

Case No. 09-1820-EL-ATA
Case No. 12-1005-EL-UNC

**Staff Report to the Commission recommending the approval of the amended
Smartgrid CEI Peak Time Rebate Rider and its associated Bill Format**

The Staff has reviewed the CEI Operating Company's revised changes its Peak Time Rebate Rider and its associated Billing Format changes made on March 13, 2012 and March 21, 2012 respectively. The amendments to the previously approved tariff changes relate to the timing of when CEI customers will be assigned to begin receiving service according to the tariff rider and when the customer's specific average energy baseline usage will be adjusted. Previously, an initial group of 4,000 CEI customers were to be assigned to the PTR Rider by the beginning of June 2010. This date has been amended to reflect a starting date beginning in June 2012. In addition, CEI participating PTR Rider customers will have their baseline energy usage adjusted two hours prior to a Critical Peak Event being called. The purpose of this additional baseline energy usage adjustment is to prevent the gaming of customers on likely hot summer Critical Peak Event Days from dramatically pre-cooling their house just prior to when a Critical Peak Event would commence. This will likely provide for a more accurate way in which customers will respond to Critical Peak Events. The Staff recommends that these changes to the Peak Time Rebate Rider be approved by the Commission.

In addition to this, the CEI Operating Company in consultation with the Staff has made changes to the billing format for those customers on the Peak Time Rebate Rider. The primary change is the addition of a table on the customer's bill that will summarize the various Critical Peak Events that have occurred during the billing month. This table will show the Critical Peak Event date(s), the customer's baseline usage, actual usage, reduction in usage, the rebate per kilowatt hour and the total rebate earned. The events will be totaled and the total will be carried forward to a designated line item "Peak Time Rebate" on the bill. The Staff recommends these proposed bill format changes to be approved by the Commission.

Greg Scheck, PUCO Staff
March 30, 2012

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