



NEWS RELEASE

*Duke Energy Corporation
P.O. Box 1009
Charlotte, NC 28201-1009*

Oct. 13, 2010

MEDIA CONTACTS

Duke Energy	Greg Efthimiou	704-382-1925
	24-Hour	800-559-3853
IntegrYS Energy Services	Joel Jansen	920-617-6029
Smart Energy Capital	Rob Krugel	914-595-2641

Duke Energy, IntegrYS Energy Services and Smart Energy Capital Launch Partnership to Build and Finance Solar Projects throughout U.S.

CHARLOTTE, N.C. – Duke Energy, IntegrYS Energy Services and Smart Energy Capital today announced the launch of a partnership to build and finance distributed solar projects throughout the United States.

Through the partnership, Duke Energy Generation Services (DEGS) and IntegrYS Energy Services (IntegrYS) will focus on jointly owning rooftop and smaller ground-mounted photovoltaic (PV) solar projects that deliver electricity to investment-grade commercial, government and utility customers under long-term power purchase agreements. Smart Energy Capital will develop the projects and arrange financing, enabling DEGS and IntegrYS to create a streamlined, end-to-end approach to bringing solar projects to market.

“What makes this partnership unique in the marketplace is its focus on distributed solar solutions that produce renewable electricity close to where it is used, rather than at centralized power plants,” said Greg Wolf, DEGS senior vice president and head of the unit’s commercial solar business. “The companies involved bring a wealth of project development, construction, management and financing expertise to the partnership.”

- more -

DEGS, part of Duke Energy Corporation's (NYSE: DUK) Commercial Businesses, and Integrys Energy Services, a subsidiary of Integrys Energy Group (NYSE: TEG), believe the majority of PV solar growth over the next several years will involve commercial-scale ground-mounted and rooftop applications. While DEGS and Integrys will continue to independently develop commercial solar projects pursuant to their respective strategies, this partnership will serve as a way to cooperatively boost growth in an attractive segment of the solar market.

"We have invested more than \$65 million in 20 different distributed generation solar projects across the U.S. with a combined capacity of more than 10 megawatts," said Joel Jansen, managing director and head of energy assets at Integrys Energy Services. "Partnering with DEGS and Smart Energy Capital enables us to expand our presence in this market in an efficient, strategic manner."

DEGS and Integrys will equally supply the necessary equity capital for construction and ownership of the distributed solar projects. Over the next two years, the companies intend to invest up to \$180 million in total project capital. Individual project size is expected to be 500 kilowatts and up, depending on the needs of the customer. DEGS and Integrys will be responsible for operating and maintaining the projects.

Smart Energy Capital will work with its strategic origination partners, including CB Richard Ellis (under the name CBRE Solar) and Tremco Roofing, to help customers achieve their sustainability and energy objectives on optimal terms. The financing structure of the partnership enables DEGS and Integrys to monetize all available federal tax benefits associated with the distributed solar projects.

"We believe this partnership provides a solution to one of the fundamental challenges in the commercial segment of the solar market – reliability and certainty of financing," said

Rob Krugel, managing partner of Smart Energy Capital. “We are excited to form a strategic partnership with such large, experienced and well-capitalized power project owners as DEGS and Integrys to pursue distributed solar projects wherever market opportunities in the U.S. present themselves.”

About Duke Energy Generation Services

Duke Energy Generation Services, part of Duke Energy’s Commercial Businesses, is a leader in developing innovative renewable energy solutions, including wind, solar and biopower projects. DEGS builds, owns and operates electric generation for large energy consumers, municipalities, utilities and industrial facilities. DEGS is also working to build commercial transmission capacity to help the U.S. meet its energy needs of the future. Headquartered in Charlotte, N.C., Duke Energy is a Fortune 500 company traded on the New York Stock Exchange under the symbol DUK. More information about the company is available on the Internet at: www.duke-energy.com.

About Integrys Energy Services, Inc.

Established in 1994, Integrys Energy Services, Inc. provides competitive energy supply solutions, structured products, and strategies that allow retail residential, commercial, and industrial customers to manage their energy needs. Its principal energy marketing operations are in the northeastern quadrant of the United States. Through its subsidiary, Integrys Energy Services – Natural Gas LLC, Integrys offers natural gas products to a full range of end-users throughout the Midwest. Areas of generation expertise include cogeneration, distributed generation, renewables such as solar and landfill gas, as well as clean fuel generation, with facilities in selected markets throughout the United States. More information about Integrys Energy Services is available online at www.integrysenergy.com.

About Smart Energy Capital

Founded in 2009, Smart Energy Capital is a leader in the financing and development of

- 4 -

solar energy projects. The company manages the development, financing, installation and operations of distributed power plants throughout the United States and Canada using proven photovoltaic technologies. The company delivers fully managed, predictably priced solar energy services for its commercial, government and utility customers. More information about Smart Energy Capital is available at www.smartenergycapital.com.

###