



**DELIVERED BY EMAIL**

October 12, 2022

Rocco D'Ascenzo  
Deputy General Counsel  
Duke Energy Business Services  
139 E. Fourth Street, 1303-Main  
Cincinnati, Ohio 45202

Re: Notification of CBP Auction Results

Dear Mr. D'Ascenzo:

Pursuant to the requirements of paragraph 26 of the September 21, 2022 Finding and Order of the Public Utility Commission of Ohio ("PUCO" or "Commission"), please find attached a redacted version of the post-auction letter addressed to you (and cc'd to others) that the Auction Manager, CRA International, submitted on September 20 following the conclusion of the Duke Energy Ohio, Inc. ("DEO") Competitive Bidding Process Auction to procure supply for Standard Service Offer customers of DEO.

Redactions have been updated pursuant to paragraph 26 of the Finding and Order cited above. Other than these changes, the attached redacted letter is no different than the letter sent to you on September 20.

Sincerely yours,

CRA INTERNATIONAL, INC.

A handwritten signature in black ink, appearing to read "Robert Lee", written over a horizontal line.

Robert Lee  
Vice President

cc:

Jenifer French, Chairperson, Public Utilities Commission of Ohio  
Tamara Turkenton, Public Utilities Commission of Ohio  
Timothy Benedict, Public Utilities Commission of Ohio  
Matthew Snider, Public Utilities Commission of Ohio

Attachment



**DELIVERED BY EMAIL**

CRA No. D23171

September 20, 2022

Rocco D'Ascenzo  
Deputy General Counsel  
Duke Energy Business Services  
139 E. Fourth Street, 1303-Main  
Cincinnati, Ohio 45202

Re: Notification of CBP Auction Results

Dear Mr. D'Ascenzo:

This is to inform you that we have confirmed the results of the Duke Energy Ohio, Inc.'s Competitive Bidding Process Auction ("Auction") to procure supply for Standard Service Offer (SSO) customers of Duke Energy Ohio, Inc. The Auction began on Tuesday, September 20, 2022 and concluded the same day.

The original tranche target for the auction was 40 tranches. Following round 2, the tranche target was reduced from 40 tranches to 20 tranches based on pre-determined criteria related to excess eligibility and the reservation price for the auction. The reduction was executed consistent with the auction rules and procedures.

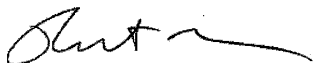
There are three tables attached to this letter.

- Table 1 summarizes the results of the Auction.
- Table 2 shows, for each winning bidder, the number of tranches won and the tranche-weighted average price paid for each contract in the Auction.
- Table 3 provides the Auction Manager's assessment of the conduct of the Auction.

In accordance with the Bidding Rules, winning bidders will be contacted directly by Duke Energy Ohio, Inc. to execute the Master SSO Supply Agreement no later than three (3) business days following the close of the Auction.

Sincerely yours,

CRA INTERNATIONAL, INC.



Robert J. Lee  
Vice President

cc:

Jenifer French, Chairperson, Public Utilities Commission of Ohio  
M. Beth Trombold, Commissioner, Public Utilities Commission of Ohio  
Lawrence Friedeman, Commissioner, Public Utilities Commission of Ohio  
Dennis Deters, Commissioner, Public Utilities Commission of Ohio  
Daniel Conway, Commissioner, Public Utilities Commission of Ohio  
Timothy Benedict, Public Utilities Commission of Ohio  
Tamara Turkenton, Public Utilities Commission of Ohio  
Matthew Snider, Public Utilities Commission of Ohio  
Dina Riemann, Duke Energy Ohio, Inc.  
Larisa Vaysman, Duke Energy Ohio, Inc.  
Ryan Gentil, Duke Energy Ohio, Inc.  
Frank Mossburg, Bates White  
Karen Morgan, Bates White

**Table 1. Summary of SSO Auction Results**

Period of Delivery	June 1, 2023 - May 31, 2024
Number of Registered Bidders	6
Total initial eligibility of Registered Bidders	
Total initial eligibility divided by tranche target	
Number of bidders that submitted bids in round 1	
Number of tranches bid in round 1	43
Number of tranches bid in round 1 divided by tranche target	1.08
Number of tranches to procure in auction (tranche target)	40 tranches
Number of tranches procured in auction	20 tranches
Number of rounds in clock phase	6
Was there a sealed-bid round?	No
Number of winning bidders	4
Starting price range	\$100.00 to \$120.00 per MWh
Starting price	
Tranche-weighted average price of winning bids	\$115.75 per MWh

**Table 2. Winning Bidders and Tranches Won**

<b>Winning Bidder</b>	<b>Number of Winning Tranches</b>	<b>Tranche-Weighted Average Price to be Paid (\$/MWh)</b>
ConocoPhillips Company	4	\$115.50
Boston Energy Trading and Marketing LLC	4	\$115.50
Constellation Energy Generation, LLC	7	\$115.50
NextEra Energy Marketing, LLC	5	\$116.50
<b>TOTAL</b>	<b>20</b>	<b>\$115.75</b>

**Table 3. Auction Manager's Assessment of the Conduct of the Auction**

	Question	
1	Were the competitive bidding rules violated?	No
2	Does the Auction Manager believe the auction was open, fair, transparent, and competitive?	Yes
3	Did bidders have sufficient information to prepare for the auction?	Yes. Bidders received information from the competitive bidding process documents, the Information Website, questions-and-answers posted to the Information Website, and bidder information sessions.
4	Was the information generally provided to bidders in accordance with the published timetable? Was the timetable updated appropriately as needed?	Yes.
5	Were there any issues and questions left unresolved prior to the auction that created material uncertainty for bidders?	We do not believe that there were any unresolved issues or questions that created material uncertainty for bidders.
6	Were there any procedural problems or errors with the auction, including the electronic bidding process, the back-up bidding process, and communications between bidders and the Auction Manager?	No
7	Were protocols for communication between bidders and the Auction Manager adhered to?	Yes
8	Were there any hardware or software problems or errors, either with the auction system or with its associated communications systems?	No
9	Were there any unanticipated delays during the auction?	No
10	Did unanticipated delays appear to adversely affect bidding in the auction?	No
11	Were appropriate data back-up procedures planned and carried out?	Yes
12	Were any security breaches observed with the auction process?	No

	Question	
13	Were protocols followed for communications among Duke Energy Ohio, Inc., the Auction Manager, the PUCO, and the PUCO's consultant during the auction?	Yes
14	Were the protocols followed for decisions regarding changes in auction parameters (e.g., volume adjustments and price decrements)?	Yes
15	Were the calculations (e.g., for price decrements or bidder eligibility) produced by the auction software double-checked or reproduced off-line by the Auction Manager?	Yes
16	Was there evidence of confusion or misunderstanding on the part of bidders that delayed or impaired the auction?	No
17	Were the communications between the Auction Manager and bidders timely and effective?	Yes
18	Was there evidence that bidders felt unduly rushed during the process?	No
19	Was there any evidence of collusion or improper coordination among bidders?	No
20	Was there any evidence of anti-competitive behavior in the auction?	No
21	Was information made public appropriately? Was confidential and sensitive information treated appropriately?	Yes
22	Were there factors exogenous to the auction (e.g., changes in market environment) that materially affected the auction in unanticipated ways?	There were concerns related to community aggregation triggered by recent PUCO activity around NOPEC.

**This foregoing document was electronically filed with the Public Utilities  
Commission of Ohio Docketing Information System on**

**10/12/2022 2:35:46 PM**

**in**

**Case No(s). 18-6000-EL-UNC**

Summary: Notification of CBP Auction Results – Updated Redacted Version  
electronically filed by Mr. Timothy W. Benedict on behalf of PUCO Staff