



DELIVERED VIA EMAIL

March 15, 2023

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 31 of the February 22, 2023 Finding and Order of the Public Utilities 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 February 21, 2023 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 31 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 February 21.

Sincerely yours,

CRA INTERNATIONAL, INC.

A handwritten signature in black ink, appearing to read "Robert Lee", with a stylized flourish at the end.

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

February 21, 2023

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, February 21, 2023 and concluded the same day.

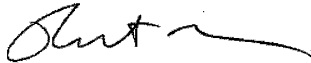
There are three tables attached to this letter.

- 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
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
Marjorie Romero, Bates White

Table 1. Summary of SSO Auction Results

Period of Delivery	June 1, 2023 - May 31, 2024
Number of Registered Bidders	8
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	223
Number of tranches bid in round 1 divided by tranche target	2.79
Number of tranches to procure in auction (tranche target)	80 tranches
Number of tranches procured in auction	80 tranches
Number of rounds in clock phase	13
Was there a sealed-bid round?	Yes
Number of winning bidders	8
Starting price range	\$90.00 to \$130.00 per MWh
Starting price	
Tranche-weighted average price of winning bids	\$82.79 per MWh

Table 2. Winning Bidders and Tranches Won

Winning Bidder	Number of Winning Tranches	Tranche-Weighted Average Price to be Paid (\$/MWh)
AEP Energy Partners, Inc.	3	\$82.73
Boston Energy Trading and Marketing LLC	4	\$82.73
BP Energy Company	2	\$82.73
ConocoPhillips Company	4	\$82.80
Constellation Energy Generation, LLC	10	\$82.73
Energy Harbor LLC	20	\$82.73
Interstate Gas Supply, LLC	23	\$82.74
NextEra Energy Marketing, LLC	14	\$83.04
TOTAL	80	\$82.79

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?	Uncertainty with the 2024/2025 BRA required a truncation of the 24-month product originally planned for the auction. Product truncation did not create any material issues with the auction.

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

3/15/2023 1:48:18 PM

in

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

Summary: Notification of CBP Auction Results-Updated Redacted Version
electronically filed by Mr. Matthew D Snider on behalf of PUCO Staff.