

Edgar Filing: Duke Energy Holding Corp. - Form 425

Duke Energy Holding Corp.
Form 425
August 09, 2005

Filed by Duke Energy Corporation
Pursuant to Rule 425 under the Securities Act of 1933
And Deemed Filed Pursuant to Rule 14a-12
Under the Securities Exchange Act of 1934

Subject Company: Duke Energy Holding Corp.
Commission File No. 333-126318

[DUKE ENERGY
GRAPHIC OMITTED]

Committed to Customers and Communities

[CINERGY
GRAPHIC OMITTED]

	Duke Power Duke Energy's electric utility company	Cincinnati Gas & EL Union Ligh Cinergy's elect
Regulated Businesses Overview	Duke Power, a business unit of Duke Energy, serves approximately 2.2 million electric customers in a 22,000-square-mile area of North Carolina and South Carolina. Duke Power's total system generating capability is approximately 19,900 megawatts.	CG&E and PSI (elec Indiana and Kentuc Cinergy. ULH&P is 1.5 million electr gas customers in a territory. Cinergy generation.
Service & Reliability	<ul style="list-style-type: none"> o Experienced continuous reduction in number of outages over the last 10 years o Two-time winner of Edison Electric Institute Emergency Response Award 	<ul style="list-style-type: none"> o Exceeds PUCO stand o Consistently excel o planning and servi o Edison Electric In o Award winner (2004
Customer Satisfaction	<ul style="list-style-type: none"> o Ranks highest in customer satisfaction with residential electric service in the Southern U.S. in J.D. Power and Associates' 2005 electric utility residential customer satisfaction study* o Ranks No.1 in the Southeast and No. 3 nationally for customer satisfaction with large manufacturing and institutional customers in 2005 TQS Research Key Account National Benchmark Survey o Joins Cinergy as the second energy company in the nation to have its call centers certified by J.D. Power and Associates for providing an outstanding customer service experience (2005)* o Ranked fourth out of 30 electric and gas utilities by the American Customer Satisfaction Index 	<ul style="list-style-type: none"> o Consistently outpe o customer satisfact o multiple independe o Ranks twelfth nati o with large manufac o customers in 2005 o Benchmark Survey o First energy compa o centers certified o providing an outst o experience (2005)* o Tied for fifth out o by the American Cu
Customer Rates	<ul style="list-style-type: none"> o 1995 average retail cost per kilowatt-hours: 5.58 cents o 2004 average retail cost per kilowatt-hours: 5.80 cents 	<ul style="list-style-type: none"> o 1995 combined aver o kilowatt-hours: 5. o 2004 combined aver o kilowatt-hours: 5.

1995 U.S. national average per kilowatt-hours 7.17 c

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2003 U.S. national average per kilowatt-hours 7.48 cents (2004 average)

Economic Development	<ul style="list-style-type: none"> o Twenty full-time staff supports economic development efforts in 54 counties o Provided \$350,000 to local economic development organizations and \$50,000 in marketing assistance to both states o \$977,000 given to the Carolinas Investment Fund o Offers economic development incentive rider rates o Granted \$250,000 to Central Piedmont Community College for economic development-related work force training 	<ul style="list-style-type: none"> o Ten full-time staff efforts in 82 counties o Provided \$250,000 to local economic development organizations o \$200,000 in Cinergy economic development efforts o Provided \$415,000 to the Indiana Economic Development Corporation o Offers economic development incentives o Named best or among top economic development departments for three consecutive years
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Energy Assistance	<ul style="list-style-type: none"> o Signature programs began in 1985 with the Share the Warmth program and provide heating and cooling assistance to low-income customers o More than \$21 million has been contributed by The Duke Energy Foundation and Duke Power customers through Share The Warmth o The Duke Energy Foundation annually contributes \$500,000 to Share the Warmth, \$250,000 to the Cooling Assistance program and \$60,000 to Fan Relief o As part of a wholesale power profit-sharing agreement, an additional \$2.65 million in bulk power marketing (BPM) revenues through 2007 will be directed annually to these low-income customer programs 	<ul style="list-style-type: none"> o Since the 1980s, the company has supported HeatShare (Ohio), WinterCare (Ky.), and other programs for low-income customers with pay assistance o Shareholders donate to these programs - contributing over \$10 million to date o To date, approximately \$10 million has been distributed to low-income customers through these programs o In 2004, more than \$2 million was distributed to low-income customers o Continued support for these programs - \$4.3 million in 2004 low-income program
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* For more information about J.D. Power and Associates 2005 Electric Utility Residential Customer Satisfaction Study or J.D. Power and Associates Certified Call Centers information, visit www.jdpower.com or call 1-866-842-7548.

Duke Energy
Parent company of Duke Power

Parent company of Cinergy

Philanthropy	<p>2004 Corporate Giving*</p> <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 20px;">Foundation Disbursements</td> <td style="text-align: right;">\$13.7 million</td> </tr> <tr> <td style="padding-left: 20px;">Arts/Science Fund Contributions</td> <td style="text-align: right;">\$292,000</td> </tr> <tr> <td style="padding-left: 20px;">United Way Contributions</td> <td style="text-align: right;">\$2 million</td> </tr> </table> <p>2004 Employee Giving*</p> <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 20px;">Arts/Science Fund Contributions</td> <td style="text-align: right;">\$292,000</td> </tr> <tr> <td style="padding-left: 20px;">United Way Contributions</td> <td style="text-align: right;">\$2.9 million</td> </tr> </table> <p>Employees also donate significantly to their communities through their volunteer efforts</p> <p>*Duke Power contributions are included in Duke Energy corporate foundation disbursements</p>	Foundation Disbursements	\$13.7 million	Arts/Science Fund Contributions	\$292,000	United Way Contributions	\$2 million	Arts/Science Fund Contributions	\$292,000	United Way Contributions	\$2.9 million	<p>2004 Corporate Giving*</p> <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 20px;">Foundation Disbursements</td> <td style="text-align: right;">\$13.7 million</td> </tr> <tr> <td style="padding-left: 20px;">Arts Fund Contributions</td> <td style="text-align: right;">\$292,000</td> </tr> <tr> <td style="padding-left: 20px;">United Way Contributions</td> <td style="text-align: right;">\$2 million</td> </tr> </table> <p>2004 Employee Giving*</p> <table border="0" style="width: 100%;"> <tr> <td style="padding-left: 20px;">Arts Fund Contributions</td> <td style="text-align: right;">\$292,000</td> </tr> <tr> <td style="padding-left: 20px;">United Way Contributions</td> <td style="text-align: right;">\$2.9 million</td> </tr> </table> <p>Employees also donate significantly to their communities through their volunteer efforts</p> <p>*Regulated operations only Cinergy corporate foundation disbursements **Includes Greater Cincinnati United Way campaigns only</p>	Foundation Disbursements	\$13.7 million	Arts Fund Contributions	\$292,000	United Way Contributions	\$2 million	Arts Fund Contributions	\$292,000	United Way Contributions	\$2.9 million
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Forward-Looking Statements

This document includes statements that do not directly or exclusively relate to historical facts. Such statements are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These forward-looking statements include statements regarding benefits of the proposed mergers and restructuring transactions, integration plans and expected synergies, anticipated future financial operating performance and results, including estimates of growth. These statements are based on the current expectations of management of Duke and Cinergy. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements included in this document. For example, (1) the companies may be unable to obtain shareholder approvals required for the transaction; (2) the companies may be unable to obtain regulatory approvals required for the transaction, or required regulatory approvals may delay the transaction or result in the imposition of conditions that could have a material adverse effect on the combined company or cause the companies to abandon the transaction; (3) conditions to the closing of the transaction may not be satisfied; (4) problems may arise in successfully integrating the businesses of the companies, which may result in the combined company not operating as effectively and efficiently as expected; (5) the combined company may be unable to achieve cost-cutting synergies or it may take longer than expected to achieve those synergies; (6) the transaction may involve unexpected costs or unexpected liabilities, or the effects of purchase accounting may be different from the companies' expectations; (7) the credit ratings of the combined company or its subsidiaries may be different from what the companies expect; (8) the businesses of the companies may suffer as a result of uncertainty surrounding the transaction; (9) the industry may be subject to future regulatory or legislative actions that could adversely affect the companies; and (10) the companies may be adversely affected by other economic, business, and/or competitive factors. Additional factors that may affect the future results of Duke and Cinergy are set forth in their respective filings with the Securities and Exchange Commission ("SEC"), which are available at www.duke-energy.com/investors and www.cinergy.com/investors, respectively. Duke and Cinergy undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Information and Where to Find It

In connection with the proposed transaction, a registration statement of Duke Energy Holding Corp. (Registration No. 333-126318), which includes a preliminary joint proxy statement of Duke and Cinergy, and other materials have been filed with the SEC and are publicly available. WE URGE INVESTORS TO READ THE DEFINITIVE JOINT PROXY STATEMENT-PROSPECTUS WHEN IT BECOMES AVAILABLE AND THESE OTHER MATERIALS CAREFULLY BECAUSE THEY CONTAIN IMPORTANT INFORMATION ABOUT DUKE, CINERGY, DUKE ENERGY HOLDING CORP., AND THE PROPOSED TRANSACTION. Investors will be able to obtain free copies of the joint proxy statement-prospectus as well as other filed documents containing information about Duke and Cinergy at <http://www.sec.gov>, the SEC's website. Free copies of Duke's SEC filings are also available on Duke's website at www.duke-energy.com/investors, and free copies of Cinergy's SEC filings are also available on Cinergy's website at www.cinergy.com/investors.

Participants in the Solicitation

Duke, Cinergy and their respective executive officers and directors may be deemed, under SEC rules, to be participants in the solicitation of

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proxies from Duke's or Cinergy's stockholders with respect to the proposed transaction. Information regarding the officers and directors of Duke is included in its definitive proxy statement for its 2005 Annual Meeting filed with the SEC on March 31, 2005. Information regarding the officers and directors of Cinergy is included in its definitive proxy statement for its 2005 Annual Meeting filed with the SEC on March 28, 2005. More detailed information regarding the identity of potential participants, and their direct or indirect interests, by securities, holdings or otherwise, will be set forth in the registration statement and proxy statement and other materials to be filed with the SEC in connection with the proposed transaction.