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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The)
Cincinnati Gas & Electric Company for an) Case No. 01-1228-GA-AIR
Increase in its Gas Rates in its Service)
Territory.)

In the Matter of the Application of The)
Cincinnati Gas & Electric Company for) Case No. 01-1478-GA-ALT
Approval of an Alternative Rate Plan for its)
Gas Distribution Service.)

REPLY MEMORANDUM TO THE MEMORANDUM CONTRA OF THE
CINCINNATI GAS & ELECTRIC COMPANY TO THE MOTION
TO INTERVENE OF OHIO PARTNERS FOR AFFORDABLE ENERGY

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David C. Rinebolt
Ohio Partners for Affordable
Energy
337 South Main Street, 4th
Floor, Suite 5
P.O. Box 1793
Findlay, OH 45839-1793
Telephone: (419) 425-8860
FAX: (419) 425-8862
e-mail: drinebolt@aol.com

July 24, 2001

Counsel for Ohio Partners
for Affordable Energy

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**REPLY MEMORANDUM TO THE MEMORANDUM CONTRA OF THE
CINCINNATI GAS & ELECTRIC COMPANY TO THE MOTION
TO INTERVENE OF OHIO PARTNERS FOR AFFORDABLE ENERGY**

Ohio Partners for Affordable Energy ("OPAE") timely filed a motion to intervene in the above referenced dockets on June 29, 2001 pursuant to R.C. 4903.221 and Section 4901-1-1-11 of the Commission's Code of Rules and Regulations. On July 17, 2001, The Cincinnati Gas & Electric Company ("CG&E") filed a memorandum contra to OPAE's motion to intervene. CG&E argues that OPAE's motion is essentially inadequate because it fails to provide sufficient information to permit evaluation of the motion to intervene. CG&E further opines that it cannot evaluate the nature of OPAE's interest in the case and whether OPAE's interests are adequately represented by other parties.

Sec. 4903.221, O.R.C. establishes the criteria for intervention as follows:

(B) That the commission, in ruling upon applications to intervene in its proceedings, shall consider the following criteria: (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.

Regarding criterion one, the nature and extent of intervenor's interest, OPAE noted in its initial motion to intervene that it is an Ohio corporation with a stated purpose of "advocating for affordable energy policies for low and moderate income Ohioans", i.e., a consumer advocacy organization. OPAE also noted that its members include, non-profit organizations located in the service territory that will be affected by the changes in rates and alternative regulation plan proposed by The Cincinnati Gas & Electric Company. Finally, OPAE noted that its member operate low-income weatherization programs either directly or indirectly funded by CG&E. Funding levels for low-income assistance programs are clearly at issue in these proceedings. Moreover, OPAE members are the acknowledged experts in the State of Ohio in the design and deployment of energy efficiency, bill assistance and consumer education programs, currently receiving funding from the federal and state governments, as well as all major utility companies.

CG&E queries what organization's OPAE represents. Though the response to this question is well known to the company by virtue of activities in other proceedings, the following list represents the current OPAE membership providing assistance to families inside the CG&E service territory:

- Adams-Brown Economic Opportunities, Inc.
- Cincinnati-Hamilton Community Action Commission
- Clermont County Community Services
- Supportive Council of Preventive Effort (SCOPE)

OPAE is also interested in the case from the perspective of the potential for changes in the CG&E natural gas choice program. Recent legislative action by the Ohio General Assembly has mandated significant changes in the

certification of marketers, consumer protections, jurisdictional issues, and authorized governmental aggregation within the State. Decisions related to the operation of CG&E's choice program, and the implementation of HB 9 may be made in the context of these dockets. OPAE notes that it has filed comments in Docket No. 01-1371-GA-ORD. The instant cases may well provide the appropriate forum to determine how these regulations are implemented in the CG&E service territory.

The second criterion is the nature legal issue advanced by the petitioner and the probable relation to the merits of the case. OPAE notes that the Commission has long encouraged utilities to provide both bill payments assistance via the Percentage Income Payment Program, as well as weatherization and consumer education services. The continuation, expansion and design of these programs are all potentially at issue in these cases. In addition, the effectiveness of the Cinergy Collaborative, that oversees these program, deserves review. Finally, OPAE has an interest in ensuring that its members receive natural gas distribution and commodity service at appropriate rates, given the nature of their facilities, and that natural gas choice programs provide effective opportunities for savings for consumers, while protecting their interests as customers purchasing essential energy services..

Criterion three is designed to ensure promptness in the processing of the case. OPAE has intervened in previous complex case before this Commission. The organization has never been cautioned or reprimanded by the Commission for unnecessarily delaying or prolonging a proceeding through its participation.

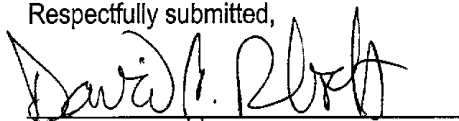
Finally, the fourth criterion is whether another party would adequately serve the interests' of OPAE. OPAE contends that its collective expertise in the design and operation of low-income assistance programs is unmatched by any

other organization that has intervened in this proceeding. Further, OPAE has a unique interest in ensuring that any low-income assistance programs funded by are compatible with and complementary to programs funded by other organizations to ensure the maximum benefit to eligible clients.

OPAE also is unique in its outspoken support for additional funding for low-income assistance programs. In the past five years OPAE has emerged as a consistent advocate for effective and appropriately financed low-income assistance efforts. The winter of 2000-01 and the resulting increase in demand for fuel assistance and weatherization service speaks volumes of the need to revisit current levels of commitment by utility companies to these types of programs. The availability of comprehensive energy services for low-income households helps guarantee access to essential energy services in a way that no rate discount or fuel fund can. OPAE is an organization capable of giving full voice to this important issue in a manner that will not unduly delay these proceedings. It currently represents the organizations that provide the majority of weatherization, bill assistance and consumer education services within the CG&E service territory (though OPAE members do not receive the much in the way of funding from CG&E itself). In summary, OPAE contends it is in a position to assist the Commission in fully developing the issues presented in these dockets, has a clear interest in the outcome of the proceedings, will contribute to the timely resolution of issues, and that no other organization can adequately represent its interests.

Therefore, OPAE respectfully requests that its motion to intervene be granted and that CG&E withdraw its memorandum contra.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David C. Rinebolt", written over a horizontal line.

David C. Rinebolt

Ohio Partners for Affordable Energy

P.O. Box 1793

337 South Main Street, 4th Floor, Suite 5

Findlay, OH 45840


Telephone: (419) 425-8860

FAX: (419) 425-8862

e-mail: drinebolt@aol.com

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion to Intervene and Memorandum of Support and the attached Motion to Admit was served by regular U.S. Mail upon the parties of record identified below in this case on this 24th day of July, 2001.



David C. Rinebolt, Esq.

**Counsel for Ohio Partners for
Affordable Energy**

John J. Finnigan
James B. Gainer
Paul A. Colbert
The Cincinnati Gas & Electric Company
139 Fourth Street, Room 25 ATII
Cincinnati, OH 45202

Duane C. Luckey, Section Chief
Assistant Attorney General
Public Utilities Section
180 East Broad Street
Columbus, OH 43266-0573

Robert S. Tongren
Colleen L. Mooney, Trial Attorney
Lopa B. Parikh
Ohio Consumers' Counsel
10 West Broad Street, 18th Floor
Columbus, OH 43215-3485