounting firm, statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements of Progress Energy contained or incorporated by reference into the Registration Statement, the Pricing Disclosure Package and the Prospectus.
- (k) At the Closing Date, you shall have received from Deloitte & Touche LLP, a letter dated as of the Closing Date, to the effect that they reaffirm the statements made in the letter furnished pursuant to subsection (j) of this Section 6, except that the specified date referred to shall be not more than three business days prior to the Closing Date.
- (l) At the Closing Date, the Corporation shall have applied for the Debentures to be listed on the NYSE.

The Corporation will furnish you with such conformed copies of such opinions, certificates, letters and documents as you reasonably request.

7. *Indemnification.* (a) The Corporation agrees to indemnify and hold harmless each Underwriter, their respective officers and directors, and each person, if any, who controls any Underwriter or within the meaning of Section 15 of the 1933 Act, as follows:

- (i) against any and all loss, liability, claim, damage and expense whatsoever arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto) including the Rule 430B Information, or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of

any untrue statement or alleged untrue statement of a material fact contained in the Pricing Disclosure Package, the Prospectus (or any amendment or supplement thereto), any Permitted Free Writing Prospectus or any issuer free writing prospectus as defined in Rule 433 of the 1933 Act Regulations, or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, unless such statement or omission or such alleged statement or omission was made in reliance upon and in conformity with written information furnished to the Corporation by the Representatives on behalf of the Underwriters expressly for use in the Registration Statement (or any amendment thereto), the Pricing Disclosure Package, the Prospectus (or any amendment or supplement thereto) or any Permitted Free Writing Prospectus;

- (ii) against any and all loss, liability, claim, damage and expense whatsoever to the extent of the aggregate amount paid in settlement of any litigation, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission or any such alleged untrue statement or omission, if such settlement is effected with the written consent of the Corporation; and
- (iii) against any and all expense whatsoever reasonably incurred in investigating, preparing or defending against any litigation, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) of this Section 7.

In no case shall the Corporation be liable under this indemnity agreement with respect to any claim made against any Underwriter or any such controlling person unless the Corporation shall be notified in writing of the nature of the claim within a reasonable time after the assertion thereof, but failure so to notify the Corporation shall not relieve it from any liability which it may have otherwise than under subsections 7(a) and 7(b). The Corporation shall be entitled to participate at its own expense in the defense, or, if it so elects, within a reasonable time after receipt of such notice, to assume the defense of any suit brought to enforce any such claim, but if it so elects to assume the defense, such defense shall be conducted by counsel chosen by it and approved by the Underwriter or Underwriters or controlling person or persons, or defendant or defendants in any suit so brought, which approval shall not be unreasonably withheld. In any such suit, any Underwriter or any such controlling person shall have the right to employ its own counsel, but the fees and expenses of such counsel shall be at the expense of such Underwriter or such controlling person unless (i) the Corporation and such Underwriter shall have mutually agreed to the employment of such counsel, or (ii) the named parties to any such action (including any impleaded parties) include both such Underwriter or such controlling person and the Corporation and such Underwriter or such controlling person shall have been advised by such counsel that a conflict of interest between the Corporation and such Underwriter or such controlling person may arise and for this reason it is not desirable for the same counsel to represent both the indemnifying party and also the indemnified party (it being understood, however, that the Corporation shall not, in connection with any one such action or separate but

substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys for all such Underwriters and all such controlling persons, which firm shall be designated in writing by you). The Corporation agrees to notify you within a reasonable time of the assertion of any claim against it, any of its officers or directors or any person who controls the Corporation within the meaning of Section 15 of the 1933 Act, in connection with the sale of the Debentures.

- (b) Each Underwriter severally agrees that it will indemnify and hold harmless the Corporation, its directors and each of the officers of the Corporation who signed the Registration Statement and each person, if any, who controls the Corporation within the meaning of Section 15 of the 1933 Act to the same extent as the indemnity contained in subsection (a) of this Section, but only with respect to statements or omissions made in the Registration Statement (or any amendment thereto) the Pricing Disclosure Package, the Prospectus (or any amendment or supplement thereto) or any Permitted Free Writing Prospectus, in reliance upon and in conformity with written information furnished to the Corporation by the Representatives on behalf of the Underwriters expressly for use in the Registration Statement (or any amendment thereto), the Pricing Disclosure Package, the Prospectus (or any amendment or supplement thereto) or any Permitted Free Writing Prospectus. In case any action shall be brought against the Corporation or any person so indemnified based on the Registration Statement (or any amendment thereto), the Pricing Disclosure Package, the Prospectus (or any amendment or supplement thereto) or any Permitted Free Writing Prospectus and in respect of which indemnity may be sought against any Underwriter, such Underwriter shall have the rights and duties given to the Corporation, and the Corporation and each person so indemnified shall have the rights and duties given to the Underwriters, by the provisions of subsection (a) of this Section.
- (c) No indemnifying party shall, without the prior written consent of the indemnified party, effect any settlement of any pending or threatened proceeding in respect of which any indemnified party is or could have been a party and indemnity could have been sought hereunder by such indemnified party, unless such settlement includes an unconditional release of such indemnified party from all liability on claims that are the subject matter of such proceeding and does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.
- (d) If the indemnification provided for in this Section 7 is unavailable to or insufficient to hold harmless an indemnified party in respect of any and all loss, liability, claim, damage and expense whatsoever (or actions in respect thereof) that would otherwise have been indemnified under the terms of such indemnity, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage or expense (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Corporation on the one hand and the Underwriters on the other from the offering of the Debentures. If, however, the allocation provided by the immediately preceding sentence is not permitted by

applicable law or if the indemnified party failed to give the notice required above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Corporation on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such loss, liability, claim, damage or expense (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Corporation on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Corporation bear to the total compensation received by the Underwriters in respect of the underwriting discount as set forth in the table on the cover page of the Prospectus. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Corporation on the one hand or the Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Corporation and the Underwriters agree that it would not be just and equitable if contributions pursuant to this Section were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section. The amount paid or payable by an indemnified party as a result of the losses, liabilities, claims, damages or expenses (or actions in respect thereof) referred to above in this Section shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Debentures underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations to contribute are several in proportion to their respective underwriting obligations and not joint.

8. *Default by One or More of the Underwriters.* (a) If any Underwriter shall default in its obligation to purchase the Debentures which it has agreed to purchase hereunder on the Closing Date, you may in your discretion arrange for you or another party or other parties to purchase such Debentures on the terms contained herein. If within thirty-six hours after such default by any Underwriter you do not arrange for the purchase of such Debentures, then the Corporation shall be entitled to a further period of thirty-six hours within which to procure another party or other parties satisfactory to you to purchase such Debentures on such terms. In the event that, within the respective prescribed periods, you notify the Corporation that you have so arranged for the purchase of such Debentures, or the Corporation notifies you that it has so arranged for the purchase of such Debentures, you or the Corporation shall have the right to

postpone such Closing Date for a period of not more than seven days, in order to effect whatever changes may thereby be made necessary in the Registration Statement, the Pricing Disclosure Package or the Prospectus, or in any other documents or arrangements, and the Corporation agrees to file promptly any amendments to the Registration Statement, the Pricing Disclosure Package or the Prospectus which may be required. The term "Underwriter" as used in this Agreement shall include any person substituted under this Section with like effect as if such person had originally been a party to this Agreement with respect to such Debentures.

- (b) If, after giving effect to any arrangements for the purchase of the Debentures of a defaulting Underwriter or Underwriters by you or the Corporation as provided in subsection (a) above, the aggregate amount of such Debentures which remains unpurchased does not exceed one-tenth of the aggregate amount of all the Debentures to be purchased at such Closing Date then the Corporation shall have the right to require each non-defaulting Underwriter to purchase the amount of Debentures which such Underwriter agreed to purchase hereunder at such Closing Date and, in addition, to require each non-defaulting Underwriter to purchase its pro rata share (based on the amount of Debentures which such Underwriter agreed to purchase hereunder) of the Debentures of such defaulting Underwriter or Underwriters for which such arrangements have not been made; but nothing herein shall relieve a defaulting Underwriter from liability for its default.
- (c) If, after giving effect to any arrangements for the purchase of the Debentures of a defaulting Underwriter or Underwriters by you or the Corporation as provided in subsection (a) above, the aggregate amount of such Debentures which remains unpurchased exceeds one-tenth of the aggregate amount of all the Debentures to be purchased at such Closing Date or if the Corporation shall not exercise the right described in subsection (b) above to require non-defaulting Underwriters to purchase Debentures of a defaulting Underwriter or Underwriters, then this Agreement shall thereupon terminate, without liability on the part of any non-defaulting Underwriter or the Corporation, except for the expenses to be borne by the Corporation as provided in Section 5(j) hereof and the indemnity and contribution agreement in Section 7 hereof; but nothing herein shall relieve a defaulting Underwriter from liability for its default.

9. *Representations and Indemnities to Survive Delivery.* The respective indemnities, agreements, representations, warranties and other statements of the Corporation or its officers and of the several Underwriters set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation, or statement as to the results thereof, made by or on behalf of any Underwriter or the Corporation, or any of its officers or directors or any controlling person, and will survive delivery of and payment for the Debentures.

10. *Reliance on Your Acts.* In all dealings hereunder, the Representatives shall act on behalf of each of the Underwriters, and the Corporation shall be entitled to act and rely upon any statement, request, notice or agreement on behalf of any Underwriter made or given by the Representatives.

11. *No Fiduciary Relationship.* The Corporation acknowledges and agrees that (i) the purchase and sale of the Debentures pursuant to this Agreement is an arm's-length commercial

transaction between the Corporation on the one hand, and the Underwriters on the other hand, (ii) in connection with the offering contemplated hereby and the process leading to such transaction, each Underwriter is and has been acting solely as a principal and is not the agent or fiduciary of the Corporation or its shareholders, creditors, employees, or any other party, (iii) no Underwriter has assumed or will assume an advisory or fiduciary responsibility in favor of the Corporation with respect to the offering contemplated hereby or the process leading thereto (irrespective of whether such Underwriter has advised or is currently advising the Corporation on other matters) and no Underwriter has any obligation to the Corporation with respect to the offering contemplated hereby except the obligations expressly set forth in this Agreement, (iv) the Underwriters and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Corporation, and (v) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the transaction contemplated hereby and the Corporation has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.

12. *Notices.* All communications hereunder will be in writing and, if sent to the Underwriters, will be mailed or telecopied and confirmed to Merrill Lynch, Pierce, Fenner & Smith Incorporated, 50 Rockefeller Plaza, NY1-050-12-01, New York, NY 10020, Attention: High Grade Transaction Management/Legal Facsimile: (646) 855-5958; Citigroup Global Markets Inc. General Counsel (fax no.: (212) 816 7912) and confirmed to the General Counsel, Citigroup Global Markets Inc., at 388 Greenwich Street, New York, New York, 10013, Attention: General Counsel; Morgan Stanley & Co. LLC, 1585 Broadway, 29th Floor, New York, NY 10036, Attention: Investment Banking Division, Telephone: (212) 761-6691, Facsimile: (212) 507-8999; UBS Securities LLC, 677 Washington Boulevard, Stamford, CT 06901, Telephone (203) 719-1088, Facsimile (203) 719-0495, Attention: Fixed Income Syndicate; and Wells Fargo Securities, LLC, 550 South Tryon Street, 5th Floor, Charlotte, NC 28202, Attention: Transaction Management (fax no.: 704-410-0326) or, if sent to the Corporation, will be mailed or telecopied and confirmed to it at 550 S. Tryon Street, Charlotte, N.C. 28202, facsimile (980) 373-3699, attention of Treasurer. Any such communications shall take effect upon receipt thereof.

13. *Business Day.* As used herein, the term “business day” shall mean any day when the Commission’s office in Washington, D.C. is open for business.

14. *Successors.* This Agreement shall inure to the benefit of and be binding upon the Underwriters and the Corporation and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and the controlling persons, officers and directors referred to in Section 7 and their respective successors, heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained; this Agreement and all conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and their respective successors and said controlling persons, officers and directors and their respective successors, heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Debentures from any Underwriter shall be deemed to be a successor or assign by reason merely of such purchase.

15. *Counterparts*. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

16. *Applicable Law*. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

If the foregoing is in accordance with your understanding, kindly sign and return to us two counterparts hereof, and upon confirmation and acceptance by the Underwriters, this letter and such confirmation and acceptance will become a binding agreement between the Corporation, on the one hand, and each of the Underwriters, on the other hand, in accordance with its terms.

Very truly yours,

DUKE ENERGY CORPORATION

By: /s/ W. Bryan Buckler
Name: W. Bryan Buckler
Title: Assistant Treasurer

The foregoing Underwriting Agreement is hereby confirmed and accepted as of the date first above written.

Citigroup Global Markets Inc.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
Morgan Stanley & Co. LLC
UBS Securities LLC
Wells Fargo Securities, LLC

On behalf of each of the Underwriters

Citigroup Global Markets Inc.

Merrill Lynch, Pierce, Fenner & Smith
Incorporated

By: /s/ Brian D. Bednarski
Name: Brian D. Bednarski
Title: Managing Director

By: /s/ David Mikula
Name: David Mikula
Title: Managing Director

Morgan Stanley & Co. LLC

UBS Securities LLC

By: /s/ Yurij Slyz
Name: Yurij Slyz
Title: Executive Director

By: /s/ Spencer Haimes
Name: Spencer Haimes
Title: Managing Director

Wells Fargo Securities, LLC

By: /s/ Christopher Avallone
Name: Christopher Avallone
Title: Associate Director

By: /s/ Carolyn Hurley
Name: Carolyn Hurley
Title: Director

SCHEDULE A

| Underwriter | Principal Amount of Debentures to be Purchased |
|---|--|
| Citigroup Global Markets Inc. | \$ 77,300,000 |
| Merrill Lynch, Pierce, Fenner & Smith Incorporated | 77,300,000 |
| Morgan Stanley & Co. LLC | 77,300,000 |
| UBS Securities LLC | 77,300,000 |
| Wells Fargo Securities, LLC | 77,300,000 |
| J.P. Morgan Securities LLC | 25,000,000 |
| RBC Capital Markets, LLC | 25,000,000 |
| BNY Mellon Capital Markets, LLC | 5,000,000 |
| HRC Investment Services, Inc. | 5,000,000 |
| Janney Montgomery Scott LLC | 5,000,000 |
| Oppenheimer & Co. Inc. | 5,000,000 |
| Raymond James & Associates, Inc. | 5,000,000 |
| Robert W. Baird & Co. Incorporated | 5,000,000 |
| Wedbush Securities Inc. | 5,000,000 |
| Advisors Asset Management, Inc. | 1,500,000 |
| Ameriprise Financial Services Inc. | 1,500,000 |
| B.C. Ziegler and Company | 1,500,000 |
| BB&T Capital Markets, a division of Scott & Stringfellow, LLC | 1,500,000 |
| C.L. King & Associates, Inc. | 1,500,000 |
| City Securities Corporation | 1,500,000 |
| Comerica Securities, Inc. | 1,500,000 |
| D.A. Davidson & Co. | 1,500,000 |
| Davenport & Company LLC | 1,500,000 |
| Incapital LLC | 1,500,000 |
| J.J.B. Hilliard, W.L. Lyons, LLC | 1,500,000 |
| Keefe, Bruyette & Woods, Inc. | 1,500,000 |
| Maxim Group LLC | 1,500,000 |
| Mesirow Financial, Inc. | 1,500,000 |
| Southwest Securities Inc. | 1,500,000 |
| Steme, Agee & Leach, Inc. | 1,500,000 |
| Stockcross Financial Services, Inc. | 1,500,000 |
| Synovus Securities, Inc. | 1,500,000 |
| William Blair & Company, L.L.C. | 1,500,000 |
| Total | \$ 500,000,000 |

SCHEDULE B

PRICING DISCLOSURE PACKAGE

- 1) Base Prospectus
- 2) Preliminary Prospectus Supplement dated January 9, 2013
- 3) Permitted Free Writing Prospectuses
 - a) Pricing Term Sheet attached as Schedule C hereto

SCHEDULE C

Filed pursuant to Rule 433
January 9, 2013

Relating to
Preliminary Prospectus Supplement dated January 9, 2013 to
Prospectus dated September 29, 2010
Registration Statement No. 333-169633

Duke Energy Corporation
\$500,000,000 5.125% Junior Subordinated Debentures due 2073

Pricing Term Sheet

Issuer: Duke Energy Corporation

Registration Format: SEC Registered

Listing: Intend to apply to list on the New York Stock Exchange, Inc. under the symbol "DUKH"; if approved for listing, trading is expected to begin within 30 days of issuance.

Trade Date: January 9, 2013

Settlement Date: January 14, 2013 (T+3)

Interest Payment Dates: Quarterly on January 15, April 15, July 15 and October 15 of each year, commencing April 15, 2013

Security Description: 5.125% Junior Subordinated Debentures due 2073

Principal Amount: \$500,000,000

Maturity: January 15, 2073

Coupon Rate: 5.125%

Denominations: \$25.00 and integral multiples thereof

Initial Price to Public: \$25.00 per Debenture

Purchase Prices: \$24.2125 per Debenture (for sales to non-institutions)
\$24.50 per Debenture (for sales to institutions)

Over-allotment Option: None

| | |
|---|---|
| Optional Deferral: | Up to 40 consecutive quarterly periods per deferral; deferred interest will accrue and compound quarterly at an annual rate of 5.125%, as permitted by law. |
| Make-Whole Call/Optional Redemption Provisions: | Redeemable at any time before January 15, 2018, at 100% of the principal amount plus accrued and unpaid interest plus a “make-whole premium” at a discount rate equal to the Treasury Rate plus 30 basis points; redeemable at any time on or after January 15, 2018, at 100% of the principal amount plus accrued and unpaid interest. |
| Call for Tax Event: | Prior to January 15, 2018, at any time at 100% of the principal amount plus accrued and unpaid interest. |
| Call for Rating Agency Event: | Prior to January 15, 2018, at any time at 102% of the principal amount plus accrued and unpaid interest. |
| CUSIP / ISIN: | 26441C 303 / US26441C3034 |
| Joint Book-Running Managers: | Citigroup Global Markets Inc. Merrill Lynch, Pierce, Fenner & Smith Incorporated Morgan Stanley & Co. LLC UBS Securities LLC Wells Fargo Securities, LLC |
| Co-Managers: | J.P. Morgan Securities LLC RBC Capital Markets, LLC |

The terms “Rating Agency Event,” “Tax Event” and “Treasury Rate” have the same meanings ascribed to those terms in the Issuer’s Preliminary Prospectus Supplement dated January 9, 2013.

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Citigroup Global Markets Inc. at (800) 831-9146, Merrill Lynch, Pierce, Fenner & Smith Incorporated at (800) 294-1322, Morgan Stanley & Co. LLC at (800) 584-6837, UBS Securities LLC at (877) 827-6444, ext. 561-3884 or Wells Fargo Securities, LLC at (800) 326-5897.

Schedule D

1. Fifteenth Supplemental Indenture, dated as of April 3, 2006, among the registrant, Duke Energy and JPMorgan Chase Bank, N.A. (as successor to Guaranty Trust Company of New York), as trustee (the "Trustee"), supplementing the Senior Indenture, dated as of September 1, 1998, between Duke Energy Carolinas, LLC (formerly Duke Energy Corporation) and the Trustee.
2. Credit Agreement, dated as of November 18, 2011, among Duke Energy Corporation, Duke Energy Carolinas, LLC, Duke Energy Ohio, Inc., Duke Energy Indiana, Inc. and Duke Energy Kentucky, Inc., as Borrowers, the lenders listed therein, Wells Fargo Bank, National Association, as Administrative Agent, Bank of America, N.A. and The Royal Bank of Scotland plc, as Co Syndication Agents and Bank of China, New York Branch, Barclays Bank PLC, Citibank, N.A., Credit Suisse AG, Cayman Islands Branch, Industrial and Commercial Bank of China Limited, New York Branch, JPMorgan Chase Bank, N.A. and UBS Securities LLC, as Co-Documentation Agents.