

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

2008 SEP - 2 PM 5: 14

In the Matter of the Application of Duke

Energy Ohio, Inc., for Approval of an Electric

Security Plan

Case No. 08-920-EL-SS

In the Matter of the Application of Duke

Energy Ohio, Inc., for Approval to Amend

Accounting Methods

Case No. 08-921-EL-AAM

In the Matter of the Application of Duke

Energy Ohio, Inc., for Approval of a

Certificate of Public Convenience and

Necessity to Establish an Unavoidable

Capacity Charge(s)

Case No. 08-922-EL-UNC

In the Matter of the Application of Duke

Energy Ohio, Inc., for Approval to Amend its

Tariff

Case No. 08-923-EL-ATA

MOTION TO INTERVENE OF THE OHIO MANUFACTURERS' ASSOCIATION

Duke Energy Ohio, Inc., seeks in these proceedings the Commission's approval of an electric security plan pursuant to Amended Substitute Senate Bill No. 221 ("SB 221"), the recently enacted legislation amending the Ohio statutory electric restructuring plan created by amended Substitute Senate Bill No. 3 in 1999, and certain related measures. As more fully discussed in the accompanying memorandum, The Ohio Manufacturers' Association ("OMA") has a real and substantial interest in this proceeding, and is so situated that the disposition of this proceeding may, as a practical matter, impair or impede its ability to protect that interest. Further, the OMA's interest in these proceedings is not represented by any existing party, and its participation in these proceedings will contribute to

a just and expeditious resolution of the issues involved without unduly delaying the proceedings or unjustly prejudicing any existing party. Accordingly, the OMA hereby moves to intervene in these proceedings pursuant to Section 4903.221, Revised Code, and Rule 4901-1-11, Ohio Administrative Code.

WHEREFORE, the OMA respectfully requests that the Commission grant its motion to intervene.

Respectfully submitted,

Langdon D. Bell (Counsel of Record)

Atty Reg. #0016384

Bell & Royer Co., LPA

33 South Grant Avenue

Columbus OH 43215-3927

(614) 228-0704 - Telephone

(614) 228-0201 - Fax

LBELL33@aol.com - Email

Attorney for The Ohio Manufacturers' Association

Kevin Schmidt

The Ohio Manufacturers' Association

33 North High Street

Columbus OH 43215-3005

(614) 224-5111 - Telephone

(614) 224-1012 - Fax

KSCHMIDT@ohiomfg.com - Email

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Case No. 08-923-EL-ATA

MEMORANDUM IN SUPPORT OF MOTION TO INTERVENE OF THE OHIO MANUFACTURERS' ASSOCIATION

Section 4903.221, Revised Code, provides that any "person who may be adversely affected by a public utilities commission proceeding may intervene in such proceeding." The Ohio Manufacturers' Association ("OMA") is a non-profit trade organization representing the interests of small, medium, and large manufacturing companies with facilities situated in Ohio. Manufacturing accounts for more than 20 percent of Ohio's total economic output – nearly double the contribution of any other private industry sector of the economy. Manufacturing is Ohio's leading source of jobs,

employing more than 800,000 Ohioan's – one in every six Ohio workers is employed in manufacturing. Manufacturers consume more than 1/3 of the total energy consumed in Ohio causing manufacturers to be disproportionally impacted by energy pricing instability – and volatility. In light of this interest the OMA has been actively involved in energy supply and pricing proceedings before this Commission over the years, and was an active participant in the effort that led to the passage of SB 221. It has a real and substantial interest in assuring that the objectives of SB 221 are appropriately recognized in the electric security plans ultimately approved in this case. Thus, there can be no question that the OMA may be adversely affected by these proceedings.

Further, not only does the OMA satisfy the underlying statutory test, but it also satisfies the standards governing intervention set forth in the Commission's rules.

Rule 4901-1-11(A), Ohio Administrative Code ("OAC"), provides, in pertinent part, as follows:

- (A) Upon timely motion, any person shall be permitted to intervene in a proceeding upon a showing that:
 - (2) The person has a real and substantial interest in the proceeding, and the person is so situated that the disposition of the proceeding may, as a practical matter, impair or impede his ability to protect that interest, unless the person's interest is adequately represented by existing parties.

The OMA plainly has a real and substantial interest in proceedings that will impact Ohio's manufacturing environment. Moreover, no existing party adequately represents the full spectrum of manufacturing represented by the OMA.

Although the OMA does not believe this to be a close question, each of the specific considerations that the Commission may, by rule, take into account in applying the Rule 4901-1-

11(A)(2), OAC, standard also fully support granting the OMA's motion to intervene. Rule 4901-1-11(B), OAC, provides as follows:

In deciding whether to permit intervention under paragraph (A)(2) of this rule, the commission, the legal director, the deputy legal director, or an attorney examiner case shall consider:

- (1) The nature and extent of the prospective intervenor's interest;
- (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case.
- (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceedings.
- (4) Whether the prospective intervenor will significantly contribute to full development and equitable resolution of the factual issues.
- (5) The extent to which the person's interest is represented by existing parties;

First, as previously explained, the OMA's interest in the proposals contained in these proceedings relating to the state's energy policies of providing reasonable priced reliable electric while promoting Ohio's economic development and job growth set forth in SB 221 is obviously direct and substantial. Second, although the OMA must necessarily await further developments before determining the specific positions it will adopt with respect to these issues, the OMA will certainly advocate that the authorized returns on equity be reasonably related to advancing the states' energy policies, with cost based revenue responsibility being assigned within and between customer classes consistent with the legislative intent underlying SB 221. Third, in view of the fact that these proceedings have just recently commenced, granting the OMA's motion to intervene will not unduly delay or prolong these proceedings. Fourth, the OMA will bring substantial technical and legal

expertise to bear on these issues. Finally, it would be inconsistent with the Commission's stated policy "to encourage the broadest possible participation in its proceedings" (see, e.g., Cleveland Elec. Illum. Co., Case No. 85-675-EL-AIR, Entry dated January 14, 1986, at 2) to apply the Rule 4901-1-11(B)(5) standard in a manner that would favor one interest based advocate over others. Thus, granting the OMA intervenor status is consistent with all the considerations set out in Rule 4901-1-11(B), OAC.

WHEREFORE, the OMA respectfully requests that Commission grant its motion to intervene.

Respectfully submitted,

Langdon D. Bell (Counsel of Record)

Atty Reg. #0016384 Bell & Royer Co., LPA

33 South Grant Avenue

Columbus OH 43215-3927

(614) 228-0704 - Telephone

(614) 228-0201 - Fax

LBELL33@aol.com - Email

Attorney for The Ohio Manufacturers' Association

Kevin Schmidt

The Ohio Manufacturers' Association

33 North High Street

Columbus OH 43215-3005

(614) 224-5111 - Telephone

(614) 224-1012 - Fax

KSCHMIDT@ohiomfg.com - Email

CERTIFICATE OF SERVICE

This is to certify that a copy of the Ohio Manufacturer Association's Motion to Intervene and Memorandum in Support was served upon the interested parties listed below electronically or by first class U.S. Mail, postage prepaid, on this 2nd day of September 2008.

Paul Colbert / Anita Schafer Duke Energy Ohio 139 E Fourth St. Cincinnati OH 45291

Joseph Clark
McNees Wallace & Nurick LLC
21 E State St., 17th Fl
Columbus OH 43215

Thomas O'Brien
Bricker & Eckler
100 South Third Street
Columbus OH 43215

Barth Royer
Bell & Royer Co., LPA
33 South Grant Avenue
Columbus OH 43215-3927

Noel M. Morgan Legal Aid Society of Greater Cincinnati 215 E Ninth St., Suite 200 Cincinnati OH 45202

David L. Fein Cynthia A. Fonner Constellation Energy Group, Inc. 550 W Washington St., Ste 300 Chicago IL 60661 David Boehm Boehm, Kurtz & Lowry 36 East Seventh Street, Ste 1510 Cincinnati OH 45202-4454

Jeffrey Small
Jacqueline Roberts
Michael Idzkowski
Ann Hotz
Ohio Consumers' Counsel
10 W Broad St., Suite 1800
Columbus OH 43215

Matthew S. White Chester, Wilcox & Saxbe, LLP 65 East State St., Suite 1000 Columbus OH 43215

David C. Rinebolt Ohio Partners for Affordable Energy 231 West Lima St., PO Box 1793 Findlay OH 45839-1793

Henry Eckhart 50 W Broad Street, Suite 1217 Columbus OH 43215-3301 Craig G. Goodman, Esq. President National Energy Marketers Association 3333 K Street, NW, Suite 110 Washington DC 20007

Stephen M. Howard Vorys, Sater, Seymour and Pease 52 East Gay Street PO Box 1008 Columbus OH 43216-1008