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BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION)
OF THE CINCINNATI GAS & ELECTRIC)
COMPANY FOR APPROVAL OF ITS) CASE NO. 99-1658-EL-ETP
ELECTRIC TRANSITION PLAN)

TRANSITION PLAN

OF

THE CINCINNATI GAS & ELECTRIC COMPANY

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BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application)
of The Cincinnati Gas & Electric)
Company for Approval of its) Case No. 99-1658-EL-ETP
Electric Transition Plan and for)
Authorization to Collect Transition)
Revenues)

In the Matter of the Application)
of The Cincinnati Gas & Electric) Case No. 99-1659-EL-ATA
Company for Approval of Tariff)
Changes Required to Implement)
Retail Electric Competition)

In the Matter of the Application)
of The Cincinnati Gas & Electric) Case No. 99-1660-EL-ATA
Company for Approval of its New)
Tariffs)

In the Matter of the Application)
of The Cincinnati Gas & Electric)
Company for Authority to Modify)
Current Accounting Procedures to) Case No. 99-1661-EL-AAM
Defer Costs Incurred)
Arising From the Implementation)
of its Electric Transition Plan)

In the Matter of the Application of)
The Cincinnati Gas & Electric)
Company for Authority to Modify)
Current Accounting Procedures to) Case No. 99-1662-EL-AAM
Defer Transition Costs and)
Continue to Defer the Unrecovered)
Balance of Regulatory Assets)

In the Matter of the Application)
of The Cincinnati Gas & Electric)
Company for Approval to Transfer) Case No. 99-1663-EL-UNC
Its Generating Assets to an Exempt)
Wholesale Generator)

APPLICATION

To the Honorable Public Utilities Commission of Ohio:

1. The Cincinnati Gas & Electric Company (Applicant) is an Ohio corporation engaged in the business of generating and supplying electric energy to consumers in Ohio and as such, is a public utility as defined by R. C. 4905.02, is an electric light company as defined by R. C. 4905.03, is an electric utility as defined by R. C. 4928.01, and is subject to the jurisdiction of this Commission.
2. Applicant submits for approval its Transition Plan, filed pursuant to the requirements of R. C. 4928.31, and seeks authorization for Applicant to collect transition revenues pursuant to R. C. 4928.31 through R. C. 4928.40 of the Ohio Revised Code.

Applicant's Transition Plan consists of the following components:

Part A – Rate Unbundling Plan

Applicant's Rate Unbundling Plan complies with R. C. 4928.34(A) and all rules adopted by the Commission under R. C. 4928.06(A).

Applicant's unbundled transmission component equals the Federal Energy Regulatory Commission (FERC) rates for each rate class and each rate schedule, as of the approval date of the Transition Plan.

Applicant's unbundled components for retail electric distribution service equals the difference between the costs attributable to the its transmission and distribution rates and charges under its schedule of rates and charges in effect on October 4, 1999 and the unbundled transmission component.

The unbundled components for retail electric generation service equal the residual amount remaining after the determination of transmission and distribution unbundled components.

The total of all unbundled components in the Rate Unbundling Plan equal bundled rates as of October 4, 1999, adjusted for net changes in taxation, pursuant to R. C. 4909.161, refunds resulting from resolution of utility personal property tax valuation litigation pursuant to R. C. 4928.35(B), the Universal Service Rider authorized by R. C. 4928.51, the temporary energy efficiency fund rider authorized by R. C. 4928.61, material changes in the tax laws or federal law pursuant to R. C. 4928.35(A), charges to Certified Suppliers pursuant to R. C. 4928.31(A)(5), and the mandatory five percent generation rate reduction for residential consumers pursuant to R. C. 4928.40(C).

Applicant's Rate Unbundling Plan complies with R. C. 4928.40(D) by ensuring that Applicant does not prohibit the resale

of electric generation service or impose unreasonable or discriminatory conditions on the resale of electric generation service.

Applicant's Rate Unbundling Plan complies with R. C. 4928.67 by including in its revised Electric Service Regulation tariff language which describes the conditions under which net metering is allowed and how Applicant will credit the customer for electric power that the customer generates and sells back to Applicant.

Applicant's Rate Unbundling Plan complies with R. C. 4928.35(A) in that Applicant is filing with the Rate Unbundling Plan its schedules containing each of the foregoing unbundled rate components and tariff changes necessary to effectuate competition. Applicant is seeking approval of these rate schedules in Case No. 99-1659-EL-ATA.

Applicant's Rate Unbundling Plan is supported by the testimony of Applicant's witnesses John P. Steffen and Frank E. Coyne.

Part B - Corporate Separation Plan

Pursuant to R. C. 4928.17, starting on January 1, 2001, with respect to the electric part of its business, Applicant will

provide only noncompetitive retail electric service, consisting of transmission and distribution service.

Operational control of Applicant's transmission assets shall reside with a FERC-approved transmission entity that will not have control of any generation assets.

Applicant shall operate its distribution system under the governance and rate authority of the Commission. Applicant shall offer all customers safe and reliable distribution service on a nondiscriminatory basis.

Applicant shall transfer all of its generation assets to an affiliated but separate corporate entity that will have no responsibility for or ownership interest in transmission and distribution services. Additionally, Applicant shall enter a Requirements Commodity Service Agreement no later than January 1, 2001 to provide Applicant with sufficient power to meet its obligation to serve through the Electric Restructuring Bill's requirement to make available to Applicant's firm electric supply customers nondiscriminatory standard offer and default generation service. Case No. 99-1663-EL-UNC contains the application for approval of the transfer of generating assets.

In implementing corporate separation under the Electric Restructuring Bill and in operating its system after such

implementation, Applicant will comply with the Commission's affiliate code of conduct rules.

Applicant, as a utility company held by Cinergy Corp. pursuant to the Public Utilities Holding Company Act of 1935, as amended (PUHCA), 15 U. S. C. 79 *et seq.*, shall maintain its accounting of affiliate transactions in accordance with United States Securities and Exchange Commission (SEC) statutes, rules, orders and SEC-approved service agreements.

Applicant's Corporate Separation Plan complies with R. C. 4928.17 and rules adopted by the Commission under R. C. 4928.06(A). The Plan provides corporate separation of competitive retail electric service from noncompetitive retail electric service, and the separation of noncompetitive retail electric (tariffed) services from other products and services. Furthermore, the Plan includes separate accounting requirements and complies with the code of conduct rule ordered by the Commission. The Plan satisfies the public interest in preventing unfair competitive advantage and preventing the abuse of market power while ensuring that Applicant will not extend any undue preference or advantage to any affiliate, division, or part of its own business engaged in competitive retail electric service or provision of non-electric products or services.

Applicant's Corporate Separation Plan is supported by the testimony of Applicant's witnesses Leigh J. Pefley and Paul G. Smith. Applicant's witness Kenneth Gordon provides testimony regarding market power issues.

Part C - Operational Support Plan

Applicant's Operational Support Plan complies with R. C. 4928.31(A)(3) in that it sufficiently addresses operational support systems and other technical implementation issues pertinent to competitive retail electric service and is consistent with the rules adopted by the Commission under R. C. 4928.06(A).

Applicant's Operational Support Plan provides that Applicant will enroll Certified Suppliers into its customer choice program via an enrollment process that will include financial, operational, and managerial requirements to ensure the safety and operational reliability of its distribution system and to protect Applicant and Applicant's customers against credit risk.

Applicant will establish a Certified Supplier Business Center with account managers to serve as a coordinated point of contact for Certified Suppliers. Applicant will offer products and services to Certified Suppliers at tariff rates based on the incremental costs of supplying such services. Case 99-1660-EL-ATA contains the application for approval of the Certified Supplier tariff.

Applicant will provide generic load profile information for homogeneous customer segments. Enrollment of end use customers by the Certified Supplier will be accomplished electronically through a Direct Access Service Request (DASR). Applicant will implement switching rules to limit gaming by Certified Suppliers and retail customers, and to allow Applicant to maintain the reliability of its transmission and distribution system. Certified Suppliers are expected to make a good faith effort at forecasting to meet their load obligations in Applicant's service area. Settlement will occur with the transmission scheduling agent, which may be the Certified Supplier, and the process will consist of a preliminary consumption imbalance calculation and a final imbalance calculation.

Applicant will own, furnish, install, program, calibrate, test, and maintain all meters and all associated equipment used for retail billing and settlement purposes in Applicant's service areas.

Two billing options are available for Certified Suppliers. Certified Suppliers may choose dual billing, in which the Certified Supplier renders its own bills to end use customers, or consolidated rate ready billing, in which case Applicant will compute consumption and apply it to the Certified Supplier's rates to create charges. Applicant's bill format will comply with the

minimum disclosure requirements of the Electric Restructuring Bill.

Applicant will apply partial payments received on a consolidated rate ready bill first to regulated gas and electric utility charges and taxes, and will remit Certified Supplier payments received to Certified Suppliers on a weekly basis. End use customers who fail to pay their noncompetitive electric service charges will be subject to Applicant's current collection procedure. Applicant will not collect arrearages for Certified Suppliers and will not disconnect service due to customer arrears to the Certified Supplier.

Additionally, Applicant will modify and install various information systems to support the above customer choice business processes and to electronically exchange data with Certified Suppliers. Applicant will incur significant incremental costs to implement these customer choice business processes and information system changes and requests that a regulatory asset be established to defer such incremental costs for recovery in Applicant's next rate case following the market development period. The application for this authority is contained in Case No. 99-1661-EL-AAM. This request is discussed and supported in the testimony of Applicant's witness, John P. Steffen.

Applicant will endeavor to recover default service costs from a defaulting Certified Supplier and seeks authorization, in Case No. 99-1660-EL-ATA, to implement Rate ALAS, Assessment Levied Against Suppliers applicable to all Certified Suppliers for any default service costs not recoverable from the defaulting Certified Supplier.

Applicant's Plan complies with the statutory requirements of R. C. 4928.11 and will comply with any rules promulgated under this section regarding:

- (1) Prescriptive standards for inspection, maintenance, repair and replacement of transmission and distribution systems;
- (2) establishment of uniform interconnection standards;
- (3) standards for operation, reliability and safety during periods of emergency and disaster.

Applicant's Operational Support Plan complies with R. C. 4928.35(D). Applicant's Plan ensures that Applicant will provide consumers on a comparable and nondiscriminatory basis within its certified territory a standard service offer of all retail electric services necessary to maintain essential electric service to consumers, including firm supply of electric generation service priced in accordance with the schedules containing Applicant's

unbundled generation service component. Applicant's request for approval of its schedules containing its unbundled generation component is contained in Case No. 99-1659-EL-ATA.

Applicant's Operational Support Plan complies with R. C. 4928.07 as Applicant will not provide competitive retail electric service and will itemize the price of competitive retail electric service on customers' bills for Certified Suppliers choosing consolidated rate ready billing. The Plan complies with R. C. 4928.37(B) in that it calls for itemizing the transition charge on customers' bills, and complies with R. C. 4933.33 by calling for the statutorily required statement to appear on customers' bills annually.

Applicant's Operational Support Plan is supported by the testimony of Applicant's witnesses Jeffrey L. Morris and Paul K. Jett. Requests for authority to defer costs incurred through the implementation of this Transition Plan are contained in Case No. 99-1661-EL-AAM. Applicant's Request for approval of Applicant's new Certified Supplier services is contained in Case No. 99-1660-EL-ATA.

Part D – Employee Assistance Plan

Pursuant to R. C. 4928.31(A)(4), Applicant's Employee Assistance Plan sufficiently provides for severance, retraining,

early retirement, retention, outplacement and other assistance for any utility employee whose employment is affected by electric industry restructuring during the market development period.

Applicant's Employee Assistance Plan consists of both a plan for assisting non-union employees and a plan for assisting union employees.

Applicant's Employee Assistance Plan for non-union employees addresses severance as well as ancillary benefits. Although Applicant reserves the right to implement involuntary workforce reductions if necessary, the Applicant intends to initially use voluntary programs to achieve workforce reductions that may be necessitated by electric industry restructuring in Ohio. Applicant proposes to use a voluntary severance pay program that will contain a lump-sum severance benefit that takes into account eligible employees' years of service.

Applicant's Employee Assistance Plan for union employees provides that if utility restructuring affects employees covered by collective bargaining agreements, Applicant will meet with the appropriate collective bargaining agent to negotiate regarding the effects of the restructuring. Applicant's Employee Assistance Plan is sponsored and supported by Applicant's witness, Richard L. Bond.

Part E – Consumer Education Plan

Pursuant to R. C. 4928.31(A)(5), Applicant's Consumer Education Plan complies with the General Plan adopted by the Commission pursuant to R. C. 4928.42 and rules adopted by the Commission under R. C. 4928.06(A). Applicant's Consumer Education Plan is a comprehensive, effective and efficient plan to educate consumers within Applicant's certified service territory on customer choice. This plan has several objectives, including helping consumers gain an understanding of how customer choice works, and informing consumers of how to exercise their options for choosing among Certified Suppliers. The Plan complies with the General Plan adopted by the Commission in that it:

- (a) Provides a specific contact person for the territory-specific campaign;
- (b) Describes the advisory group to be formed for the territory-specific campaign;
- (c) Describes in detail the tactics that will be employed in the territory-specific campaign;
- (d) Describes the timeline associated with executing the territory-specific campaign;
- (e) Describes the budget for the territory-specific campaign, including all foreseeable expenditures.

Applicant's Consumer Education Plan is sponsored and supported by the testimony of Applicant's witness, James L. Turner.

Part F – Application for Receipt of Transition Revenues

Applicant requests authorization to collect transition revenues pursuant to R. C. 4928.31(A). Applicant requests an opportunity to recover generation-related regulatory assets and other transition costs through the receipt of transition revenues, beginning January 1, 2001. All such transition costs meet the following criteria under R. C. 4928.39(A)-(D):

- (a) The costs were prudently incurred;
- (b) The costs are legitimate, net, verifiable, and directly assignable or allocable to retail electric generation service provided to electric consumers in Ohio;
- (c) The costs are unrecoverable in a competitive market;
- (d) The costs would otherwise be recoverable by the Applicant.

Transition revenues are collected through payment of the generation component of unbundled rates by customers who do not switch generation suppliers, and through payment of non-bypassable transition charges by customers who switch generation suppliers. Applicant proposes a transition charge structure that

will provide the Applicant with an opportunity to recover its transition costs while at the same time encouraging the development of effective competition. This structure will include periodic adjustments to transition costs and charges for changes in the market price of electricity.

Applicant seeks recovery of two primary components of transition costs. First, pursuant to R. C. 4928.39, Applicant is requesting recovery of the balance of its Ohio retail jurisdictional generation-related regulatory assets on its books and records as of December 31, 2000, described with particularity in the testimony of John P. Steffen. Applicant is requesting recovery of such regulatory assets until the earlier of December 31, 2010, or until the December 31, 2000 balance, including a return thereon, is fully recovered. Applicant's request for authority to continue to defer the unrecovered balance of these regulatory assets is addressed in Case No. 99-1662-EL-AAM. Recovery of such regulatory assets is subject to prospective adjustment only after December 31, 2004. The quantification of generation-related regulatory assets is provided by the testimony of Applicant's witness John P. Steffen, while additional testimony regarding the recovery of costs associated with such assets is provided by Applicant's witness, Leigh J. Pefley.

In addition, Applicant is requesting recovery of other transition costs during the market development period and is requesting authority to create a regulatory asset to defer the unrecoverable balance of these costs, as well as authority to begin recovery of these costs, in Case No. 99-1661-EL-AAM. These costs consist primarily of above-market generation costs. The transition costs associated with any above-market generation asset represent the difference between the net investment in such asset on Applicant's books and records as of December 31, 2000, and its market value, including a return on such difference, as described in the testimony of Applicant's witnesses Colin C. Blaydon and Howard W. Pifer III. During the market development period, the amount of transition costs to be recovered through transition revenues will be subject to periodic review and adjustment. Furthermore, if during the market development period, Applicant sells to an unaffiliated third party any of the above-market generation assets on which it is recovering other transition costs, the amount of other transition costs specifically related to that asset will be adjusted to reflect differences between the actual net sales proceeds and the previously determined market value. Applicant's Application for Receipt of Transition Revenues is

supported by the testimony of Applicant's witnesses, Leigh J. Pefley, Colin C. Blaydon, Howard W. Pifer III, and John P. Steffen.

Part G – Independent Transmission Plan

Applicant's Independent Transmission Plan complies with R. C. 4928.12, and the nine-part test contained therein, as well as R. C. 4928.31(A), R. C. 4928.34(A)(13) and R. C. 4928.35(G) because Applicant has agreed to transfer functional control of its transmission facilities to the Midwest ISO. The Midwest ISO has received FERC approval. The requirements for FERC approval are substantially similar to the "qualifying transmission entity" test in R. C. 4928.12; therefore, FERC's approval of the Midwest ISO should operate as *prima facie* evidence that the Midwest ISO is a "qualifying transmission entity." Applicant's Independent Transmission Plan is supported by the testimony of Applicant's witness, John C. Procario.

Part H – Shopping Incentive Plan

Applicant's Shopping Incentive Plan complies with R. C. 4928.37(A)(1)(b) and rules adopted under R. C. 4928.06(A).

Applicant's Shopping Incentive Plan describes the methodologies employed in arriving at a load switching forecast and additional factors that have been considered in developing a methodology for implementing a shopping incentive designed to

induce at least 20% load switching by class by December 31, 2003.

Applicant's Shopping Incentive Plan is supported by the testimony of Applicant's witnesses Richard G. Stevie and Kenneth Gordon.

3. Applicant requests the Commission to modify the filing requirements for Utilities' Integrated Resource Plan, as described in the testimony of Richard G. Stevie.

WHEREFORE, the Applicant respectfully prays that the Commission:

1. Accept this Application for filing.
2. Make the following findings in regards to Applicant's Rate Unbundling Plan:
 - (a) Find that Applicant's unbundled transmission component equals the FERC rates for each rate class and each rate schedule, as of the approval date of the Transition Plan, and therefore complies with R. C. 4928.34(A)(1).
 - (b) Find that Applicant's unbundled component for retail electric distribution service equals the difference between the costs attributable to the utility's transmission and distribution rates and charges under its schedule of rates and charges in effect on October 4, 1999 and the unbundled transmission component, and therefore complies with R. C. 4928.34(A)(2).

- (c) Find that Applicant's other unbundled rate components equal the costs attributable to the particular service reflected in the utility's schedule of rates and charges in effect on October 4, 1999, and therefore comply with R. C. 4928.34(A)(3).
- (d) Find that Applicant's unbundled component for retail electric generation service equals the residual amount remaining after the determination of transmission, distribution, and other unbundled components, and therefore complies with R. C. 4928.34(A)(4).
- (e) Find that the total of all of Applicant's unbundled components in the Rate Unbundling Plan equal bundled rates as of October 4, 1999, adjusted for net changes in taxation, pursuant to R. C. 4909.161, refunds resulting from resolution of utility personal property tax valuation litigation pursuant to R. C. 4928.35(B), the Universal Service Rider authorized by R. C. 4928.51, the temporary rider authorized by R. C. 4928.61, material changes in the tax laws or federal law pursuant to R. C. 4928.35(A), charges to Certified Suppliers pursuant to R. C. 4928.31(A)(5), and the mandatory five percent generation rate reduction for residential consumers pursuant to R. C. 4928.40(C), and

therefore that Applicant's Rate Unbundling Plan complies with R. C. 4928.34(A)(6).

- (f) Find that Applicant's Rate Unbundling Plan ensures that Applicant does not prohibit the resale of electric generation service or impose unreasonable or discriminatory conditions on the resale of electric generation service, and therefore complies with R. C. 4928.40(D).
- (g) Find that Applicant's Rate Unbundling Plan includes in its revised Electric Service Regulation tariff language which describes the conditions under which net metering is allowed and how Applicant will credit the customer for electric power that the customer generates and sells back to Applicant, and therefore complies with R. C. 4928.67.
- (h) Find that Applicant has filed with its Rate Unbundling Plan the schedules containing the unbundled rate components, and therefore complies with R. C. 4928.35(A).
- (i) Find that Applicant's Rate Unbundling Plan complies with all rules adopted by the Commission under R. C. 4928.06(A), and approve Applicant's Rate Unbundling Plan.

3. Make the following findings in regards to Applicant's Corporate Separation Plan:

- (a) Find that Applicant, starting on January 1, 2001, with respect to the electric part of its business, will provide only noncompetitive retail electric service, subject to tariffs, consisting of transmission and distribution service.
- (b) Find that Applicant's Corporate Separation Plan provides that CG&E will not currently offer any competitive retail electric service, and further provides for separation of competitive retail electric service from noncompetitive retail electric service, and separation of noncompetitive retail electric (tariffed) services from other products and services.
- (c) Find that Applicant's Corporate Separation Plan includes separate accounting requirements and complies with the code of conduct rules adopted by the Commission.
- (d) Find that Applicant's Corporate Separation Plan satisfies the public interest in preventing unfair competitive advantage and preventing the abuse of market power.
- (e) Find that Applicant's Corporate Separation Plan ensures that Applicant cannot extend any undue preference or advantage to any affiliate, division, or part of its own business engaged in competitive retail electric service or non-electric product or service.

- (f) Find that Applicant's Corporation Separation Plan, in stipulating that all relevant transactions will be made in accordance with rules or regulations approved by FERC, SEC and the Commission, has established a rebuttable presumption of compliance with the costing principles contained in the corporate separation rules.
 - (g) Find that Applicant's Corporate Separation Plan complies with R. C. 4928.17(A) and all pertinent rules adopted by the Commission under 4928.06(A) and approve such plan.
4. Make the following findings in regards to Applicant's Operational Support Plan:
- (a) Find that Applicant's Operational Support Plan complies with all pertinent rules the Commission has adopted under R. C. 4928.06(A), and therefore complies with R. C. 4928.34(A)(9).
 - (b) Find that Applicant's Operational Support Plan complies with R. C. 4928.11 and rules to be adopted by the Commission under this section regarding:
 - (1) Prescriptive standards for inspection, maintenance, repair and replacement of transmission and distribution systems;
 - (2) Establishment of uniform interconnection standards;

- (3) Standards for operation, reliability and safety during periods of emergency and disaster.
- (c) Find that Applicant's Operational Support Plan ensures that Applicant will provide consumers on a comparable and nondiscriminatory basis within its certified territory a standard service offer of all retail electric services necessary to maintain essential electric service to consumers, including firm supply of electric generation service priced in accordance with the schedules containing Applicant's unbundled generation service component, and therefore complies with R. C. 4928.35(D).
- (d) Find Applicant's Operational Support Plan itemizes the price of competitive retail electric service on customers' bills for Certified Suppliers who have chosen consolidated rate ready billing and that Applicant will not itself provide competitive retail electric service, and is therefore in compliance with R. C. 4928.07.
- (e) Find that Applicant's Operational Support Plan itemizes the transition charge on customers' bills and is therefore in compliance with R. C. 4928.37(B).
- (f) Find that Applicant's Operational Support Plan calls for the statement required under R. C. 4933.33 to appear on

customers' bills annually, and therefore complies with R. C. 4933.33.

(g) Approve Applicant's Operational Support Plan.

5. Make the following findings in regards to Applicant's Employee Assistance Plan:

(a) Find that Applicant's Employee Assistance Plan sufficiently provides for severance, retraining, early retirement, retention, outplacement and other assistance for the utility employee whose employment is affected by electric industry restructuring and therefore complies with R. C. 4928.34(A)(10).

(b) Approve Applicant's Employee Assistance Plan.

6. Make the following findings in regards to Applicant's Consumer Education Plan:

(a) Find that Applicant's Consumer Education Plan complies with the General Plan adopted by the Commission pursuant to R. C. 4928.31(A)(5) and R. C. 4928.42 and rules adopted by the Commission under R. C. 4928.06(A).

(b) Approve Applicant's Consumer Education Plan.

(7) Make the following findings in regards to Applicant's Application for Receipt of Transition Revenues:

- (a) Find that all transition costs that Applicant seeks to collect as transition revenues meet the following criteria under R. C. 4928.39(A)-(D):
 - (1) The costs were prudently incurred;
 - (2) the costs are legitimate, net, verifiable, and directly assignable or allocable to retail electric generation service provided to electric consumers in Ohio;
 - (3) the costs are unrecoverable in a competitive market;
 - (4) the costs would otherwise be recoverable by the Applicant.
- (b) Find that Applicant's transition charge is designed to avoid revenue responsibility shifts among the utility's customer classes and rate schedules, and therefore complies with R. C. 4928.37(A)(1)(b).
- (c) Find that Applicant's transition costs are not available for Applicant to achieve an undue competitive advantage or to impose an undue disadvantage in the provision of regulated or unregulated products or services, and therefore complies with R. C. 4928.39.
- (d) Find that Applicant's Application for Receipt of Transition Revenues complies with all rules adopted by the Commission

under 4928.06(A) and approve Applicant's Application for Receipt of Transition Revenues.

(8) Make the following findings in regards to Applicant's Independent Transmission Plan:

- (a) Find that Applicant is a participating member of the Midwest ISO.
- (b) Find that the Midwest ISO has received FERC approval, and therefore complies with R. C. 4928.12(B)(1).
- (c) Find that the Midwest ISO separates control of transmission facilities from generation facilities and therefore complies with R. C. 4928.12(B)(2).
- (d) Find that the Midwest ISO implements, to the extent reasonably possible, policies and procedures designed to minimize pancaked transmission rates within the state and therefore complies with R. C. 4928.12(B)(3).
- (e) Find that the Midwest ISO improves service reliability in the state and therefore complies with R. C. 4928.12(B)(4).
- (f) Find that the Midwest ISO achieves the objectives of an open and competitive electric generation marketplace, elimination of barriers to market entry, and preclusion of control of bottleneck electric transmission facilities in the provision of

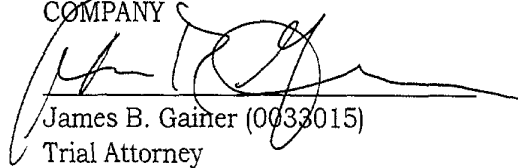
retail electric service, and therefore complies with R. C. 4928.12(B)(5).

- (g) Find that the Midwest ISO is of sufficient scope or otherwise operates to substantially increase the economical supply options for consumers, and therefore complies with R. C. 4928.12(B)(6).
- (h) Find that the control of the Midwest ISO is independent of the users of transmission facilities, and no member of its board of directors has an affiliation with such a user or with an affiliate of a user such as to unduly affect the Midwest ISO's performance, and therefore complies with R. C. 4928.12(B)(7).
- (i) Find that the Midwest ISO operates under policies that promote positive performance designed to satisfy the electricity requirements of customers, and therefore complies with R. C. 4928.12(B)(8).
- (j) Find that the Midwest ISO is capable of maintaining real-time reliability of the electric transmission system, ensuring comparable and nondiscriminatory transmission access and necessary services, minimizes system congestion, and further addresses real or potential transmission constraints, and therefore complies with R. C. 4928.12(B)(9).

- (k) Find that Applicant's Independent Transmission Plan complies with R. C. 4928.34(A)(13) and all pertinent rules adopted by the Commission under R. C. 4928.06(A), and approve Applicant's Independent Transmission Plan.
- (9) Make the following findings in regards to Applicant's Shopping Incentive Plan:
- (a) Find that Applicant's Shopping Incentive Plan is designed to induce at a minimum a twenty percent load switching rate by customer class halfway through the market development period but not later than December 31, 2003, and therefore complies with R. C. 4928.37(A)(1)(b) and R. C. 4928.40(A).
 - (b) Find that Applicant's Shopping Incentive Plan complies with all pertinent rules adopted by the Commission under R. C. 4928.06(A), and approve Applicant's Shopping Incentive Plan.
- (10) Find that Applicant's Transition Plan complies with all Commission rules, as set forth and indexed in Attachment I.
- (11) Find that Applicant's Transition Plan complies with R. C. 4928.34(A) and approve Applicant's Transition Plan.
- (12) Modify filing requirements for Utilities' Integrated Resource Plan, as described in testimony of Richard G. Stevie.

Respectfully Submitted,

THE CINCINNATI GAS & ELECTRIC
COMPANY



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SUMMARY OF TRANSITION PLAN

<u>Part</u>	<u>Title</u>	<u>Witness(es)</u>
Part A	Rate Unbundling Plan	J. P. Steffen F. E. Coyne
Part B	Corporate Separation Plan	L. J. Pefley P. G. Smith
Part C	Operational Support Plan	J. L. Morris P. K. Jett
Part D	Employee Assistance Plan	R. L. Bond
Part E	Consumer Education Plan	J. L. Turner
Part F	Application for Receipt of Transition Revenues	L. J. Pefley C. C. Blaydon H. W. Pifer III J. M. Speyer
Part G	Independent Transmission Plan	J. C. Procario
Part H	Shopping Incentive Plan	K. Gordon R. G. Stevie

Attachment I

Index to Administrative Rule Compliance

The following index is provided as a guide to the location within CG&E's Transition Plan, associated testimony, and schedules where each item of information required by the Commission's rules may be found. A short summary of each rule requirement is provided, followed by the location within the Transition Plan of the information required by the rule (in boldface).

4901:1-20-01 Purpose and scope. **See Applicant's Transition Plan filed in Case No. 99-1658-EL-ETP.**

4901:1-20-03 Filing and contents of transition plans.

- (A) Each electric utility supplying retail electric service in this state shall file a proposed transition plan. **See Applicant's Transition Plan filed in Case No. 99-1658-EL-ETP.**
- (B) Transition Plan includes:
 - (1) A rate unbundling plan. **See Part A - Rate Unbundling Plan.**
 - (2) A corporate separation plan. **See Part B - Corporate Separation Plan.**
 - (3) An operational support plan. **See Part C - Operational Support Plan.**
 - (4) An employee assistance plan. **See Part D - Employee Assistance Plan.**
 - (5) A consumer education plan. **See Part E - Consumer Education Plan.**
- (C) Plans comply with following format:
 - (1) Application for receipt of transition revenues. **See Part F - Application for Receipt of Transition Revenues.**
 - (2) Plan for independent operation of transmission facilities. **See Part G - Independent Transmission Plan.**
 - (3) Plan for a shopping incentive. **See Part H - Shopping Incentive Plan.**
 - (4). Deferral of issue or matter to the utility's transition plan case. **Not Applicable.**

- (D) Work papers filed with Transition Plan. **See binder of work papers.**
- (E) Compatibility with personal computers. **See accompanying CD-ROMs, diskettes.**
- (F) Complete set of testimony. **See testimony of Applicant's witnesses:**
 - James L. Turner
 - Frank E. Coyne
 - Jeffrey L. Morris
 - John P. Steffen
 - Leigh J. Pefley
 - Paul G. Smith
 - Paul K. Jett
 - Richard G. Stevie
 - Richard L. Bond
 - James M. Speyer
 - Kenneth Gordon
 - John C. Procario
 - Colin C. Blaydon
 - Howard W. Pifer III

4901:1-20-03

**Appendix A
Unbundling Plan**

- (A) Purpose and scope.
Filing of rate unbundling plan. **See Part A - Rate Unbundling Plan.**
- (C) Transition plan content requirements for the unbundling plan.
 - (1) Generation component
 - (a) The unbundled generation component shall reflect the production-related portion of rates and shall reflect all adjustments mandated by law. **See Part A - Rate Unbundling Plan, Schedule UNB-7, and testimony of John P. Steffen, pages 7-12.**
 - (i) Transition charge consistent with valuation of transition revenues. **See Part A - Rate Unbundling Plan, Schedule UNB-7, and testimony of John P. Steffen, pages 29-31.**
 - (ii) Regulatory asset component. **See Part A - Rate Unbundling Plan, Schedule UNB-7 and**

testimony of John P. Steffen, pages 33-40 and Exhibit JPS-5.

- (b) Electric fuel component (EFC) part of unbundled generation rate, with fuel cost equal to EFC rate less regulatory asset part of EFC. **See Part A - Rate Unbundling Plan, Schedule UNB-6, testimony of John P. Steffen, pages 35-36 and Exhibit JPS-5.**
 - (c) Generation component reduced by five percent for all residential customers. **See Part A - Rate Unbundling Plan, Schedule UNB-6, testimony of John P. Steffen, page 18.**
- (2) Transmission component
- The unbundled transmission component of retail electric service shall equal the network service tariff rates determined FERC. **See Part A - Rate Unbundling Plan, testimony of John P. Steffen, pages 7-8.**
- (a) The unbundled transmission component shall include the following ancillary services separated from their functions and included as separate charges in the utility's filed schedules: **Testimony of John P. Steffen at 8.**
 - (i) Scheduling, system control, and dispatch service; **See Part A - Rate Unbundling Plan and testimony of John P. Steffen, pages 16-17.**
 - (ii) Reactive supply and voltage control from generation sources service; **See Part A - Rate Unbundling Plan, and testimony of John P. Steffen, pages 16-17.**
 - (iii) Regulation and frequency response service; **See Part A - Rate Unbundling Plan and testimony of John P. Steffen, pages 16-17.**
 - (iv) Energy imbalance service; **See Part A - Rate Unbundling Plan, testimony of John P. Steffen, pages 16-18, and Schedule UNB-1, Proposed Certified Supplier Tariff, Tariff No. 20, Sheet No. 44.**
 - (v) Operating reserve - spinning reserve service; and **See Part A - Rate Unbundling Plan, and testimony of John P. Steffen, pages 16-17.**
 - (vi) Operating reserve - supplemental reserve service. **See Part A - Rate Unbundling Plan, and testimony of John P. Steffen, pages 16-17.**

- (c) Transmission component requirements:
 - (i) Current FERC OATT; **See testimony of John P. Steffen, pages 7-8, and Exhibit JPS-1.**
 - (ii) Portions of the FERC OATT in effect are or may be subject to refund; **See testimony of John P. Steffen, pages 7-8.**
 - (iii) Rules and regulations that need to be modified to facilitate retail access and aggregation; **See Part C – Operational Support Plan.**
 - (iv) Plan to alter FERC OATT; **See Part A – Rate Unbundling Plan, and testimony of Paul Jett, pages 26-27.**
 - (v) Verification that unbundled transmission rates for each tariff schedule and contract are equal to the OATT rates; **See Part A – Rate Unbundling Plan, testimony of John P. Steffen, pages 7-8.**
 - (vi) Refunds ordered by the FERC or any rate changes, including ancillary services. **See testimony of John P. Steffen, pages 7-8 and 16-18.**
- (3) Distribution component
The distribution component shall be equal to the difference between the sum of the transmission and distribution rates in effect on October 5, 1999 and the tariff rates for the transmission component. **See Part A – Rate Unbundling Plan, Schedule UNB-6, and testimony of John P. Steffen, pages 8-9.**
- (4) Other unbundled components
Riders that are to be included in the electric utility's filed unbundled plan:
 - (a) KWh tax rider consistent with section 5727.81 of the Revised Code. **See Part A – Rate Unbundling Plan, Schedule UNB-1, and testimony of John P. Steffen, pages 12-16.**
 - (b) Energy efficiency fund rider. **See Part A – Rate Unbundling Plan, Schedule UNB-1, Tariff Sheet No. 81, Rider EER, and testimony of John P. Steffen, page 25.**
 - (c) Universal service fund rider. **See Part A – Rate Unbundling Plan, Schedule UNB-1, Tariff Sheet No. 86, Universal Service Rider, and testimony of John P. Steffen, pages 21-25.**

- (d) Emission fee rider, if applicable. **See Part A - Rate Unbundling Plan, Schedule UNB-1, and testimony of John P. Steffen, page 36.**
- (5) Additional requirements
 - (a) Unbundled schedules adjusted to reflect any base rate reductions on file with the commission and scheduled to be in effect by December 31, 2005. **Not Applicable.**
 - (b) The total of all unbundled components are capped, adjusted for any changes in the taxation of electric utilities, the universal service rider, and the temporary rider. **See Part A - Rate Unbundling Plan, Schedule UNB-6, and and testimony of John P. Steffen, pages 11-12.**
- (D) Contract customers

Rates and charges for contract customers unbundled in a manner identical to the rules set forth for the unbundling of rate schedules approved under section 4905.30 of the Revised Code. **See Part A - Rate Unbundling Plan, and Schedule UNB-7.1.**
- (E) Tariff items
 - (1) Items that need to be addressed for electric restructuring.
 - (a) Designation of competitive and non-competitive services. **See Part B - Corporate Separation Plan and Schedule UNB-1.**
 - (b) Distribution service requirements of the electric utility. **See Schedule UNB-1.**
 - (c) Transmission and ancillary service of the electric utility. **See Schedule UNB-1.**
 - (d) Energy imbalance service. **See Schedule UNB-1, Proposed Certified Supplier Tariff, Tariff No. 20, Sheet No. 44.**
 - (e) Supplier certification* **See Part C - Operational Support Plan, Pages 6-10.**
 - (f) Consent to service of process* **Not Applicable.**
 - (g) Minimum service requirements for competitive services of certified suppliers* **See Part C - Operational Support Plan, and Schedule UNB-1, Proposed Certified Supplier Tariff, Tariff No. 20.**
 - (h) Minimum service requirements for non-competitive services of an electric utility* **See Schedule UNB-1.**
 - (i) Universal service **See Schedule UNB-1, Proposed Retail Tariff Schedules, Tariff No. 19, Sheet No. 86**

- (j) Low-income customer assistance **See testimony of John P. Steffen, pages 21-25 and Part C - Operational Support Plan, page 35.**
- (k) Energy efficiency revolving loan program **See Schedule UNB-1, Proposed Retail Tariff Schedules, Tariff No. 19, Sheet No. 81 and testimony of John P. Steffen, page 25.**
- (l) Net metering* **See Schedule UNB-1, Proposed Retail Tariff Schedules, Tariff No. 19, Sheet No. 25.**
- (m) Back-up supply for self-generators **See Schedule UNB-1, Proposed Retail Tariff Schedules, Tariff No. 19, Sheet No. 70.**
- (n) Dispute resolution* **See Schedule UNB-1, Proposed Certified Supplier Tariff, Tariff No. 20, Sheet No. 50.**
- (o) Procedures for switching suppliers* **See Schedule UNB-1, Proposed Certified Supplier Tariff, Tariff No. 20, Sheet No. 36.**
- (p) Terms and conditions of pricing and services* **See Schedule UNB-1.**
- (q) Procedures for supplier contract rescission* **See Schedule UNB-1, Proposed Certified Supplier Tariff, Tariff No. 20, Sheet No. 36, Section 7.4(d).**
- (r) Ownership of meters* **See Part C - Operational Support Plan, pages 31-32.**
- (s) Access to meter pulses* **See Schedule UNB-1, Proposed Certified Supplier Tariff, Tariff No. 20, Sheet No. 38.**
- (t) Methods of dealing with aggregation* **See Part C - Operational Support Plan, page 28.**
- (u) Conjunctive billing* **See Part C - Operational Support Plan, pages 28-31.**
- (v) Standard service offer. **See testimony of Paul K. Jett at pages 5-7.**

(F) Schedules to be filed - **See Schedules UNB-1 through UNB-8.**

(G) Additional filings

- (1) Changes to the COSS, scored copy of the revised COSS. **Not Applicable.**
- (2) For rate reductions that are to become effective prior to January 1, 2005, a set of unbundled schedules. **Not Applicable.**

- (3) How demand side management and energy efficiency funding that is already in rates is being addressed. **See testimony of John P. Steffen, pages 23-25.**
- (4) Specific costs that will be avoided by customers that shop. **See testimony of Leigh J. Pefley, page 27.**

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**Appendix B
Operational Support Plan**

- (A) Purpose and scope
Address how current operational support system and any other technical implementation issues pertaining to competitive retail electric service will be used or changed to ensure a successful implementation of the customer's ability to choose its generation supplier. **See Part C – Operational Support Plan, testimony of Jeffrey L. Morris.**
- (B) Form of the filing
The operational support plan shall be filed in the form of an electronic project management program. **See Part C – Operational Support Plan, page 1, Appendix I .**
- (C) Transition plan content requirements for the operational support plan
 - (1) Electric utility personnel. **See Operational Support Plan, pages 1-4.**

Effecting improved communications. **See Operational Support Plan, pages 1-4.**

Compatible electronic interfaces. **See Operational Support Plan, page 15 and Appendix VII.**
 - (2) Categories of operational support Requirements:
 - (a) Pre-ordering of the service
 - (i) Inform customers and suppliers. **See Operational Support Plan, pages 5-10.**
 - (ii) Generic customer data in the form of load profiles. **See Operational Support Plan, pages 10-15.**

- (iii) Customer specific consumption and load history and meter reading dates. **See Operational Support Plan, page 15.**
- (iv) Lists of commission certified providers of service. **See Operational Support Plan, page 16.**
- (v) Confirmation of the authenticity of commission certified marketers. **See Operational Support Plan, page 16.**
- (vi) Information on contracts, the contracting process, and contract disclosure. **See Operational Support Plan, page 16.**
- (b) Ordering of the service (customer conversion)
 - (i) Verification of customer's choices. **See Operational Support Plan, page 16.**
 - (ii) Customer conversions. **See Operational Support Plan, pages 17-20.**
- (c) Provisioning of the service
 - (i) Provide day-ahead weather and load forecasting. **See Operational Support Plan, pages 20-21.**
 - (ii) Unbundled rates, terms, and conditions of service for noncompetitive services. **See Operational Support Plan, page 21.**
 - (iii) Meet transmission ownership and/or operator requirements. **See Operational Support Plan, page 22.**
 - (iv) Reconciliation of supply and consumption "imbalances". **See Operational Support Plan, pages 22-25.**
 - (v) Notice to customers of their default to the standard tariff offer. **See Operational Support Plan, pages 25-27.**
 - (vi) Requests for aggregation service. **See Operational Support Plan, page 27.**
- (d) Billing services, unbundled billing. **See Operational Support Plan, pages 28-31.**
- (e) Other services **See Operational Support Plan, pages 31-34.**
- (f) Other requirements
 - (i) Decommissioning requirements. **Not Applicable.**
 - (ii) Requirements for the per cent income payment plan transition. **See Operational Support Plan, pages 34-35.**

- (iii) Bidding process for competitive retail electric service. **See Operational Support Plan, page 35.**
- (iv) Customer inquiry and complaint requirements (dispute resolution). **See Operational Support Plan, page 35.**

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Appendix C
Employee Assistance Plan

- (A) Purpose and scope
Mitigate any necessary reductions in the electric utility workforce. **See Part D - Employee Assistance Plan, testimony of Richard L. Bond.**
- (C) Transition plan content requirements for employee assistance plans
Assistance for all levels of utility employees who are adversely and directly affected by electric restructuring. **See Part D - Employee Assistance Plan, testimony of Richard L. Bond.**
 - (1) Notification of participant eligibility for benefits and services. **See Part D - Employee Assistance Plan, pages 1-2.**
 - (2) Outplacement assistance. **See Part D - Employee Assistance Plan, page 2.**
 - (3) Relocation assistance. **See Part D - Employee Assistance Plan, pages 2-3.**
 - (4) Employee assistance program services. **See Part D - Employee Assistance Plan, pages 3-4.**
 - (5) Early retirement programs. **See Part D - Employee Assistance Plan, pages 4-5.**
 - (6) Severance packages. **See Part D - Employee Assistance Plan, page 5.**
 - (7) Other assistance. **See Part D - Employee Assistance Plan, page 5.**
 - (8) Disparate/Adverse Impact Statement. **See Part D - Employee Assistance Plan, page 6.**

Appendix D
Transition Charges

- (A) Purpose and scope
Format similar to that outlined in appendix A to rule 4901-7-01 of the Administrative Code. **See Part F - Application for Receipt of Transition Revenues.**
- (B) Transition plan content requirements for transition costs
 - (1) Regulatory asset
 - (a) Traditional regulatory assets.
 - (i) Case number in which each deferral was granted. **See testimony of John P. Steffen, Exhibit JPS-5.**
 - (ii) Balances and related offsets. **See testimony of John P. Steffen, Exhibit JPS-5.**
 - (iii) Projected balance and related offsets. **See testimony of John P. Steffen, Exhibit JPS-5.**
 - (b) Other regulatory assets. **Not applicable.**
 - (iv) Deferred fuel costs
 - (a) Positive or negative balance. **See testimony of John P. Steffen, Exhibit JPS-5.**
 - (b) Reconciliation adjustment component of the electric fuel component (EFC). **See testimony of John P. Steffen, pages 35-36.**
 - (c) Explanation of proposed accounting for regulatory assets in the event that related production facilities are sold or transferred. **See testimony of Leigh J. Pefley, pages 30-31.**
 - (d) Accumulated ("banked") emission allowances and projected allowances. **See testimony of John P. Steffen, page 36; Exhibit JPS-5.**
 - (2) Other transition costs
 - (a) Generation net plant in service.
 - (i) Gross plant in service.
 - (a) Plant balances at December 31, 1998. **See testimony of John P. Steffen, Exhibit JPS-8.**

- (b) Plant balances, gross additions, retirements, and transfers that occurred in the interim period from the date certain of the last rate case filed with this commission to December 31, 1998. **See testimony of John P. Steffen, Exhibit JPS-8.**
- (ii) Depreciation reserve
 - (a) Depreciation reserve account balances at December 31, 1998. **See testimony of John P. Steffen, Exhibit JPS-8.**
 - (b) Balances, depreciation/amortization expense accruals, salvage, cost of removal and transfers that occurred from the date certain of the last rate case to December 31, 1998. **See testimony of John P. Steffen, Exhibit JPS-8.**
 - (c) Theoretical reserve study. **Not Applicable.**
- (b) Costs recoverable in a competitive market
 - (i) Costs recoverable in a competitive market. For each generation unit in (a) above, provide either:
 - (a) An estimate of the net present value, calculate as of December 31, 2000, of those costs which would be recoverable in a competitive market for electricity and related services, or.... **See WP-HWP-AfterTaxCashFlow/After-Tax Cash Flow By Unit, page 25, WP-HWP-AfterTaxCashFlow/Cinergy Market Value, page 1.**
 - (b) an estimate of the current value of those costs which would be recoverable in a competitive market for generation assets. **Not applicable, see (a) above.**
 - (ii) Other generation-related assets that have costs that may be recovered in a competitive market and current estimate of the recoverable costs. **Included in (i)(a) above.**
 - (iii) Basis and assumptions for the estimates in (i) and (ii): **See testimony of Howard W. Pifer III, Jim Speyer, and Leigh Pefley and supporting exhibits and workpapers.**
 - (a) The geographic size of the market and expected number of suppliers; **See**

- testimony of Howard W. Pifer III, Technical Appendix pages A-5 - A-7.
- (b) The transmission costs and transmission capacity available for customers to access competitive generation; **See testimony of Howard W. Pifer III, Technical Appendix page A-7; Attachment 3, pages 5, 6.**
 - (c) The expected participation in any part of the competitive market by any affiliate of the electric utility; **Not applicable to methodology used.**
 - (d) Expected standard offer revenues; **Not applicable to methodology used.**
 - (e) Expected revenue from customers who remain with the incumbent utility; **Not applicable to methodology used.**
 - (f) Load growth; **See testimony of Howard W. Pifer III, Technical Appendix, page A-17, A-19, A-20.**
 - (g) Merger, acquisition or corporate restructuring savings; **Not applicable to methodology used.**
 - (h) Regional transmission entity operational date and membership; **See testimony of John Procaro, pages 6-7, 12.**
 - (i) Sales erosion that would have occurred regardless of the effects of legislation. **Not applicable to methodology used.**
 - (j) Cost savings expected to be realized as a result of legislation. **Not applicable to methodology used.**
- (iv) For each generation unit:
- (a) Anticipated or currently planned retirement date; **See testimony of Howard W. Pifer III, Exhibit HWP-5 page 19.**
 - (b) Heat rate data for the utility's generating units and those used in the dispatch model for those units; **See testimony of Howard W. Pifer III, Attachment 4.**
 - (c) Net dependable capacity; **WP-HWP-AfterTaxCashFlow/Input Sheet, page 1.**
 - (d) Operational constraints that restrict unit operations; **See testimony of Howard W.**

Pifer III, Technical Appendix page A-17, Attachments 3, 4.

- (e) Anticipated average equivalent forced outage rates and annual maintenance requirements for the remaining life of the unit; **See testimony of Howard W. Pifer III, Attachment 4.**
- (f) Projected kWh generation for each year of the remaining life of the unit; **See testimony of Howard W. Pifer III, Exhibit HWP-2 pages 1, 7, 13.**
- (g) Projected annual cost of fuel delivered to the plant by contract; **See testimony of James M. Speyer, Exhibit JMS-2; WP-HWP-AfterTaxCashFlow/After Tax Cash Flow by Unit, pages 7, 32, 57.**
- (h) An annual forecast of capital addition expenditures; **See WP-HWP-AfterTaxCashFlow/After Tax Cash Flow by Unit, pages 20, 45, 70.**
- (i) Five years of historic capital addition expenditures; **See testimony of John P. Steffen, Exhibit JPS-9.**
- (j) A description of all ancillary services by type, amount, and cost by each generator for each of the last five years; **See WP-LJP-B.**
- (k) Forecast of variable non-fuel operation and maintenance expense; **See testimony of Howard W. Pifer III, Technical Appendix page A-18; WP-HWP-AfterTaxCashFlow/Fixed and Variable Operations and Maintenance Costs, pages 3, 7, 11, 15.**
- (l) Annual cost of nonfuel consumables; **See testimony of Howard W. Pifer III, Technical Appendix page A-18, WP-HWP-AfterTaxCashFlow/Fixed and Variable Operations and Maintenance Costs, pages 3, 7, 11, 15.**
- (m) Five years of historic fixed operation and maintenance expense information and forecasted fixed operating and maintenance expense information for the

- remaining life of the unit; **See WP-HWP-AfterTaxCashFlow/Fixed and Variable Operations and Maintenance Costs, pages 4, 8, 12, 16; testimony of Leigh J. Pefley, Exhibit LJP-A.**
- (n) Allocated emission allowances and annual forecast of emission rates; **See WP-HWP-FuelCostAdj/SO2, NOX, Fuel Inputs.**
 - (o) Annual forecast of property tax payments over the life of the unit; **See WP-HWP-AfterTaxCashFlow/Property Tax, page 1, WP-HWP-AfterTaxCashFlow/After Tax Cash Flow by Unit, pages 6, 31, 56.**
 - (p) Annual forecast of expected revenues by unit in a competitive market; **See testimony of Howard W. Pifer III, Exhibit HWP-2 pages 3, 9, 15; WP-HWP-AfterTaxCashFlow/After Tax Cash Flow by Unit, pages 5, 30, 55.**
 - (q) Any current sales or purchases of generation facilities within the applicant's operating territory of which the applicant is aware; **See testimony of Leigh J. Pefley, page 33.**
 - (r) Information on sales or purchases of generation assets comparable to those owned and/or operated by the applicant; and.... **See testimony of Leigh J. Pefley, page 33.**
 - (s) All bids, offers to sell, or offers to buy generation units by or to the applicant. **See testimony of Leigh J. Pefley, page 33.**
 - (v) To the extent not provided in response to (iii) above, provide the following system information or parameters:
 - (a) Wholesale market price forecasts to 2010, which take account of seasonal and time-of-day considerations; **WP-HWP-AfterTaxCashFlow/After Tax Cash Flow by Unit, pages 2.**
 - (b) Projected overall cost of capital and cost rates of debt and equity applicable to the competitive generation function; **See**

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- testimony of Howard W. Pifer III, Exhibit HWP-4, testimony of Colin C. Blaydon, pages 18-25.
- (c) Appropriate discount rate; **See testimony of Howard W. Pifer III, pages 35-36; testimony of Colin Blaydon, page 25**
 - (d) Expected administrative or overhead expenses to be allocated to the generation function; **See WP-HWP-AfterTaxCash Flow/A&G.**
 - (e) Forecasts of emissions markets; and.... **See testimony of James M. Speyer, Exhibit JMS-3.**
 - (f) Forecasts or descriptions of projected transmission system capability affecting the utilization of the generation assets. **See testimony of Howard W. Pifer III Technical Appendix, pages A-5 - A-8.**
- (c) Employee assistance - Calculation that supports excess costs. Supporting documentation: **See testimony of John P. Steffen, pages 36-37.**
- (i) Employee displacement resulted from the effects of the transition plan. **See Part D - Employee Assistance Plan.**
 - (ii) Labor contract(s) and indicate which portions are applicable to employee assistance. **See testimony of Richard L. Bond, Exhibits RLB-1 to RBL-3.**
- (C) Transition plan content requirements for transition charges
- (1) Market price
 - (a) Projection of the average, annual retail market prices. **Not applicable, see testimony of Paul G. Smith, page 3.**
 - (b) Information on rates, terms and conditions, and current and anticipated annual sales of market priced retail generation services in other jurisdictions. **Not applicable, see testimony of James L. Turner, page 28.**
 - (2) Transition revenues
 - Proposed transition revenue from customers not seeking alternate sources of generation service. **See testimony of John P. Steffen, pages 51-52.**
 - (a) Transition charge, per kWh. **See Schedule UNB-1.**

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- (b) Quantity of kWh deliveries anticipated per year. **See testimony of Richard G. Stevie, Exhibit RGS-3 and RGS-7.**
- (D) Accounting adjustments for mergers, acquisitions, and other transfers of ownership. **See testimony of John P. Steffen, page 50.**
- (E) Detail on refunctionalization of assets. **Not Applicable.**
- (F) Transition plan content requirements for supplemental information.
- (1) Allocation factors.
 - (a) Jurisdictional allocation factors. **See Schedule UNB-4.**
 - (b) Jurisdictional allocation statistics. **See Schedule UNB-4.**
 - (2) The most recent federal energy regulatory commission (FERC) audit report. **See Supplemental Information Exhibit, testimony of James L. Turner, page 4.**
 - (3) The electric utility's current uniform statistical report. **See Supplemental Information Exhibit, testimony of James L. Turner, page 4.**
 - (4) The most recent federal and/or state regulatory agency report (FERC form 1). **See Supplemental Information Exhibit, testimony of James L. Turner, page 4.**
 - (5) Annual reports. **See Supplemental Information Exhibit, testimony of James L. Turner, page 4.**
 - (6) References to the EDGAR database. **See testimony of James L. Turner, page 4.**
 - (7) Quarterly reports. **See Supplemental Information Exhibit, testimony of James L. Turner, page 4.**

4901:1-20-03

Appendix E
Shopping Incentive

- (A) Shopping incentive that is specific to each of its tariffs or rate schedules proposed to be in effect during the market development period. **See Part H - Shopping Incentive Plan, pages 15-23; testimony of Richard G. Stevie, pages 29-32.**

Annual projections of customer load switching. **See Part H - Shopping Incentive Plan, pages 7-15; testimony of Richard G. Stevie, page 27; Exhibit RGS-7.**

Shopping incentives for those tariff schedules that have not been historically included in the above customer classes. **See Part H - Shopping Incentive Plan; pages 15-23, testimony of Richard G. Stevie, pages 7-15.**

- (B) Report that supports and demonstrates that the proposed shopping incentive is adequate. **See Part H - Shopping Incentive Plan; testimony of Richard G. Stevie.**

Documentation shall be provided in the report that supports each proposed shopping incentive for each customer class:

- (1) All marketing studies, research, and analyses; **See Part H - Shopping Incentive Plan, pages 2-15, testimony of Richard G. Stevie, pages 6-28.**
 - (2) Analyses of specific prices and other pertinent factors; **See Part H - Shopping Incentive Plan, pages 2-19; testimony of Richard G. Stevie, pages 6-28.**
 - (3) Analyses of specific prices and other pertinent factors that have motivated residential, commercial, and industrial customers to purchase electricity from alternative municipal suppliers. **See testimony of Richard G. Stevie; pages 27-28.**
- (C) Specific approach to adjusting the shopping incentive. **See Part H - Shopping Incentive Plan, pages 20-23; testimony of Richard G. Stevie, pages 28-32.**

Reasonable assumptions and accurate data: **See Part H - Shopping Incentive Plan, pages 2-19; testimony of Richard G. Stevie, pages 6-32; Exhibits RGS-1 to RGS-6.**

- (1) The level of shopping incentive proposed; **See Part H - Shopping Incentive Plan, pages 15-23; testimony of Richard G. Stevie, pages 28-32.**
- (2) The projections of customer load switching that will result in each of the first three years **See Part H - Shopping Incentive Plan, page 15; testimony of Richard G. Stevie, page 27; Exhibit RGS-7.**
- (3) The utility's proposed approach to adjusting the shopping incentive. **See Part H - Shopping Incentive Plan, pages 21-23, testimony of Richard G. Stevie, pages 30-32.**

4901:1-20-04

Service of Transition Plan Filing

- (A) Notice of the proposed filing. **See Certificate of Service.**

4901:1-20-05

Public Notice

Public notice of the proposed transition plan in newspapers of general circulation. **Proofs of publication to be filed.**

4901:1-20-16

Corporate Separation

- (A) Purpose and scope
Corporate separation plan. **See Part B - Corporate Separation Plan; testimony of Leigh J. Pefley, pages 27-33; testimony of Paul G. Smith, pages 1-12.**
- (C) No supply of a noncompetitive retail electric service and a competitive retail electric service. **See Part B - Corporate Separation Plan; testimony of Leigh J. Pefley, pages 27-33; testimony of Paul G. Smith, page 3.**
- (D) Cross-subsidies between an electric utility and its affiliates are prohibited. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith.**
- (E) Structurally separate regulated electric utility business from nonregulated business. **See Part B - Corporate Separation Plan, testimony of Leigh J. Pefley, pages 27-33; testimony of Paul G. Smith, page 6.**

No sharing of employees. **See Part B - Corporate Separation Plan; testimony of Leigh J. Pefley, pages 27-33; testimony of Paul G. Smith, page 8.**

There are no unregulated transactions between the electric utility and the unregulated affiliate. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 4-12.**

- (F) Transactions made in accordance with rules or regulations

approved by the Federal Energy Regulatory Commission, Securities and Exchange Commission and the Commission. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 4-12.**

Maintain cost allocation manual (CAM). **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**

- (G) Requirements: **See Part B - Corporate Separation Plan; testimony of Paul G. Smith.**
- (1) Structural safeguards. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith.**
 - (a) Copy of the minutes of each board of directors meeting in the CAM. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**
 - (b) Sharing employees with any affiliate. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith.**
 - (c) Sharing facilities and services. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith.**
 - (d) Interim functional separation plan. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith.**
 - (2) Separate accounting . **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 6-12.**
 - (3) Financial arrangements: **See Part B - Corporate Separation Plan; testimony of Leigh J. Pefley, pages 27-33; testimony of Paul G. Smith, pages 7-12.**
 - (a) Any indebtedness incurred by an affiliate shall be without recourse to the electric utility. **See Part B - Corporate Separation Plan, testimony of Leigh J. Pefley, pages 27-33; testimony of Paul G. Smith, pages 7.**
 - (b) Agreement with terms under which the electric utility is obligated to commit funds to maintain the financial viability of an affiliate. **See Part B - Corporate Separation Plan; testimony of Leigh J. Pefley, pages 27-33; testimony of Paul G. Smith, pages 7-12.**
 - (c) Investment in an affiliate under any circumstances in which the electric utility would be liable for the debts and/or liabilities of the affiliate. **See Part B - Corporate Separation Plan; testimony of Leigh J. Pefley, pages 27-33; testimony of Paul G. Smith, pages 7-12.**

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- (d) Issuance of security for the purpose of financing the acquisition, ownership, or operation of an affiliate. **See Part B - Corporate Separation Plan; testimony of Leigh J. Pefley, pages 27-33; testimony of Paul G. Smith, pages 7-12.**
 - (e) Obligation or liability as a guarantor, endorser, surety, or otherwise with respect to any security of an affiliate. **See Part B - Corporate Separation Plan; testimony of Leigh J. Pefley, pages 27-33; testimony of Paul G. Smith, pages 7-12.**
 - (f) Pledge, mortgage, or use as collateral any assets of the electric utility for the benefit of an affiliate. **See Part B - Corporate Separation Plan; testimony of Leigh J. Pefley, pages 27-33; testimony of Paul G. Smith, page 7-12.**
 - (4) Code of conduct. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith.**
 - (5) Complaint procedure. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 10-12.**
- (H) Additional transition plan content requirements for a corporate separation plan. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith.**
- (1) Education and training. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, page 6.**
 - (2) Policy statement. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith.**
 - (3) Internal compliance monitoring procedures. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, page 11.**
 - (4) Description of rule compliance. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith.**
 - (5) Initial CAM. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**
 - (6) Detailed listing of the electric utility's electric services and the electric utility's transmission and distribution affiliates' electric services. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith; Schedule UNB-1.**
- (I) Access to books and records. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, page 6.**
- (J) Cost allocation manual. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**

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- (1) Documenting how costs are allocated between the affiliates and its regulated and nonregulated operations. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 6-11.**
 - (2) The CAM will be maintained by the electric utility. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**
 - (3) The CAM is intended to ensure the commission that no cross-subsidization is occurring between the electric utility and its affiliates. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**
 - (4) The CAM will include: **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**
 - (a) An organization chart; **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**
 - (b) A description of all assets, services, and products provided to and from the electric utility and its affiliates; **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**
 - (c) All documentation which governs how costs are allocated between affiliates; **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**
 - (d) Information on shared/transferred employees. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**
 - (e) A log of all complaints brought to the utility regarding this rule; and.... **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**
 - (f) Board of director minutes. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**
 - (5) The method for charging costs and transferring assets shall be based on fully allocated costs. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, page 8.**
 - (6) The costs should be traceable to the books of the applicable corporate entity. **See Part B - Corporate Separation Plan, testimony of Paul G. Smith, page 6.**
 - (7) The electric utility and affiliates shall maintain all underlying affiliate transaction information for a minimum of three years. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, page 6.**
 - (8) Summary of any changes in the CAM. **See Part B -**

Corporate Separation Plan; testimony of Paul G. Smith, page 11.

- (9) Designate employee contact. **See Part B - Corporate Separation Plan; testimony of Paul G. Smith, pages 11-12.**

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Independent Transmission Plan

- (A) Purpose and scope
Member of, and transfer control of the transmission facilities it owns or controls within Ohio to a qualifying transmission entity. **See Part G - Independent Transmission Plan; testimony of John C. Procario, pages 6-10.**
- (B) Compliance with independent transmission entity specifications:
 - (1) The transmission entity is approved by the Federal Energy Regulatory Commission (FERC). **See testimony of John C. Procario, pages 13-14.**
 - (2) Separate control of transmission facilities from control of generation facilities. **See testimony of John C. Procario, pages 14-20.**
 - (a) Independent ability to administer and file Proposed changes to its tariff independently. **See testimony of John C. Procario, page 18.**
 - (b) Ultimate operational responsibility for all transmission facilities. **See testimony of John C. Procario, pages 18-20.**
 - (c) Authority to order that additional transmission facilities be transferred under the control of the transmission entity to ensure system reliability. **See testimony of John C. Procario, pages 19-20.**
 - (3) Minimize pancaked transmission rates within Ohio. **See testimony of John C. Procario, pages 20-24.**
 - (4) Improves service reliability within Ohio. **See testimony of John C. Procario, pages 24-28.**
 - (a) Procurer of last resort for the ancillary services. **See testimony of John C. Procario, pages 27-28.**
 - (b) Inter-transmission entity parallel path/loop flow loading. **See testimony of John C. Procario, page 28.**

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- (c) Responsible for the expansion and planning functions for transmission facilities under its control. **See testimony of John C. Procario, page 28.**
 - (5) Achieves the objectives of an open and competitive electric generation marketplace: **See testimony of John C. Procario, pages 28-34.**
 - (a) The transmission entity shall operate a single OASIS site for all transmission facilities under its control. **See testimony of John C. Procario, pages 31-32.**
 - (b) The transmission entity shall be responsible for processing all requests for transmission service. **See testimony of John C. Procario, page 32.**
 - (c) The transmission entity shall provide "one-stop" access to transmission service. **See testimony of John C. Procario, page 32.**
 - (d) The transmission entity shall be responsible for the calculation of available transfer capability (ATC). **See testimony of John C. Procario, pages 32-33.**
 - (e) Clear procedures established to determine which party's position shall prevail. **See testimony of John C. Procario, pages 33-34.**
 - (f) Alternative dispute resolution process. **See testimony of John C. Procario, pages 33-34.**
 - (g) Single security coordinator for the transmission facilities. **See testimony of John C. Procario, page 9.**
 - (6) Sufficient scope. **See testimony of John C. Procario, page 34-36.**
 - (a) Geographic region. **See testimony of John C. Procario, page 34; ITP Appendix VIII.**
 - (b) Preclude the exercise of market power. **See testimony of John C. Procario, page 36; testimony of Kenneth Gordon, pages 87-91.**
 - (7) Independent governance. **See testimony of John C. Procario, pages 36-44.**
 - (a) Performance-based financial interest. **See testimony of John C. Procario, page 37-38.**
 - (b) Independent decision-making process. **See testimony of John C. Procario, pages 37-44.**
 - (c) Advisory committees and working committees. **See testimony of John C. Procario, pages 41-42.**
 - (8) Satisfying the electricity requirements of customers. **See testimony of John C. Procario, pages 44-48.**
 - (9) Real-time reliability of the electric transmission system: **See testimony of John C. Procario, pages 48-50.**

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- (a) Authority for maintaining the short-term reliability of the transmission grid. **See testimony of John C. Procario, pages 48-50.**
 - (b) Providing transmission grid connections to new generators. **See testimony of John C. Procario, page 50.**
 - (c) Selection process for transmission expansion. **See testimony of John C. Procario, pages 16-18.**

Commission-Ordered Consumer Education Plan

- (I) Transition Plan Content Requirements For Consumer Education: **See Part E - Consumer Education Plan; testimony of James L. Turner, pages 32-58.**

Plan for consumer education:

- (1) Contact Information. **See Part E - Consumer Education Plan, page 4.**
- (2) Advisory Group. **See Part E - Consumer Education Plan, pages 7-9; testimony of James L. Turner, pages 34-36.**
- (3) Tactics. **See Part E - Consumer Education Plan, pages 9-27; testimony of James L. Turner, pages 38-50.**
- (4) Timeline. **See Part E - Consumer Education Plan, pages 16-20, 29-32; testimony of James L. Turner, pages 43-47, 53-55.**
- (5) Budget. **See Part E - Consumer Education Plan, pages 32-34; CEP Appendix I, testimony of James L. Turner, pages 55-58.**

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The)
Cincinnati Gas & Electric Company for) Case No. 99-1659-EL-ATA
Approval of Tariff Changes Required to)
Implement Retail Electric Competition)

APPLICATION FOR TARIFF APPROVAL

To the Honorable Public Utilities Commission of Ohio:

1. The Cincinnati Gas & Electric Company (Applicant) is an Ohio corporation engaged in the business of generating and supplying electric energy to consumers in Ohio and as such, is a public utility as defined by R. C. 4905.02, is an electric light company as defined by R. C. 4905.03, is an electric utility as defined by Section R. C. 4928.01, and is subject to the jurisdiction of this Commission.
2. Applicant requests approval of its new Retail Tariff Schedules No. 19, pursuant to R. C. 4909.18 and 4928.01 *et. seq.* The changes to the tariff schedules and proposed new services are just and reasonable, and are not for an increase in any rate, joint rate, toll, classification, charge, or rental. The current tariffs are set forth in Schedule UNB-2, the proposed tariff is contained in Schedule UNB-1, the proposed tariff changes are described in Schedule

UNB-1A and supported by the testimony of John P. Steffen and the Rate Unbundling Plan in Case No. 99-1658-EL-ETP, all of which is incorporated herein.

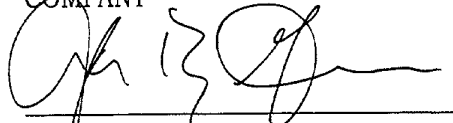
3. CG&E's proposed electric tariff No. 19 reflects a standard service offer of all retail electric services necessary to maintain essential electric service to consumers, including firm supply of electric generation service priced in accordance with the schedules containing the unbundled generation service component, pursuant to R. C. 4928.35(D).

WHEREFORE, The Cincinnati Gas & Electric Company requests the Commission to:

1. Make the following findings in regards to Applicant's new Retail Tariff Schedules No. 19:
 - a) Find that this Application for Tariff Approval is just and reasonable and is not for an increase in rates and therefore is in accordance with R. C. 4909.18.
 - b) Approve this tariff and accompanying rate schedules.

Respectfully Submitted,

THE CINCINNATI GAS & ELECTRIC
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BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application)
of The Cincinnati Gas & Electric) Case No. 99-1660-EL-ATA
Company for Approval of its New)
Tariffs)

APPLICATION FOR TARIFF APPROVAL

To the Honorable Public Utilities Commission of Ohio:

1. The Cincinnati Gas & Electric Company (Applicant) is an Ohio corporation engaged in the business of generating and supplying electric energy to consumers in Ohio and as such, is a public utility as defined by R. C. 4905.02, is an electric light company as defined by R. C. 4905.03, is an electric utility as defined by R. C. 4928.01 of the Ohio Revised Code, and is subject to the jurisdiction of this Commission.
 2. Applicant requests approval of its new Certified Supplier Tariff No. 20, pursuant to R. C. 4909.18 and R. C. 4928.31. This tariff is a new service, is just and reasonable, and is not an increase in any rate, joint rate, toll, classification, charge, or rental. Applicant's new Certified Supplier Tariff No. 20 and accompanying rate schedules contain terms and conditions to address reasonable requirements for changing suppliers, length of commitment by a
-

customer for service and such other matters as are necessary to accommodate electric restructuring, pursuant to R. C. 4928.31. The proposed tariff is set forth in Schedule UNB-1, is described in Schedule UNB-1A, and is supported by the testimony of Jeffrey L. Morris and the Operational Support Plan in Case No. 99-1658-EL-ETP, all of which is incorporated herein.

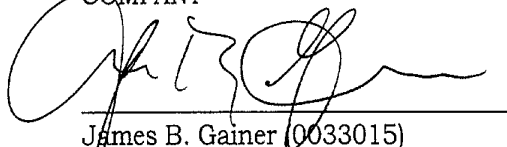
WHEREFORE, The Cincinnati Gas & Electric Company requests the Commission to:

1. Make the following findings in regards to Applicant's new Certified Supplier Tariff No. 20:
 - (a) Find that Applicant's new Certified Supplier Tariff and accompanying rate schedules contain terms and conditions to address reasonable requirements for changing suppliers, length of commitment by a customer for service and such other matters as are necessary to accommodate electric restructuring and therefore comply with R. C. 4928.31.
 - (b) Find that Applicant's new Certified Supplier Tariff and accompanying rate schedules are just and reasonable and are not for an increase in any rate, joint rate, toll, classification, charge, or rental, and therefore complies with R. C. 4909.18.

-
- (c) Approve such tariff and accompanying rate schedules.

Respectfully Submitted,

THE CINCINNATI GAS & ELECTRIC
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The Cincinnati Gas & Electric Company

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The)
Cincinnati Gas & Electric Company for)
Authority to Modify Current Accounting) Case No. 99-1661-EL-AAM
Procedures to Defer Costs Incurred)
Arising from the Implementation)
of its Electric Transition Plan)

APPLICATION FOR ACCOUNTING MODIFICATION

To the Honorable Public Utilities Commission of Ohio:

1. The Cincinnati Gas & Electric Company (Applicant) is an Ohio corporation engaged in the business of generating and supplying electric energy to consumers in Ohio and as such, is a public utility as defined by R. C. 4905.02, is an electric light company as defined by R. C. 4905.03, is an electric utility as defined by R. C. 4928.01, and is subject to the jurisdiction of this Commission.
2. Applicant requests authorization, pursuant to R. C. 4905.13, R. C. 4909.15, and R. C. 4928.40 and Regulation 4901:1-9-05 of the Ohio Administrative Code, to modify current accounting procedures to defer costs associated with implementing competition, as required by statute and set forth in Applicant's Transition Plan in Case No. 99-1658-EL-ETP, for future recovery after Applicant's market development period.

3. These costs and expenses include the following:

- (a) Incremental costs incurred to prepare Applicant's non-competitive utility operations for customer choice, including but not limited to costs of upgrading the customer service system, described in the testimony of John P. Steffen, Exhibit JPS-5, and supported by the testimony of Jeffrey L. Morris, in Case No. 99-1658-EL-ETP, incorporated herein;
- (b) Incremental costs and expenses incurred in presenting the Transition Plan case, described in the testimony of John P. Steffen, Exhibit JPS-5, in Case No. 99-1658-EL-ETP, incorporated herein;
- (c) Incremental costs incurred in developing and implementing a consumer education plan, described in the testimony of John P. Steffen, Exhibit JPS-5, and supported by the testimony of Jeffrey L. Morris, in Case No. 99-1658-EL-ETP, incorporated herein;
- (d) Incremental costs incurred in implementing an independent transmission plan, described in the testimony of John P. Steffen, Exhibit JPS-5, and supported by the testimony of John C. Procario, in Case No. 99-1658-EL-ETP, incorporated herein;

- (e) Incremental costs for CG&E's share of the Commission's consultant fees, described in the testimony of John P. Steffen, Exhibit JPS-5, Case No. 99-1658-EL-ETP, incorporated herein;
 - (f) Incremental costs, expenses and fees incurred in establishing an Exempt Wholesale Generator, described in the testimony of John P. Steffen, Exhibit JPS-5, Case No. 99-1658-EL-ETP, incorporated herein.
4. Applicant requests authority to accrue a carrying charge on the unrecovered balance of these deferred costs, using a carrying charge rate based upon Applicant's compounded embedded interest cost rate and maintained in a distinct sub-account of Account 182.3, Other Regulatory Assets.

WHEREFORE, Applicant requests this Commission to make the following findings:

1. Find Applicant's costs incurred to prepare Applicant's non-competitive utility operations for customer choice, including but not limited to costs of upgrading the customer service system are costs to the Applicant of rendering public utility service in accordance with R. C. 4909.15(A)(4), and approve Applicant's request to defer these costs for future recovery after Applicant's market development period.

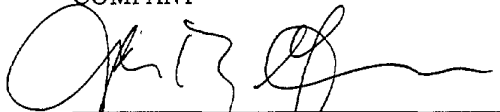
2. Find Applicant's costs and expenses incurred in presenting Applicant's Transition Plan case are costs to the Applicant of rendering public utility service in accordance with R. C. 4909.15(A)(4), and approve Applicant's request to defer these costs for future recovery after Applicant's market development.
3. Find Applicant's costs incurred in developing and implementing a consumer education plan are costs to the Applicant of rendering public utility service in accordance with R. C. 4909.15(A)(4), and approve Applicant's request to defer these costs for future recovery after Applicant's market development period.
4. Find Applicant's costs incurred in implementing an independent transmission plan are costs to the Applicant of rendering public utility service in accordance with R. C. 4909.15(A)(4), and approve Applicant's request to defer these costs for future recovery after Applicant's market development period.
5. Find Applicant's costs for CG&E's share of the Commission's consultant fees are costs to the Applicant of rendering public utility service in accordance with R. C. 4909.15(A)(4), and approve Applicant's request to defer these costs for future recovery after Applicant's market development period.
6. Find Applicant's costs, expenses and fees incurred in establishing an Exempt Wholesale Generator are costs to the Applicant of rendering

public utility service in accordance with R. C. 4909.15(A)(4), and approve Applicant's request to defer these costs for future recovery after Applicant's market development.

7. Approve Applicant's request for authority to accrue a carrying charge on the unrecovered balance of deferred costs identified above associated with Applicant's Transition Plan in Case No. 99-1658-EL-ETP, using a carrying charge rate based upon Applicant's compounded embedded interest cost rate.

Respectfully Submitted,

THE CINCINNATI GAS & ELECTRIC
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The Cincinnati Gas & Electric Company

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of The)
Cincinnati Gas & Electric Company for)
Authority to Modify Current Accounting) Case No. 99-1662-EL-AAM
Procedures to Defer Transition Costs)
and Continue to Defer the Unrecovered)
Balance of Regulatory Assets)

APPLICATION FOR ACCOUNTING MODIFICATION

To the Honorable Public Utilities Commission of Ohio:

1. The Cincinnati Gas & Electric Company (Applicant) is an Ohio corporation engaged in the business of generating and supplying electric energy to consumers in Ohio and as such, is a public utility as defined by R. C. 4905.02, is an electric light company as defined by R. C. 4905.03, is an electric utility as defined by R. C. 4928.01, and is subject to the jurisdiction of this Commission.
2. Applicant requests authorization, pursuant to R. C. 4905.13, R. C. 4928.39 and R. C. 4928.40 and Regulation 4901:1-9-05 of the Ohio Administrative Code, to create a regulatory asset to defer the transition costs allowed by the Commission in Case No. 99-1658-EL-ETP related to the book cost of specific generating facilities in excess of market value, described with particularity in the testimony of Leigh J. Pefley, Exhibit LPJ-1 and supported by the

Applicant's Application for Receipt of Transition Revenues in Case No. 99-1658-EL-ETP, incorporated herein.

3. Applicant requests authority to recover the transition costs determined by the Commission in Case No. 99-1658-EL-ETP related to the book cost of specific generating facilities in excess of market value through the end of Applicant's market development period pursuant to R. C. 4928.40.
4. Applicant requests authority to accrue a carrying charge on the unrecovered balance of its transition cost-related regulatory assets, using a carrying charge rate based upon Applicant's currently allowed cost of capital and maintained in a distinct sub-account of Account 182.3, Other Regulatory Assets, through the end of Applicant's market development period.
5. Applicant requests authorization, pursuant to R. C. 4905.13, R. C. 4928.39 and R. C. 4928.40 and Regulation 4901:1-9-05 of the Ohio Administrative Code, to continue to defer the unrecovered balance of deferred costs associated with its generation-related regulatory assets, described with particularity in the testimony of John P. Steffen, Case No. 99-1658-EL-ETP, incorporated herein, until such costs have been fully recovered or until December 31, 2010. This request is in accordance with R. C. 4928.39 as these costs are just and reasonable and meet all of the following criteria:

- (a) The costs were prudently incurred.
 - (b) The costs are legitimate, net, verifiable, and directly assignable or allocable to retail generation service provided to electric consumers in Ohio.
 - (c) The costs are unrecoverable in a competitive market.
 - (d) The costs would otherwise be recoverable by the Applicant.
6. Applicant requests authority to accrue a carrying charge on the unrecovered balance of its generation-related regulatory assets, using a carrying charge rate based upon Applicant's currently allowed cost of capital and maintained in a distinct sub-account of Account 182.3, Other Regulatory Assets.

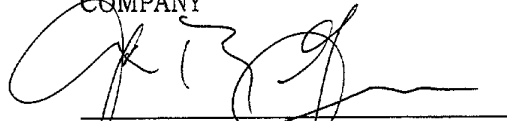
WHEREFORE, Applicant requests this Commission to make the following findings:

1. Approve Applicant's request for authority to create a regulatory asset to defer transition costs determined by the Commission in Case No. 99-1658-EL-ETP related to the book cost of specific generating facilities in excess of market value.
2. Approve Applicant's request for authority to recover the transition costs in Case No. 99-1658-EL-ETP related to the book cost of specific generating facilities in excess of market value through Applicant's market development period pursuant to R. C. 4928.40.

3. Approve Applicant's request for authority to accrue a carrying charge on the unrecovered balance of its transition cost-related regulatory assets, using a carrying charge rate based upon Applicant's currently allowed cost of capital and maintained in a distinct sub-account of Account 182.3, Other Regulatory Assets, through the end of Applicant's market development period.
4. Approve Applicant's request for authority to recover the transition costs in Case No. 99-1658-EL-ETP related to its generation-related regulatory assets through the earlier of the date of full recovery or December 31, 2010, pursuant to R. C. 4928.40.
5. Approve Applicant's request for authority to accrue a carrying charge on the unrecovered balance of its generation-related regulatory assets, using a carrying charge rate based upon Applicant's currently allowed cost of capital, until such balance is fully recovered or until December 31, 2010.

Respectfully Submitted,

THE CINCINNATI GAS & ELECTRIC
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Attorneys for Applicant

The Cincinnati Gas & Electric Company

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application)
of The Cincinnati Gas & Electric)
Company for Approval to Transfer) Case No. 99-1663-EL-UNC
Its Generating Assets to an Exempt)
Wholesale Generator)

Application

To the Honorable Public Utilities Commission of Ohio:

1. The Cincinnati Gas & Electric Company (Applicant) is an Ohio corporation engaged in the business of generating and supplying electric energy to consumers in Ohio and as such, is a public utility as defined by R. C. 4905.02, is an electric light company as defined by R. C. 4905.03, is an electric utility as defined by R. C. 4928.01, and is subject to the jurisdiction of this Commission.
2. Applicant submits this Application requesting the Commission to make certain findings pursuant to 15 U. S. C. 79z-5a(c) of the federal Public Utilities Holding Company Act of 1935, as amended (PUHCA) in connection with Applicant's transfer of its generating assets and other assets and liabilities, described with particularity in Exhibit JPS-x, to an Exempt Wholesale Generator (EWG), incorporated herein.

3. Applicant requests the Commission's approval to transfer its generating facilities into a separate corporation, with status as an EWG. An EWG is a special purpose company dedicated to owning and/or operating electric generating facilities (eligible facilities) all of whose power is sold at wholesale.
4. Applicant's transfer of its generating assets to an EWG benefits Ohio retail consumers and serves the public interest by reducing their risk. Currently, if costs increase or if CG&E makes investments in new generating facilities, it can seek increases in base rates or the electric fuel component. In a competitive market, the EWG must sell at the market price set by competitive forces. The generator bears the risk of its investment decisions. Eventually, this will drive high cost competitors out of the generating business in favor of low cost producers. Such a result benefits consumers and is in the public interest.
5. Applicant will not violate any Ohio laws by transferring its generating assets to an EWG. Revised Code Section 4928.05 declares retail electric service competitive effective January 1, 2001. After that date the Commission no longer has jurisdiction over the sale of generation, although it does gain jurisdiction over Certified Suppliers of retail electricity through the certification process. Additionally, after December 31, 2005, CG&E can no

longer collect rates on its generation assets and is wholly responsible for its position in the competitive market pursuant to R. C. 4928.38. In order to comply with the intent of the Electric Restructuring Bill, and to properly position itself in the competitive market place, the Commission must allow CG&E to transfer its assets to an EWG. Clearly such a transfer is in compliance with state law and policy.

6. Transferring Applicant's generation assets to an EWG will not affect system reliability. System reliability will not be reduced because CG&E, through a Requirements Commodity Service Agreement, will have the first call on all power produced by the Seller's Jurisdictional Generating Facilities through the end of the market development period. In addition, a Connection and Site Agreement will govern the rights, responsibilities and obligations of CG&E and the EWG with respect to each other's property and facilities to help ensure the continuation of reliable service. The Requirements Commodity Service Agreement and the proposed Connection and Site Agreement are contained in the testimony of Leigh J. Pefley in Case No. 99-1658-EL-ETP.
7. The Requirements Commodity Service Agreement will entitle CG&E to purchase its full requirements from the EWG. The type of power that CG&E purchases will dictate the price. First, CG&E may

purchase all of the power generated by the Seller's Jurisdictional Generating Facilities at the unbundled generation rate. That leaves CG&E in exactly the same position it is in today.

Second, CG&E may purchase additional power from the EWG at the incremental cost of other EWG capacity or market purchases. Once again, this is essentially the same position that CG&E is in today.

The Requirements Commodity Service Agreement will protect CG&E's customers from increases in the market price if, as expected, at least twenty percent (20%) of CG&E's customers switch to a certified supplier. The protection occurs because the more customers that switch, the less likely it is that CG&E will have to purchase power in the market. Therefore, if CG&E's unbundled generation price is higher than the market price then the market will encourage customers to switch. However, if a customer chooses to stay with CG&E, the Requirements Commodity Service Agreement will shield the customer from paying a higher price.

8. This Application is supported by the testimony of Applicant's witness, Leigh J. Pefley, in Case No. 99-1658-EL-ETP, incorporated herein.

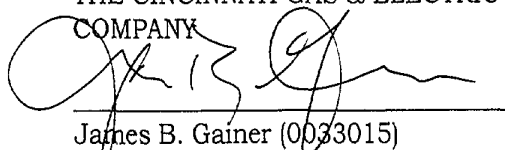
9. Applicant's generating assets and other assets and liabilities to be transferred are described with particularity in the testimony of Applicant's witness, John P. Steffen, Exhibit JPS-6-9, incorporated herein.

WHEREFORE, the Applicant respectfully prays that your Honorable Commission:

1. Accept this Application for filing;
2. Find that the transfer of Applicant's generating assets and other assets and liabilities, described with particularity in the testimony of Applicant's witness, John P. Steffen, Exhibit JPS-6-9, pursuant to 15 U. S. C. 79z-5a(c) of PUHCA, will benefit consumers, is in the public interest, and does not violate Ohio law, and approve such transfer of generating assets.

Respectfully Submitted,

THE CINCINNATI GAS & ELECTRIC
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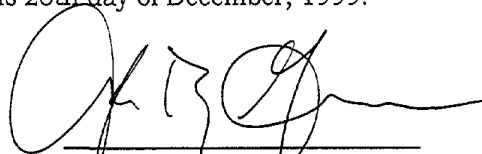
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CERTIFICATE OF SERVICE

I hereby certify that notice of the filing of the foregoing Applications in Case No's. 99-1658-EL-ETP, 99-1659-EL-ATA, 99-1660-EL-ATA, 99-1661-EL-AAM, 99-1662-EL-AAM and 99-1663-EL-UNC, has been served upon the parties of record in the conjunctive electric service case (Case No. 96-406-EL-COI) and most recent rate case (Case No. 92-1464-EL-AIR) for The Cincinnati Gas & Electric Company, by United States mail, postage prepaid, or hand delivered this 28th day of December, 1999.



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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE APPLICATION)
OF THE CINCINNATI GAS & ELECTRIC)
COMPANY FOR APPROVAL OF ITS) CASE NO. 99-1658-EL-ETP
ELECTRIC TRANSITION PLAN)

TRANSITION PLAN
OF
THE CINCINNATI GAS & ELECTRIC COMPANY

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Part B	Corporate Separation Plan
Part C	Operational Support Plan
Part D	Employee Assistance Plan
Part E	Consumer Education Plan
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Rate Unbundling Plan

RATE UNBUNDLING PLAN

1
2 Schedules UNB-1 through UNB-8, excluding the Certified
3 Supplier Tariff, and Exhibits JPS-1 through JPS-9, attached to Mr.
4 John P. Steffen's testimony, constitute The Cincinnati Gas & Electric
5 Company's (CG&E) Rate Unbundling Plan. Schedule UNB-1 presents
6 CG&E's proposed unbundled electric tariff with rates capped and
7 equal to its bundled electric tariff, as adjusted for certain statutorily
8 permitted exceptions.

9 Those exceptions include, but are not limited to, changes in the
10 taxation of electric utilities, the Universal Service Rider, the Energy
11 Efficiency Revolving Loan Fund, certain property tax refunds, the 5%
12 generation rate reduction for residential consumers, and charges to
13 certified suppliers representing the cost of services for certified
14 suppliers necessary to transition to a competitive retail electric
15 market. Additionally, CG&E's current tariff sheets contain four
16 schedules that were not before the Commission in Case No. 92-1464-
17 EL-AIR. Those schedules are a Real Time Pricing tariff, a Peak Load
18 Management Rider, an Unmetered Outdoor Lighting Service tariff and
19 the Ohio Emission Fee Rider.

20 The mechanics used to derive CG&E's unbundled rates are
21 consistent and in compliance with R. C. 4928.34 and the
22 Commission's unbundling rules promulgated on November 30, 1999.

1 The testimony of Mr. John P. Steffen supports and provides detail of
2 CG&E's Unbundling Plan and includes all of the Commission required
3 schedules, UNB-1 through UNB-8, incorporated herein by reference.
4 CG&E respectfully requests that the Commission approve its Rate
5 Unbundling Plan.

Corporate Separation Plan

CORPORATE SEPARATION PLAN

Starting at January 1, 2001, The Cincinnati Gas & Electric Company (CG&E) will provide only non-competitive retail electric service. Such service shall consist of Transmission and Distribution service. The FERC shall govern and set rates for Transmission service.

Control of CG&E's transmission assets shall reside with a FERC approved transmission entity, the Midwest Independent System Operator (MISO). The MISO shall control CG&E's transmission assets and shall not have control of any generation assets. The transmission entity shall operate in the public interest by preventing any transmission owner or competitive retail electric market participant from gaining an unfair competitive advantage within the MISO control area and by preventing the abuse of market power.

The MISO shall operate in the public interest by implementing efficient operating practices and procedures that prevent pancaking, by improving transmission reliability, by encouraging an open generation market, eliminating barriers to entry in the generation market and by eliminating market control over bottlenecked transmission. The MISO shall be large in scale to increase supply options for consumers and shall maintain a Board of Directors independent of transmission users. The transmission entity shall operate in a manner designed to satisfy the

1 requirements of its customers and shall maintain real-time reliability of
2 the transmission system that it operates.

3 CG&E shall operate its distribution system under the governance
4 and rate authority of the Commission. CG&E shall offer all customers
5 safe and reliable distribution service on a non-discriminatory basis.
6 CG&E's unbundled tariffs shall define rates for all distribution services
7 and products. CG&E shall provide new distribution facilities, or the
8 extension of distribution facilities, at incremental cost pursuant to such
9 unbundled tariffs. CG&E shall transfer all non-tariffed services to non-
10 regulated affiliates, cease offering such services, or tariff such services.

11 Cinergy does not operate, and does not currently have plans to
12 operate, a competitive retail electric marketing business. Therefore,
13 CG&E has no competitive electric retail marketing affiliate to favor in the
14 market place. If Cinergy should create such an affiliate, it will have legal
15 separation from CG&E as a separately incorporated legal entity and shall
16 comply with the Commission's corporate separation rules. Additionally,
17 CG&E and such an affiliate shall comply with CG&E's SEC approved
18 service agreements attached to Paul G. Smith's testimony as Exhibits
19 PGS-1, PGS-2, and PGS-3.

20 CG&E shall transfer all of its generation assets to an affiliate
21 Electric Wholesale Generator (EWG). The transaction shall be a non-
22 taxable event at book value. CG&E shall file an application with the

1 Federal Energy Regulatory Commission (FERC) to form the EWG. The
2 EWG will be prohibited from competing in the retail electric market.

3 CG&E shall enter a Requirements Commodity Service Agreement
4 no later than January 1, 2001. CG&E has attached a draft version of its
5 Requirements Commodity Service Agreement to Leigh J. Pefley's
6 testimony as Exhibit LJP-3 and will file the executed agreement following
7 Commission authorization. Such Requirements Commodity Service
8 Agreement shall, at a minimum, provide CG&E with sufficient power to
9 meet its obligation to serve through its requirement to make available to
10 its firm electric supply customers a non-discriminatory standard offer as
11 supplier of last resort and default service pursuant to such standard
12 offer. CG&E shall purchase power at the frozen generation rate and at
13 the wholesale market rate.

14 CG&E, as a utility company held by Cinergy Corp. pursuant to the
15 Public Utilities Holding Company Act, maintains its accounting of
16 affiliate transactions in accordance with Securities and Exchange
17 Commission (SEC) statutes, rules and orders. Such accounting
18 procedures govern all of CG&E's affiliate transactions including charges
19 for inter-company services, products and personnel. The SEC requires
20 adherence to such accounting procedures pursuant to Public Utilities
21 Holding Company Act Sections 13 and 15 attached as CG&E's Corporate
22 Separation Plan Attachments 4 and 5. CG&E shall maintain its records

1 of CG&E's SEC accounts for audit, as the Commission requires pursuant
2 to its Affiliate Code of Conduct rules.

3 CG&E's compliance with the SEC's accounting and affiliate
4 transaction mandates shall be *prima facie* evidence of CG&E's
5 compliance with Ohio Revised Code Chapter 4928 accounting and
6 transaction requirements. The SEC governs such affiliate transactions
7 through Cinergy Corp.'s Service agreement recommended for approval by
8 this Commission and approved by the SEC. Such Service Agreements
9 are attached to Paul G. Smith's testimony as Exhibits PGS-1, 2, 3. Any
10 competitive retail electric marketing affiliate of CG&E's that may exist
11 now or in the future and the affiliate EWG shall be a party to the
12 appropriate Service Agreement.

13 The Commission Staff will have access to the books and records of
14 CG&E and its affiliates. Such access will be for the purpose of auditing
15 the dissemination of information among affiliates. The audit allows the
16 Commission to confirm the lack of dissemination of information to any
17 certified supplier affiliate, from any CG&E affiliate, that may give such
18 certified supplier affiliate a competitive advantage in the competitive
19 retail electric market. CG&E will maintain such information in the
20 manner proscribed by the Commission.



Operational Support Plan



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1 will be used to manage CG&E's business relationships with Certified
2 Suppliers and proactively resolve Certified Supplier issues.

3 A Certified Supplier Account Manager will be the coordinating and
4 primary point of contact for Certified Suppliers. In this role, the Account
5 Manager will have the responsibility and the accountability for the
6 ongoing business relationship with specifically assigned Certified
7 Suppliers. This responsibility includes coordinating CG&E's internal
8 efforts to answer and resolve Certified Suppliers' issues and questions.
9 This process will facilitate the desired business relationship between
10 CG&E and Certified Suppliers. Over time, many points of contact may
11 develop between the Certified Supplier and CG&E; however, the Account
12 Manager will be responsible for managing the business relationship.

13 Customer service representatives and district office personnel will
14 be trained to handle all general Customer Choice inquiries. Due to the
15 complexity of the issues surrounding Customer Choice, a specially
16 trained group of Call Center customer service representatives will be
17 assigned to handle complicated inquiries that cannot be efficiently
18 resolved by generally trained customer service representatives. This
19 specially trained staff will be trained and ready to answer complex
20 questions regarding:

- 21 • Unbundled bill and its components
- 22 • Payment processes and partial payment applications
- 23 • Switching process and explanation of the associated costs

1 • Metering issues including meter reading schedules and
2 metering equipment specifications

3 • End-use customer information release processes

4 All Call Center customer service representatives will be prepared to
5 answer general education questions about Customer Choice and trained
6 to escalate inquiries that they are unable to handle to the specially
7 trained group.

8 District office staff will be trained to assist end-use customers with
9 Customer Choice issues. Key elements of the training will be:

10 • Code of conduct

11 • General consumer education

12 • New and modified business processes

13 The Call Center will be staffed to handle the increased call volume
14 generated by Customer Choice. CG&E will take the following steps to
15 enable the Call Center to comply with the new demands arising from
16 Customer Choice:

17 • Hire and train additional staff before the Consumer
18 Education Plan begins in order to respond to inquiries

19 • Train all staff, prior to the start of the enrollment period, to
20 meet the needs of the new and modified business processes
21 that will be implemented

-
- 1 • Modify telecommunication infrastructure before the start of
2 the Consumer Education Plan, to ensure calls can be
3 directed to the appropriate work groups

4 CG&E will maintain existing service levels in the Call Center while
5 new and modified Customer Choice business processes are implemented.
6 CG&E will meet minimum Customer Service Levels for Telephone
7 Response and Reporting Requirements specified in the "Ohio
8 Administrative Code – Electric Service and Safety Standards."

9 CG&E will establish toll-free telephone numbers to provide end-use
10 customers ready access to Call Center customer service representatives.
11 Customer service representatives will attempt to address every customer
12 service request in a timely manner. When unable to service an end-use
13 customer request, the customer service representative will refer end-use
14 customers to his or her superior and the Certified Supplier when
15 appropriate.

16 Call Center customer service representatives will follow the Code of
17 Conduct established for Customer Choice. Customer service
18 representatives will be instructed to share information with end-use
19 customers in a timely manner consistent with the Code of Conduct.

20 **2. Categories of Operational Support**

21 CG&E's Operational Support Plan will provide the following areas
22 of operational support.

1 **(a) Pre-Ordering of Service**

2 **(1) Notice of Access to Service**

3 Pre-ordering of service is the process of informing end-use
4 customers and Certified Suppliers of comparable and non-discriminatory
5 access to non-competitive services, including all unbundled and ancillary
6 services, their rates, terms and conditions, and making such information
7 available to end-use customers and Certified Suppliers. Pre-ordering of
8 service also includes the process of enrolling Certified Suppliers into
9 CG&E's Customer Choice Program and establishing the communication
10 links to enable the successful exchange of data between CG&E and
11 Certified Suppliers.

12 CG&E will inform end-use customers of these matters through its
13 Consumer Education Plan. CG&E's Operational Support Plan will
14 support these consumer education efforts through the changes to
15 CG&E's Call Center organization and process, described earlier, as well
16 as by enabling the use of bill messages and bill inserts through CG&E's
17 billing process. CG&E will develop a web site that will provide
18 information to end-use customers and Certified Suppliers about the
19 business processes that CG&E will follow to implement its Customer
20 Choice Program.

21 CG&E will inform Certified Suppliers of these matters through its
22 Certified Supplier education program as well as its tariffs. Certified
23 Suppliers must attend a PUCO/Local Distribution Company (LDC)

1 Certified Supplier training program. This will enable Certified Suppliers
2 to have a common understanding of the Ohio Customer Choice
3 Legislation and how implementation will occur within each LDC's service
4 territory. The goal is for Certified Suppliers to be well informed of the
5 process, so that Ohio's Customer Choice Program is as efficient and
6 effective as possible. If it is not possible to establish a joint PUCO/LDC
7 Certified Supplier Training Program, CG&E will perform its own training
8 program.

9 Information regarding CG&E's choice program and Certified
10 Supplier enrollment and participation requirements will be available from
11 the Certified Suppliers' CG&E Account Manager or from a designated
12 web site. This web site will also reference and provide a link to the
13 PUCO's web site.

14 As stated in the Am. Sub. Senate Bill 3 (the Electric Restructuring
15 Bill), the PUCO is responsible for performing the Financial, Managerial
16 and Technical certification for Certified Suppliers wishing to sell
17 electricity to end-use customers in Ohio. As part of its Certified Supplier
18 certification process, CG&E recommends that the PUCO should request
19 and review the following information as part of its Managerial, Technical
20 and Financial Certification. CG&E advocates that the PUCO require the
21 Financial qualifications set forth in "Public Utilities Commission of Ohio
22 Financial Certification of Certified Suppliers" (See Appendix II), and the
23 Managerial and Technical qualifications set forth in the "Public Utilities

1 Commission of Ohio Managerial and Technical License Application” (See
2 Appendix III). With respect to the PUCO financial certification, as
3 outlined in Appendix II, the PUCO will certify Suppliers based on
4 demonstrated financial strength, via one of three methods and a bond
5 issued in favor of the State of Ohio. CG&E will determine the amount of
6 credit granted each Certified Supplier with the credit limit secured by
7 either the investment grade rating of the Certified Supplier, an affiliate
8 guaranty, an irrevocable letter of credit or a cash deposit. If the PUCO
9 does not adopt Appendix II and Appendix III as part of its certification
10 process, then CG&E will adopt such requirements as part of its
11 enrollment requirements.

12 CG&E anticipates that the PUCO will issue the Certified Supplier a
13 license to participate in the Ohio Choice Program after the PUCO is
14 satisfied that the Certified Supplier has met its certification
15 requirements.

16 Additionally, CG&E anticipates that the PUCO will stipulate that
17 Ohio LDCs perform a uniform “enrollment” process, allowing for
18 operational differences. The steps each LDC would follow would be
19 similar; however, the details of each plan could differ. A Certified
20 Supplier would need to separately enroll in each LDC choice program in
21 which it plans to participate.

1 CG&E anticipates that Certified Suppliers will be required to re-
2 certify every two years and continually meet the PUCO's and LDC's
3 participation requirements.

4 To satisfy the LDC enrollment process, each Certified Supplier
5 must:

- 6 • provide proof that it has been certified by the PUCO
- 7 • meet the LDC's credit requirements
- 8 • complete the Certified Supplier Registration Form (copy
9 attached at Appendix IV)
- 10 • complete the Certified Supplier Credit Application (copy
11 attached at Appendix V)
- 12 • verify that the proper electronic communication links are
13 operational
- 14 • execute the Certified Supplier Service Agreement (copy
15 attached at Appendix VI)
- 16 • execute an EDI Trading Partner Agreement (copy attached at
17 Appendix VII)
- 18 • pay an incremental cost-based administrative fee
- 19 • attend a Certified Supplier training program

20 CG&E's credit requirements state that if a Certified Supplier has
21 an investment grade rating by two out of four rating agencies (Standard
22 & Poor's, Moody's, Duff & Phelps or Fitch), it will be granted an
23 unsecured credit limit determined by the CG&E through a fundamental

1 analysis of the Certified Supplier's financial and operational conditions.
2 If a Certified Supplier does not have an investment grade rating by at
3 least two of the above mentioned agencies or its credit exposure exceeds
4 its unsecured credit limit, the Certified Supplier will be required to
5 provide CG&E with collateral in the form of a parent guaranty,
6 irrevocable letter of credit, or cash deposit in order to participate. The
7 required collateral will be calculated by CG&E and will be based on the
8 estimated usage of the Certified Suppliers expected end-use customers
9 over the summer season (i.e., June, July, August, and September).

10 CG&E anticipates that the Certified Supplier training program will
11 be jointly sponsored and presented by the PUCO and Ohio electric
12 utilities. The Certified Supplier training program will review the
13 legislation, PUCO restructuring rules and guidelines, the PUCO
14 certification process and the LDC enrollment process.

15 The PUCO and the LDC enrollment processes are necessary to
16 protect the safety and operational reliability of each LDC's transmission
17 and distribution system and protect the LDC from unwarranted credit
18 risk. Further, the uniform enrollment process will reduce confusion
19 regarding Certified Supplier enrollment and will ease the transition to a
20 restructured market. If it is not possible to establish a uniform LDC
21 enrollment process, CG&E will adopt the recommended PUCO process as
22 a supplement to its own enrollment process.

1 Prior to enrolling end-use customers, a Certified Supplier that
2 elects consolidated rate ready billing must have its rates in production in
3 CG&E's billing system. The Certified Supplier must also be an eligible
4 transmission customer under the applicable Open Access Transmission
5 Tariff (OATT) or must designate a Transmission Scheduling Agent (TSA)
6 in a time frame that enables the Certified Supplier to effectuate service.

7 If a Certified Supplier fails to meet its obligations in CG&E's tariffs
8 and Service Agreement, this may result in the Certified Supplier's
9 suspension or termination from the CG&E Customer Choice Program.

10 CG&E will provide Certified Suppliers with generic load profile
11 information, at no charge, on a designated web site. Twelve months of
12 specific end-use customer kWh, demand history and meter read dates
13 will be made available at no charge upon the Certified Supplier obtaining
14 a signed release from the end-use customer.

15 CG&E will also establish the appropriate electronic data exchange
16 technology to enable CG&E to communicate with Certified Suppliers
17 electronically.

18 **(2) Generic Customer Data**

19 CG&E will create, update and maintain generic load profiles and
20 will post the profiles on a designated web site. Load profiles provide an
21 estimate of average hourly end-use customer demand at the delivery
22 point (delivered energy). CG&E will monitor the accuracy of load profiles
23 based upon the previous performance. CG&E will adjust the load

1 profiles as required to account for the effects of weather, economic
2 activity, and end-use customer migrations to load profiling (LPR)
3 metering.

4 The load profiling method involves the use of a current period
5 segment average load shape, which is developed by segmenting class
6 load research sample data into homogeneous sub-class groupings of end-
7 use customers with similar energy usage characteristics. The class load
8 research samples are selected from end-use customer populations
9 without load profile recorder (LPR) metering. LPR metering replaces the
10 regular billing meter for each end-use customer selected to be included
11 in the load research sample and records the end-use customer's energy
12 usage on an hourly basis. The following table provides a summary of
13 CG&E's retail end-use customer "profile" classes and corresponding
14 current and proposed load profile research sample sizes using the
15 segmentation strategy described below:

Customer Class*	Customers (N)	Current Sample (n)	Proposed Sample(n)
Residential - RS	570,000	165	240
Distribution - DM (small)	34,500	131	140
Distribution - DS (large)	16,500	60	132
Total	621,000	356	512

16 *Non-LPR customer class

17 Analyses were completed using end-use customer billing and load
18 research sample data to identify load profile segments. The number of
19 segments for each profile class were determined by the following criteria:

-
- 1 • Each load profile should represent a homogenous group of
2 end-use customers, and thus be distinctly different from the
3 other groups
 - 4 • The identifying characteristics for segmenting an end-use
5 customer class (e.g. energy consumption, maximum
6 demand, load factor, geographic location, etc.) should be
7 readily available for ultimately assigning a load profile to
8 end-use customers electing Certified Suppliers
 - 9 • The load profiles should cover a sufficiently large portion of
10 the end-use customer class/population
 - 11 • The number of load profiles should be relatively small and
12 capable of being readily understood and applied

13 Relying upon these guiding principles, the following load profile
14 segments and corresponding sample designs and sizes have been
15 determined for each of the three load profile classes:

16 **RESIDENTIAL (RS)**

17 The residential class of end-use customers has weather sensitive
18 end-uses (e.g. air conditioning, electric heat) which significantly affect
19 energy consumption. Seasonal energy consumption thus serves as a
20 proxy for weather sensitive end-use loads. A two-dimensional
21 segmentation (high – low, summer – winter) strategy therefore is utilized

based upon winter (January) and summer (July) energy (kWh) consumption.

RS Segment and Design	July kWh	January kWh	Customers (N)	Sample (n)
1 Low/Low	<1,451	<1,190	335,913	80
2 Low/High	<1,451	>1,190	57,206	57
3 High/Low	>1,451	<1,190	90,843	54
4 High/High	>1,451	>1,190	86,038	49
		Total	570,000	240

DISTRIBUTION - Small (DM)

The DM class of end-use customers is a small (average demand/energy = 4.4 kW/15,000 kWh), relatively homogenous class with no significant weather sensitivity or seasonality. Annual energy (kWh) usage or consumption shall therefore serve as the segmentation strategy as illustrated in the following table:

DM Segment and Design	Annual kWh	Customers (N)	Sample (n)
1 Low	<16,560	23,679	65
2 Medium	16,560 – 33,357	7,090	49
3 High	>33,357	3,799	26
	Total	34,568	140

DISTRIBUTION - Large (DS)

Various segmentation variables and strategies were evaluated for the DS class: seasonal and annual energy consumption, demand and load factor. Load factor encompasses both energy consumption and demand and is descriptive of how an end-use customer uses energy. Load factor therefore serves as a proxy value for load shape. Homogeneous segments based upon annual load factor proved

- 1 meaningful as the segmentation strategy for DM and is illustrated in the
2 following table:

DS Segment and Design	Annual Load Factor	Customers (N)	Sample (n)
1 Low	<20%	4,572	69
2 Medium	20% - 40 %	8,107	42
3 High	> 40 %	3,821	21
	Total	16,500	132

- 3 The following table provides the proposed implementation plan:

Description of Activity	Time Period
Completed sample design and selection	September 1999
Completed rotation of existing RS sample	December 1999
Completed installation of RS, DM, DS LPR meters	December 1999
Data collection and analysis	January 2000
Post load profiles to Certified Supplier web site	September 2000

- 4 CG&E will post generic load profiles to a designated web site for
5 Certified Suppliers. Evaluation of load profiles will occur on an on-going
6 basis and CG&E will update the profiles prior to the beginning of each
7 calendar year or more frequently as new data are available. Load profile
8 performance will be determined by comparing the estimated total of
9 aggregated Certified Supplier loads at the end-use customer delivery
10 points on an hourly basis (plus line losses) with total metered supplied
11 loads (minus LPR load and associated losses). The difference is an error
12 ratio. Improvement in load profiling may be measured by reductions in
13 the error ratio and elimination of the sources of error. Sources of
14 potential error can be attributed to sampling (random) error,
15 misallocation of losses, billing cycle vs. calendar month differences and
16 systematic bias or error from end-use customer migrations to LPR

1 metering. The process for improving load profile accuracy is a
2 continuous process, requiring periodic updates to the generic load
3 profiles either by estimation procedure or re-sampling the profile classes.

4 **(3) Customer Specific Information**

5 After a Certified Supplier has entered into an EDI Trading Partner
6 Agreement (copy attached at Appendix VII), it can electronically request
7 end-use customer specific usage data, except interval data, at no charge.
8 To decrease the possibility of end-use customer "slamming," CG&E
9 requires that Certified Suppliers obtain, and maintain in their files for a
10 period of two years from the date the Certified Supplier requests the
11 information, an end-use customer signed release, which authorizes the
12 release of the end-use customer's specific usage data. These releases
13 must be made available to CG&E, upon request, within three business
14 days and CG&E may periodically audit the Certified Suppliers' release
15 files. End-use customer specific usage data will include 12 months of
16 usage data, if available, including meter read dates, kWh usage and
17 demand information, if applicable.

18 **(4) List of Certified Suppliers**

19 CG&E will maintain a list of Certified Suppliers who have
20 completed the PUCO's certification and CG&E's enrollment processes.
21 This information will be posted on a designated web site. The customer
22 service representatives at CG&E's Call Center will also have a list of

1 these Certified Suppliers available to enable them to respond to customer
2 inquiries.

3 **(5) Confirmation of the Authenticity of Certified Suppliers**

4 CG&E will notify the PUCO whenever a Certified Supplier
5 completes CG&E's enrollment processes to become eligible to serve end-
6 use customers in CG&E's Customer Choice Program. CG&E will also
7 notify the PUCO whenever a Certified Supplier is suspended or
8 terminated from the program.

9 **(6) Contract Information**

10 Upon request by the PUCO, CG&E will provide the PUCO with
11 information concerning the contractual arrangements between CG&E
12 and Certified Suppliers in CG&E's Customer Choice Program. Since this
13 information is likely to be proprietary in nature, CG&E will request that
14 the PUCO keep such information confidential.

15 **(b) Ordering of Service – Customer Switching**

16 Ordering of the service consists of the business processes and
17 information system changes necessary to enable end-use customers to
18 select Certified Suppliers and to switch to/among Certified Suppliers and
19 possibly back to CG&E. CG&E will adopt the following procedures and
20 information system improvements to accomplish this.

1 **(1) Verification of Customer Choice Requests and Order**

2 **Status**

3 CG&E will electronically notify Certified Suppliers immediately
4 whenever a request is received. CG&E will also electronically notify
5 Certified Suppliers immediately whenever an end-use customer switch
6 request is successfully completed or rejected. CG&E will notify the end-
7 use customer whenever a switch with a Certified Supplier is successfully
8 completed. If a Certified Supplier wants to verify a Customer Choice
9 request or order status, the Certified Supplier may also contact its
10 assigned CG&E Certified Supplier Account Manager. If an end-use
11 customer wants to verify a Customer Choice request or order status, the
12 end-use customer may contact the CG&E Call Center.

13 **(2) End-use Customer Switching**

14 Certified Suppliers who are enrolled in CG&E's Customer Choice
15 Program may enroll end-use customers through a Direct Access Service
16 Request (DASR). The Certified Supplier must maintain records verifying
17 that the end-use customer has authorized the Certified Supplier to enroll
18 the end-use customer. These records must be maintained for two years.
19 The Certified Supplier must provide CG&E a copy of the authorization
20 within three business days of request. CG&E reserves the right to audit
21 the Certified Suppliers' authorization files at any time.

22 The initial period for accepting DASRs will be November 20, 2000
23 through December 23, 2000, for the January 2001 meter read dates.

1 Starting December 24, 2000, a DASR must be received at least ten
2 calendar days before the requested effective date. All DASRs must be
3 submitted electronically.

4 Enrollments will be processed on a "first in" priority basis and will
5 be effective on the end-use customer's first meter read date more than
6 nine days after the receipt of the enrollment DASR. Any subsequent
7 enrollment DASRs received within the same billing cycle window will be
8 rejected and returned to the requesting Certified Supplier.

9 To participate in the program, an end-use customer must have an
10 active electric service account with CG&E. After an end-use customer
11 enrolls with a Certified Supplier, the Certified Supplier must submit a
12 drop DASR if it decides to return the end-use customer to CG&E's
13 service. The drop DASR would be effective on the end-use customer's
14 next regularly scheduled meter read date at least ten days after the
15 notice is received. If a Certified Supplier submits a drop DASR outside
16 the month of October for any given year, CG&E's additional costs to
17 serve such end-use customers will be calculated and recovered in the
18 manner described in section (c) (5) "Notice to End-use Customers of
19 Return to Standard Offer." Enrollments will be processed only for the
20 meter number(s), non-metered services and non-commodity services
21 listed on the DASR. CG&E will charge the Certified Supplier a fee for
22 each enrollment DASR that is successfully processed.

1 Effective dates for switching will coincide with scheduled meter
2 read dates.

3 The various types of DASRs are:

- 4 • Enrollment: switches an end-use customer from one
5 Certified Supplier or CG&E to another Certified Supplier
- 6 • Drop: discontinues service to an end-use customer from
7 current Certified Supplier (Certified Supplier initiated)
- 8 • Edit: updates data in end-use customer records (e.g. rate
9 codes, meter numbers)
- 10 • Historical Usage: requests specific end-use customer usage
11 and demand
- 12 • Reinstate: returns an end-use customer to original Certified
13 Supplier
- 14 • Rescind: withdraws an original enrollment request prior to
15 meter read date

16 DASRs will be rejected if they are incomplete, contain incorrect
17 information, or do not comply with CG&E's switching rules.

18 CG&E will electronically provide notice of receipt of a DASR to
19 Certified Suppliers immediately. CG&E will process all DASRs within ten
20 calendar days of receipt and notify the Certified Supplier of acceptance or
21 rejection.

22 Examples of when CG&E will communicate electronically with
23 Certified Suppliers include:

-
- 1 • DASR is received
 - 2 • DASR is rejected (with reason codes)
 - 3 • DASR is accepted
 - 4 • End-use customer account is disconnected
 - 5 • Meter number or account number is changed

6 Upon the successful processing of all enrollment and drop DASRs,
7 CG&E will notify end-use customers in writing of the following
8 information:

- 9 • Name and phone number of new Certified Supplier
- 10 • Name and phone number of previous Certified Supplier
- 11 • Effective date
- 12 • Telephone number of CG&E Call Center
- 13 • Meter number(s)

14 If an end-use customer terminates service at one address and
15 initiates new service at another address, this is considered a new
16 account and the Certified Supplier may retain the end-use customer
17 provided that the Certified Supplier submits a new DASR.

18 **(c) Provisioning of the Service**

19 Provisioning of the service consists of the business processes and
20 information systems that CG&E will implement to enable Certified
21 Suppliers to provide power to end-use customers, as described below.

1 **(1) Day-Ahead Weather and Load Forecasting**

2 CG&E will comply with any applicable PUCO rules regarding
3 providing Certified Suppliers with day-ahead weather and load
4 forecasting. Certified Suppliers are responsible for forecasting their end-
5 use customer's load requirements and are responsible for scheduling the
6 correct amount of power for their end-use customers.

7 Certified Suppliers must construct or obtain an hourly load
8 forecast by multiplying the load profile for each class/segment by the
9 number of end-use customers in that segment. Certified Suppliers must
10 construct or obtain a similar forecast for interval metered end-use
11 customers, using historical interval metered data for a proxy day and
12 adjusted for weather conditions.

13 Transmission system losses must be provided by the Certified
14 Supplier or its designated TSA consistent with procedures described in
15 the OATT and current business practices posted on the OASIS. CG&E's
16 generic load profiles will be adjusted to include distribution losses and
17 posted on a designated web site.

18 **(2) Establishing and Providing Unbundled Rates, Terms**
19 **and Conditions of Service**

20 CG&E will establish and provide unbundled rates, terms and
21 conditions of service for all of its non-competitive services. These
22 matters will be provided in CG&E's Rate Unbundling Plan and the tariffs
23 filed as part of CG&E's Transition Plan. CG&E has not included a

1 market-based standard service offer as part of its Transition Plan;
2 however, CG&E will provide a market-based standard service offer prior
3 to the end of the market development period.

4 ***(3) Meeting Transmission Ownership and Operator***
5 ***Requirements***

6 CG&E will satisfy the transmission ownership and operator
7 requirements of the Electric Restructuring Bill by transferring functional
8 control over its transmission facilities to the Midwest ISO. This is
9 discussed in detail in the Independent Transmission Plan filed as part of
10 CG&E's Transition Plan.

11 ***(4) Providing Reconciliation of Supply and Consumption***
12 ***Imbalances***

13 In order to schedule electricity, one must be an eligible
14 Transmission Customer under the OATT. If a Certified Supplier is not an
15 eligible Transmission Customer, the Certified Supplier must designate a
16 TSA using the TSA Designation Agreement attached at Appendix VIII.
17 The TSA shall be the sole point of contact with the Control Area Operator
18 (CAO). A Certified Supplier's or its designated TSA's aggregated load
19 must equal or exceed one (1) megawatt per hour for every hour the
20 schedule exceeds zero.

21 The Certified Supplier, or its designated TSA, must arrange
22 transmission and ancillary services with transmission and ancillary
23 service providers. The Certified Supplier, or its designated TSA, must

1 submit an energy schedule to the CAO before 14:00 EST one business
2 day prior to scheduled delivery. Scheduling will be done in whole MW.
3 Rounding will be done by standard convention, round up if ≥ 0.5 , round
4 down if < 0.5 . The energy schedule will be verified with the CAO, the
5 Midwest ISO, if applicable, and interconnected CAO. Upon validation,
6 the schedule will be entered into the scheduling systems. After the
7 schedule is initiated, the entity acting as the TSA may make hourly
8 adjustments within guidelines set by the OATT. The source of power for
9 the TSA schedule shall be identified for the remainder of the day. At the
10 end of each hour, the integrated schedule amount, in MWh, is passed to
11 the settlement system.

12 The entity acting as TSA may adjust schedules hourly, on a
13 Megawatt (MW) basis, according to OATT, North American Energy
14 Reliability Council Policy, and business practices posted on the OASIS.
15 The entity acting as TSA may change the contract path according to the
16 applicable Network Operating Agreement. The entity acting as TSA must
17 arrange for the necessary transmission and ancillary services. The TSA
18 will be invoiced for transmission and ancillary services.

19 The entity acting as TSA must use Network Integration Service as
20 posted on the OASIS to supply Customer Choice load in CG&E's service
21 territory. The rate calculation for Network Service will include both
22 Cinergy Bulk and CG&E Common Transmission Service.

1 Prior to the Midwest ISO becoming operational, the entity acting as
2 TSA must reserve transmission service directly by using the OASIS.
3 After the Midwest ISO becomes operational, the TSA must make
4 necessary arrangements for transmission service with the Midwest ISO.

5 The Certified Supplier or its designated TSA shall accept the CG&E
6 CAO's determination that an emergency exists and must comply with the
7 CAO's directives.

8 If notice is received that a TSA has terminated its relationship with
9 a Certified Supplier, then CG&E shall become the default supplier of
10 energy. The Certified Supplier shall either designate another TSA or
11 assume the TSA function itself, if eligible, within five business days of
12 such occurrence and the newly designated TSA must begin scheduling
13 power within five business days of such designation. The Certified
14 Supplier agrees to pay CG&E such charges defined in the Certified
15 Supplier Back-up Generation Rate until the new TSA begins to schedule
16 energy for the Certified Supplier. If a Certified Supplier fails to comply
17 with these requirements, then it shall be in default.

18 Settlement occurs with the entity acting as TSA. The settlement
19 procedure is described in OATT, Schedule 4, Energy Imbalance Service.

20 A preliminary calculation of a TSA's energy imbalance is performed
21 one day after the fact. A load profile, or backcast, is developed,
22 incorporating known data, such as weather and CG&E's system load.
23 The backcast is compared on an hourly basis to energy scheduled by the

1 TSA. The magnitude of any energy imbalance for each hour, in MWh, is
2 determined. The purpose of the Preliminary Settlement Process provides
3 timely information of the imbalance position with each TSA. Initially, the
4 TSA will not be invoiced for preliminary imbalances, but this may change
5 in the future.

6 The final energy imbalance is calculated as follows. After a
7 calendar month is "fully metered" (i.e. all consumption, interval, and load
8 research meters are read and put in the billing system), settlement
9 invoices are finalized. Profiles are created for the billed month utilizing
10 system load and metered data. The monthly profiles are adjusted for
11 distribution losses and unaccounted for energy and then compared to
12 the TSA's scheduled MWhs for each hour of the month. Monthly
13 settlement fees are determined by applying procedures described in the
14 OATT, Schedule 4 Energy Imbalance Service. Unaccounted for energy is
15 determined by aggregating all TSAs' profiled load and CG&E's profiled
16 load (i.e. standard offer and default supply), and then subtracting it from
17 CG&E's Control Area load. The difference is allocated to each TSA and
18 the Company according to the load ratio share of each. The entity acting
19 as TSA will be billed for energy imbalances per the OATT.

20 **(5) Notice to End-Use Customers of Return to Standard**
21 **Offer**

22 Legislators determined that CG&E would provide generation for the
23 end-use customer if that end-use customer does not actively choose a

1 Certified Supplier. The utility is called the "standard offer supplier." If
2 an end-use customer does not select a Certified Supplier, then CG&E will
3 supply electricity to that end-use customer. The utility must serve end-
4 use customers if no Certified Supplier is willing to accept that end-use
5 customer or if the Certified Supplier fails to deliver the commodity to that
6 end-use customer. In this case, CG&E is called the "default supplier."
7 As a last resort, CG&E will provide electricity to end-use customers who
8 have no other choice. If an end-use customer involuntarily returns to
9 CG&E's standard service offer, then CG&E will notify the end-use
10 customer of this fact and advise the end-use customer of his or her
11 options, which include the option to choose another Certified Supplier
12 within three billing cycles. If another Certified Supplier is not selected,
13 the end-use customer must remain with CG&E for a minimum of 24
14 billing cycles.

15 If a Certified Supplier defaults and is terminated, those end-use
16 customers involved will return to CG&E and they will have the options to
17 choose another Certified Supplier within three billing cycles. During the
18 period of time between the Certified Supplier's termination and its end-
19 use customers' next regularly scheduled meter read dates, CG&E will
20 serve the Certified Supplier's end-use customers. CG&E will bill the
21 Certified Supplier CG&E's out-of-pocket costs paid for power during that
22 period, including transmission, distribution and all other applicable
23 charges. End-use customers will continue to be billed at the Certified

1 Supplier rate until such next meter read dates. Beginning with such
2 meter read dates for each of the Certified Supplier's end-use customers
3 until the earlier of the end-use customer's switch to another Certified
4 Supplier within three billing cycles of default or the next October notice
5 period, CG&E shall serve the end-use customers and shall bill the
6 defaulting Certified Supplier for CG&E's incremental cost for serving the
7 load. Incremental cost is defined as CG&E's out-of-pocket cost paid for
8 electric energy during that period, including transmission, distribution
9 and all other applicable charges less a credit to the Certified Supplier for
10 CG&E's charges to the end-use customer for this period. CG&E will
11 track unpaid incremental costs due to Certified Supplier default and seek
12 recovery from Certified Suppliers through the Assessment Levied Against
13 Supplier Rate included in the Certified Supplier Tariff. If the end-use
14 customer has not selected a Certified Supplier after three billing cycles,
15 the end-use customer must remain on CG&E's Standard Offer Rate for a
16 minimum of 24 billing cycles. If a Certified Supplier drops an end-use
17 customer any time other than the October notice period, CG&E will track
18 and recover its additional costs to serve such end-use customers as
19 described above for defaulted and terminated Certified Suppliers. CG&E
20 will notify the end-use customer in these situations and explain the end-
21 use customer's options.

1 **(6) CG&E's Response to Requests for Aggregation**

2 Under the Electric Restructuring Bill, governmental aggregators
3 may aggregate their load and negotiate an aggregation agreement with a
4 Certified Supplier for energy supply. The Certified Supplier would enroll
5 each aggregated end-use customer electronically through the use of an
6 enrollment DASR. CG&E will provide information to governmental
7 entities about aggregation and related end-use customer enrollment. In
8 cases of governmental aggregation, CG&E will continue to provide
9 transmission and distribution, default supply and energy imbalance
10 service.

11 **(d) Billing Services**

12 Two billing options are available to Certified Suppliers: dual billing
13 or consolidated rate ready billing. The Certified Supplier may make this
14 choice on an end-use customer by end-use customer basis.

15 Under dual billing, the Certified Supplier directly bills the end-use
16 customer for the Certified Supplier charges. CG&E will bill the end-use
17 customer for regulated charges and other charges for services offered by
18 CG&E or its affiliates.

19 Under consolidated rate ready billing, CG&E will compute
20 consumption amounts and apply these consumption amounts to the
21 Certified Supplier's rates to create charges. CG&E will store the Certified
22 Supplier's rates within CG&E's customer billing system. CG&E will bill
23 the Certified Supplier's charges, based on the rates in the billing system,

1 and regulated charges and other charges for services offered by CG&E or
2 its affiliates.

3 If CG&E inaccurately applies the usage information to the rates
4 approved by the Certified Supplier, the Certified Supplier must notify
5 CG&E immediately and CG&E will make a correction in a succeeding
6 billing period. The Certified Supplier is responsible for all end-use
7 customer rate disputes regarding its charges.

8 In either billing option described, the Certified Supplier billing
9 cycle will begin and end on the existing regularly scheduled meter read
10 date.

11 CG&E will provide all Certified Suppliers with system requirements
12 and record layouts that CG&E needs to perform consolidated rate ready
13 billing. Certified Suppliers must submit and verify the rate information
14 that CG&E will use to calculate and bill Certified Suppliers' charges.
15 Certified Suppliers must have rate information in production in CG&E's
16 billing system before any end-use customers may be enrolled under that
17 rate. CG&E will charge the Certified Supplier its incremental cost at an
18 hourly basis for administrative and technical support to institute
19 program modifications associated with the implementation of
20 consolidated billing requested by the Certified Supplier and reviewed and
21 approved by CG&E.

1 After the rates are in production in CG&E's billing system, the
2 Certified Supplier must send an enrollment DASR for each end-use
3 customer that it wants to enroll on the new rate.

4 During the initial setup of rates for the introduction of the CG&E's
5 Customer Choice Program, CG&E will implement and test Certified
6 Supplier rates as soon as practicable. Following this initial setup period,
7 CG&E will have five business days to set-up and system test standard
8 rates before sending the tested rates back to the Certified Supplier for
9 approval. Within three business days after CG&E receives confirmation,
10 the new rates will be placed in production, whereby the rates will be in
11 CG&E's rate table and available for billing. CG&E will handle Certified
12 Supplier's requests for non-standard rates on a case-by-case basis.

13 CG&E will provide a Generation Resource Mix statement quarterly
14 for all of its commodity end-use customers. Certified Suppliers must
15 provide a Generation Resource Statement to their end-use customers.

16 If CG&E performs consolidated rate ready billing and the end-use
17 customer remits less than the full amount due, then CG&E will apply the
18 payment to all regulated gas and electric utility charges and taxes first.
19 Regulated CG&E gas and electric utility charges shall have equal priority
20 on a pro-rata basis. Any residual payments shall be applied on a pro-
21 rata basis to all non-regulated products and services, including Certified
22 Supplier charges, and the taxes thereon. CG&E will remit end-use
23 customer payments for Certified Supplier charges to Certified Suppliers

1 weekly, except CG&E reserves the right to apply end-use customer
2 payments for Certified Supplier charges against any amounts owed by
3 the Certified Supplier to CG&E.

4 End-use customers who fail to pay their regulated gas and electric
5 charges to CG&E will be subject to CG&E's current collection procedure
6 on these CG&E arrearages, which could include disconnection of service.
7 Certified Suppliers will not be permitted to physically terminate electric
8 service for nonpayment of Certified Supplier charges.

9 CG&E will not perform any collection activities on behalf of
10 Certified Suppliers. If an end-use customer is delinquent on non-
11 regulated charges, CG&E will not disconnect service to that end-use
12 customer. If CG&E disconnects regulated utility service to an end-use
13 customer, CG&E will notify the end-use customer's Certified Supplier
14 within five business days of processing the disconnect order when the
15 final bill is generated. If CG&E processes a reconnect order within the
16 five-day period, CG&E will not notify the Certified Supplier.

17 **(e) Other Services**

18 Under the Electric Restructuring Bill, Certified Suppliers and other
19 third parties will not be permitted to own meters or provide meter
20 reading services unless these services are declared competitive in a
21 separate proceeding from the Transition Plan proceeding. CG&E will
22 provide metering services as described below.

1 The American National Standards Institute (ANSI) publishes
2 metering standards such as C12 and C57.13 that provide accurate,
3 reliable, and safe metering practices. These standards include
4 specifications for the physical construction, wiring, environmental
5 requirements, mounting, voltage, frequency, test currents, form
6 designations, construction, calibration adjustments, nameplates, sealing
7 and terminal connections for watt-hour meters, and instrument
8 transformers. CG&E will follow these ANSI standards. CG&E metering
9 specifications will supplement the ANSI standards with unique
10 operational requirements and functional specifications.

11 CG&E will own, furnish, install, program, calibrate, test and
12 maintain all meters used for retail billing and settlement purposes in
13 CG&E's service areas.

14 For end-use customers who select a Certified Supplier and have a
15 maximum annual peak demand greater than or equal to 100kW or have
16 an interruptible contract with a Certified Supplier, interval meters will be
17 required at the Certified Supplier's expense. A Certified Supplier or an
18 end-use customer may also request that interval meters be installed for
19 end-use customers who do not meet the 100kW requirement, at the
20 requesting party's expense. For such requests, the Certified Supplier, on
21 behalf of the end-use customer, should contact its assigned CG&E
22 Account Manager.

1 The end-use customer or Certified Supplier will be responsible for
2 providing communication links to the interval meters per CG&E's
3 specifications. CG&E must be allowed access to communication links for
4 meter interrogation.

5 The Certified Supplier will be responsible for the incremental cost
6 of the interval meters, plus all incremental costs associated with the
7 installation of required or requested interval metering. If the end-use
8 customer requests interval metering, however, then the end-use
9 customer shall be responsible for all incremental costs. These charges
10 are set forth in CG&E's Certified Supplier Tariff.

11 If CG&E cannot gain access to the meter installation, the
12 communication links are not installed or are not working properly, CG&E
13 may charge the Certified Supplier or the end-use customer for any
14 additional trips to the meter site required due to these conditions.

15 Interval metering installation requests will normally be processed
16 according to the date received. Meter workload is prioritized to address
17 safety, new meter sets, maintenance, and operational efficiency.
18 Additionally, the timing of a meter change out can be affected by:

- 19 • Meter and meter material availability
- 20 • Volume of new business and Certified Suppliers' change out
21 requests
- 22 • Volume of requests in a particular geographic area
- 23 • Weather constraints

-
- 1 • Installation site constraints
 - 2 • Lack of communication links per CG&E specifications

3 CG&E will continue to read all meters in its service area in
4 accordance with the regularly scheduled billing cycles and off-schedule if
5 CG&E deems a read necessary. Effective dates for switching will coincide
6 only with regularly scheduled meter read dates.

7 CG&E will estimate the usage, if metered data is lost due to failure
8 of or damage to the metering equipment. Reads may also be estimated
9 due to conditions such as inaccessibility or inclement weather.

10 CG&E will provide special meter reads as requested by the
11 Certified Suppliers. CG&E will charge a fee for this service provided to
12 the Certified Supplier. These charges are set forth in the Certified
13 Supplier Tariff.

14 Residential end-use customers may continue to read their CG&E
15 meters and forward the meter read information to CG&E by telephone,
16 mail, fax, or Internet. End-use customer meter reads are subject to
17 CG&E's current billing validation process.

18 When an end-use customer has an interval meter, the meter will
19 be read remotely using CG&E's data collection system. CG&E will
20 validate and translate the data, then transfer it to Certified Suppliers, the
21 settlement process and CG&E's billing system, as required.

22 Standard kilowatt-hour meters and kilowatt-hour demand meters
23 will be read, validated and the information passed to CG&E's billing

1 system. CG&E's billing system will transfer data to the settlement
2 process and Certified Suppliers, as required.

3 **(f) Other Requirements**

4 **(1) *Percentage of Income Payment Plan (PIPP) Transition***

5 Those end-use customers who are currently on the Percentage
6 Income Payment Plan (PIPP) will have their bills calculated in the same
7 manner as currently calculated, with the exception of how the PIPP
8 arrears are treated. All current PIPP arrears will be transferred to the
9 Ohio Director of the Department of Development (ODOD) for collection.
10 CG&E will relinquish its responsibility to collect these arrears after they
11 have been transferred.

12 CG&E will collect a Universal Service Rider, which will replace the
13 current PIPP rider, from all end-use customers beginning no later than
14 July 1, 2000.

15 **(2) *Bidding Process for Competitive Retail Electric Service***

16 CG&E's Operational Support Plan does not currently contain any
17 provision for a bidding process for competitive retail electric service,
18 however, a plan for this bidding process will be submitted prior to the
19 completion of the market development period.

20 **(3) *Complaint/Dispute Resolution Procedure***

21 Any disputes arising between an end-use customer and a Certified
22 Supplier that cannot be resolved between the end-use customer and the

1 Certified Supplier may be directed to the Public Interest Center of PUCO
2 by any of the parties involved.

3 **(4) Information Technology (IT) Impacts**

4 CG&E has engaged Ernst & Young to assist in evaluating CG&E's
5 information technology requirements due to Customer Choice. These
6 information technology requirements are classified into four initiatives to
7 align with business process groups:

- 8 • End-use Customer: information systems addressing the end-
9 use customers' direct needs
- 10 • Certified Supplier: information systems addressing the
11 Certified Suppliers' direct needs
- 12 • Retail Supply & Operations: information systems enabling
13 key operational aspects that also overlap end-use customers'
14 and Certified Suppliers' needs
- 15 • Common: information systems, infrastructure, and
16 processes common to all information technology Customer
17 Choice processes

18 **END-USE CUSTOMER INITIATIVE**

19 The end-use customer initiative will have the most significant
20 information technology impacts. The following requirements relate to
21 end-use customer needs.

22 The billing system will be modified to, among other things,:

- 23 • Enroll end-use customers with Certified Suppliers;

-
- 1 • Accept Certified Suppliers' rates for electric commodity
2 usage;
 - 3 • Produce unbundled bills to all end-use customers in CG&E's
4 territory;
 - 5 • Receive and process Certified Suppliers' requests for end-use
6 customer history; and
 - 7 • Provide Call Center agents with the appropriate information
8 to answer end-use customer's questions concerning
9 Customer Choice. In addition, changes will be made to the
10 telecommunications infrastructure to manage increased call
11 volumes.

12 **CERTIFIED SUPPLIER INITIATIVE**

13 The following is a list of systems required for information tracking
14 related to Certified Suppliers.

- 15 • A Certified Supplier setup, credit, and billing system will be
16 built to track information specific to Certified Suppliers and
17 TSAs and the Certified Supplier to TSA relationship. This
18 system will be able to enroll and subscribe Certified
19 Suppliers and TSAs to CG&E product and service offerings,
20 track credit exposure, and bill Certified Suppliers.
- 21 • A Certified Supplier/Customer Enrollment system will be
22 built to process requests from Certified Suppliers to enroll
23 customers.

- 1 • An electronic exchange capability will be built allowing
2 Certified Suppliers to send and receive DASRs, to receive
3 end-use customer history and meter information, and to
4 send/receive other required information.

5 • **RETAIL SUPPLY & OPERATIONS INITIATIVE**

6 The following is a list of requirements for information systems to
7 enable key operational aspects related to Customer Choice.

- 8 • A Settlement and Transmission Billing system will be built to
9 settle and bill for all transmission, ancillary services, and
10 other business services.
- 11 • Load forecasting, load profiling and aggregation systems will
12 be built to provide the following capabilities:
 - 13 • Produce control area load forecasts, multiple
14 observation points, multi-area forecasts and customer
15 class templates for use in load profiling/load
16 aggregation and settlement.
 - 17 • Profile monthly consumption reads into hourly reads
18 using pre-determined templates, apply losses and
19 aggregate hourly usage to the Certified Supplier/TSA
20 level.
 - 21 • Changes to existing scheduling systems, OASIS, and other
22 operations systems will be made to provide the following:
 - 23 • Track increased number of schedules.

-
- 1 • Record AS/TSA schedules for load within the control
2 area.
 - 3 • Automate posting and reservations through OASIS and
4 allow query and response to transmission customer
5 requests.

6 **COMMON INITIATIVE**

7 A common infrastructure will be developed to enable data
8 exchange between systems. This will include servers, networking and
9 appropriate middleware software to facilitate information exchange.

OSP Appendix I, Electronic Project Management Program

CG&E's Electronic Project Management Program

ID	Task Name	Start	Finish	1st Half Qtr 1	2nd Half Qtr 2	1st Half Qtr 3	2nd Half Qtr 4	1st Half Qtr 1	2nd Half Qtr 2	1st Half Qtr 3	2nd Half Qtr 4	1st Qtr 1	
1	Project Initiatives	Tue 6/1/99	Wed 1/30/02										
2	End-Use Customer	Mon 8/2/99	Wed 1/30/02										
3	Customer History	Mon 8/16/99	Fri 6/30/00										
1	Develop Business Processes	Mon 8/16/99	Tue 8/31/99										
2	Analyze SwimLanes	Mon 8/16/99	Tue 8/31/99										
7	High-Level System Design Complete	Mon 11/15/99	Mon 11/15/99										
8	Vendor Selection Process	Thu 11/18/99	Mon 1/31/00										
14	Vendor Selection Complete	Mon 1/31/00	Mon 1/31/00										
15	Customer History Detailed Design	Wed 12/1/99	Mon 1/31/00										
21	Customer History Detailed Design Complete	Mon 1/31/00	Mon 1/31/00										
22	IT Customer History Development	Tue 2/1/00	Wed 5/31/00										
24	IT Customer History Development Complete	Wed 5/31/00	Wed 5/31/00										
25	Customer History Testing	Fri 6/2/00	Fri 6/30/00										
29	Customer History Testing Complete	Fri 6/30/00	Fri 6/30/00										
30	Develop Training Program for Customer History	Thu 6/1/00	Thu 6/15/00										
38	Development of Customer History Training Complete	Thu 6/15/00	Thu 6/15/00										
40	Implement Training for Customer History	Fri 6/16/00	Fri 6/30/00										
42	Customer History Training Completed	Fri 6/30/00	Fri 6/30/00										
43	Customer History Completed	Fri 6/30/00	Fri 6/30/00										
4	Unbundled Customer Bill	Thu 11/4/99	Wed 12/20/00										
1	Identification of Minimum Customer Bill	Thu 11/4/99	Mon 7/17/00										

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2	Assess Bill Components for Customer Choice Legisla		Fri 11/5/99	Fri 11/5/99									
5	Complete Bill Format Draft		Fri 11/5/99	Fri 11/5/99									
6	Approvals by Stakeholders		Thu 11/4/99	Mon 7/17/00									
15	Unbundled Customer Bill Detailed Design		Wed 12/1/99	Tue 5/30/00									
116	Unbundled Customer Bill Detailed Design Complete		Tue 5/30/00	Tue 5/30/00									
117	IT Unbundled Customer Bill Development		Tue 2/1/00	Thu 8/17/00									
119	IT Unbundled Customer Bill Development Complete		Thu 8/17/00	Thu 8/17/00									
120	Unbundled Customer Bill Testing		Fri 8/18/00	Mon 11/20/00									
122	Unbundled Customer Bill Testing Complete		Mon 11/20/00	Mon 11/20/00									
123	Develop Training Procedures for Unbundled Customer Bill		Tue 11/21/00	Wed 12/6/00									
131	Development of Unbundled Customer Bill Format Training Coi		Wed 12/6/00	Wed 12/6/00									
133	Implement Unbundled Customer Bill Training		Thu 12/7/00	Wed 12/20/00									
135	Unbundled Customer Bill Format Training Completed		Wed 12/20/00	Wed 12/20/00									
5	Customer Enrollment		Mon 8/2/99	Mon 11/20/00									
1	Identify business needs		Fri 10/22/99	Fri 10/22/99									
2	Develop Business Processes		Mon 8/2/99	Mon 11/8/99									
15	High-Level System Design Complete		Mon 11/15/99	Mon 11/15/99									
16	Vendor Selection Process		Thu 11/18/99	Mon 1/31/00									
22	Vendor Selection Complete		Mon 1/31/00	Mon 1/31/00									
23	Gap Analysis		Tue 2/1/00	Tue 2/29/00									
25	Functional Specifications Complete		Tue 2/29/00	Tue 2/29/00									

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26	Customer Enrollment Detailed Design	Wed 12/1/99	Tue 2/29/00									
35	Customer Enrollment Detailed Design Complete	Tue 2/29/00	Tue 2/29/00									
36	Develop Customer Enrollment Section of CS Guidebook	Mon 5/1/00	Mon 5/15/00									
38	Customer Enrollment Section of CS Guidebook Development	Mon 5/15/00	Mon 5/15/00									
40	IT Customer Enrollment Development	Wed 3/1/00	Thu 8/17/00									
42	IT Customer Enrollment Development Complete	Thu 8/17/00	Thu 8/17/00									
43	Customer Enrollment Testing	Fri 8/18/00	Mon 11/20/00									
46	Testing of Customer Enrollment Complete	Mon 11/20/00	Mon 11/20/00									
47	Develop Training Program for Customer Enrollment	Mon 10/2/00	Tue 10/17/00									
55	Development of Customer Enrollment Training Complete	Tue 10/17/00	Tue 10/17/00									
57	Implement Training for Customer Enrollment	Wed 10/18/00	Mon 11/20/00									
59	Customer Enrollment Training Completed	Mon 11/20/00	Mon 11/20/00									
60	Certified Supplier Rates Accepted	Mon 10/2/00	Mon 10/2/00									
61	Customer Enrollment Accepts DASRs	Mon 11/20/00	Mon 11/20/00									
6	Billing & Supplier Rates	Wed 9/1/99	Thu 12/7/00									
1	Phase One	Tue 10/26/99	Fri 12/17/99									
10	Operational Plan	Tue 10/26/99	Mon 12/20/99									
11	Certified Supplier Tariffs	Tue 10/26/99	Fri 12/3/99									
14	PIPP/USF	Tue 10/26/99	Mon 12/20/99									
21	Work Processes	Tue 10/26/99	Tue 11/30/99									
26	Identify Customers Choice Requirements	Wed 9/1/99	Mon 11/15/99									

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28	Supplier Rates Detailed Design	Wed 12/1/99	Mon 1/31/00									
32	Supplier Rates Detailed Design Complete	Mon 1/31/00	Mon 1/31/00									
33	IT Supplier Rates Development	Tue 2/1/00	Wed 5/31/00									
35	IT Supplier Rates Development Complete	Wed 5/31/00	Wed 5/31/00									
36	Develop Supplier Rates Section of CS Guidebook	Mon 5/1/00	Mon 5/15/00									
38	Supplier Rates Section of CS Guidebook Development Compl	Mon 5/15/00	Mon 5/15/00									
40	Supplier Rates Testing	Thu 6/1/00	Fri 6/30/00									
42	Supplier Rates Testing Complete	Fri 6/30/00	Fri 6/30/00									
43	Develop Training Program for Supplier Rates	Mon 7/3/00	Tue 7/18/00									
50	Supplier Rates Employee Training Plans Completed	Tue 7/18/00	Tue 7/18/00									
51	Implement Training for Supplier Rates	Fri 9/1/00	Wed 9/13/00									
58	Supplier Rates Training Completed	Wed 9/13/00	Wed 9/13/00									
59	Certified Supplier Rates Accepted	Mon 10/2/00	Mon 10/2/00									
61	Billing Detailed Design	Wed 12/1/99	Tue 5/30/00									
63	Billing Detailed Design Complete	Tue 5/30/00	Tue 5/30/00									
64	IT Billing Development	Tue 2/1/00	Thu 8/17/00									
66	IT Billing Development Complete	Thu 8/17/00	Thu 8/17/00									
67	Billing Testing	Fri 8/18/00	Mon 11/20/00									
70	Billing Testing Complete	Mon 11/20/00	Mon 11/20/00									
71	Develop Training Program for Billing	Tue 11/21/00	Wed 12/6/00									
78	Billing Employee Training Plans Completed	Wed 12/6/00	Wed 12/6/00									

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79	Implement Training for Billing	Fri 9/1/00	Thu 12/7/00									
86	Billing Training Completed	Thu 12/7/00	Thu 12/7/00									
87	Receive recommendation/approval from PUCO regarding univ	Fri 9/1/00	Fri 9/1/00									
88	PUCO recommendation rework	Fri 9/1/00	Thu 9/14/00									
7	Metering	Mon 9/13/99	Fri 12/29/00									
1	Set initial Interval Demand Level	Mon 9/13/99	Mon 9/13/99									
2	Load Research Sample Meter Installation Complete	Wed 12/1/99	Wed 12/1/99									
3	Develop Interval Metering Installation Process	Fri 12/31/99	Fri 12/31/99									
4	Assess requirements for new (MV90) equipment	Wed 9/15/99	Thu 1/27/00									
11	Obtain PUCO approval for the kW threshold prior to ordering *	Thu 6/29/00	Thu 6/29/00									
12	Develop & validate new interval meter programs	Mon 10/2/00	Fri 12/29/00									
17	Develop and Validate Meter Programs Complete	Fri 12/29/00	Fri 12/29/00									
18	Preliminary requirements for metering data/costs	Fri 10/8/99	Tue 11/30/99									
22	Preliminary Requirements Complete	Tue 11/30/99	Tue 11/30/99									
23	Detailed Design	Wed 12/1/99	Mon 4/3/00									
25	Detailed Design complete	Mon 4/3/00	Mon 4/3/00									
26	IT Meter Modification Development	Tue 2/1/00	Thu 8/17/00									
28	IT Meter Modification Development Complete	Thu 8/17/00	Thu 8/17/00									
29	Meter Modification Testing	Fri 8/18/00	Mon 11/20/00									
31	Meter Modification Testing Complete	Mon 11/20/00	Mon 11/20/00									
32	Develop required Metering Training Programs	Mon 11/1/99	Wed 3/15/00									

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44	Development of Training for Metering Programs Complete		Wed 3/15/00	Wed 3/15/00									
45	Implement ANSI standards throughout CG&E		Mon 10/18/99	Fri 12/1/00									
53	Implementation of ANSI Standards Complete		Fri 12/1/00	Fri 12/1/00									
54	Develop Procedures to comply with PUCO metering rules		Fri 10/1/99	Tue 5/16/00									
61	Procedures to Comply Complete		Tue 5/16/00	Tue 5/16/00									
62	Order appropriate number of interval meters		Mon 5/1/00	Fri 8/4/00									
68	Meters Ordered Complete		Fri 5/19/00	Fri 5/19/00									
69	Develop Metering Section of CS Guidebook		Mon 2/7/00	Fri 4/14/00									
71	Metering Section of CS Guidebook Development Complete		Fri 4/14/00	Fri 4/14/00									
73	Install Equipment & Train Data Mgt. Group		Thu 1/13/00	Wed 3/15/00									
77	Perform all required Customer Choice Training		Mon 7/3/00	Fri 9/1/00									
78	Prepare to Accept Interval Meter Requests		Fri 7/14/00	Thu 9/21/00									
82	Accept Interval Meter Requests		Fri 10/13/00	Fri 10/13/00									
8	Meter Data Repository		Mon 11/1/99	Thu 8/17/00									
1	Vendor Selection Process		Wed 12/8/99	Mon 1/31/00									
7	Vendor Selection Complete		Mon 1/31/00	Mon 1/31/00									
8	Meter Data Repository Detailed Design		Tue 2/1/00	Wed 3/15/00									
10	Meter Data Repository Detailed Design Complete		Wed 3/15/00	Wed 3/15/00									
11	IT Meter System Development		Thu 3/16/00	Wed 5/31/00									
14	IT Meter System Development Complete		Wed 5/31/00	Wed 5/31/00									
15	Meter System Testing		Thu 6/1/00	Thu 8/17/00									

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20	Meter System Testing Complete	Thu 8/17/00	Thu 8/17/00									
21	Meter Data Repository Completed	Thu 8/17/00	Thu 8/17/00									
22	Develop Meter Data Repository Training Programs	Mon 11/1/99	Wed 6/28/00									
29	Development of Meter Data Repository Training Complete	Wed 6/28/00	Wed 6/28/00									
30	Implement Meter Data Repository Training	Thu 6/29/00	Thu 8/17/00									
32	Meter Data Repository Training Completed	Thu 8/17/00	Thu 8/17/00									
9	Call Center	Mon 10/18/99	Fri 12/29/00									
1	Measurements & Controls	Mon 10/18/99	Fri 11/12/99									
2	Determine service measures and targets	Mon 10/18/99	Fri 11/12/99									
5	Create Cost Controls	Tue 11/2/99	Thu 11/4/99									
9	Jobs, Work, & Organization	Mon 10/18/99	Mon 9/11/00									
38	Modify job and work structure	Mon 12/13/99	Fri 1/7/00									
44	Train for Consumer Education	Mon 10/18/99	Thu 6/22/00									
56	Begin Consumer Education	Mon 7/3/00	Mon 7/3/00									
57	Train for Customer Enrollment	Mon 10/18/99	Wed 11/1/00									
65	Begin Accepting Customer Enrollment DASR	Mon 11/20/00	Mon 11/20/00									
66	Train for PIPP/USR	Mon 10/18/99	Fri 10/20/00									
73	Begin PIPP to USR conversion	Fri 12/29/00	Fri 12/29/00									
74	Train for Choice account maintenance	Mon 10/18/99	Wed 12/20/00									
82	Inform Stakeholders of Choice Plans and Impacts	Mon 1/3/00	Tue 10/3/00									
87	Train new, incremental staff for current call center process	Wed 1/12/00	Mon 11/20/00									

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93	Business Processes	Mon 10/25/99	Mon 1/3/00									
94	Revise call center process maps	Mon 10/25/99	Fri 12/10/99									
104	Forecast workloads	Mon 10/25/99	Mon 1/3/00									
114	Articulate Customer Services Strategies	Mon 11/15/99	Fri 11/19/99									
115	Call Center - IT, Telecom, and Infrastructure	Mon 10/25/99	Tue 9/19/00									
116	Determine Telecom Strategy	Mon 10/25/99	Mon 11/1/99									
122	Determine Information Input and Output Needs	Mon 11/1/99	Wed 1/5/00									
126	Create Call Center Technology Applications	Mon 11/15/99	Mon 12/20/99									
131	Modify Call Center Infrastructure	Thu 1/6/00	Mon 5/8/00									
143	Modify HELP System	Tue 2/1/00	Tue 9/19/00									
10	Communications	Mon 11/15/99	Wed 1/30/02									
1	Employee Communications	Mon 11/15/99	Thu 12/21/00									
2	Publish Cinergy Now News Articles	Mon 11/15/99	Thu 12/21/00									
3	Solicit feedback and determine need to publish C	Mon 11/15/99	Thu 12/21/00									
18	Publish Cinergy Edge Articles	Mon 11/15/99	Thu 12/21/00									
19	Solicit feedback and determine topics for monthl	Mon 11/15/99	Thu 12/21/00									
34	Maintain & Manage Intranet Web Site	Tue 11/30/99	Thu 11/30/00									
35	Monitor when and where to add and/or update ex	Tue 11/30/99	Thu 11/30/00									
49	Send Direct Mail to Employees	Wed 3/1/00	Wed 3/22/00									
56	Coordinate with Leadership Conference Meetings	Mon 11/15/99	Tue 2/15/00									
62	Conduct Employee Meetings	Mon 1/3/00	Mon 12/4/00									

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CG&E's Electronic Project Management Program

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63	Determine need for conducting meetings	Mon 1/3/00	Mon 12/4/00									
69	Establish Focus Groups	Tue 2/1/00	Mon 5/8/00									
76	Develop Incentive Program	Tue 5/9/00	Tue 7/18/00									
82	Establish Informal Employee Advisory Panels	Wed 3/1/00	Tue 3/14/00									
88	Monitor Effectiveness through quarterly employee su	Mon 1/3/00	Mon 12/4/00									
94	External Communications	Wed 12/1/99	Wed 1/30/02									
95	Participate in the Statewide Campaign	Mon 1/17/00	Fri 12/29/00									
109	Develop Local Campaign	Wed 12/1/99	Wed 1/30/02									
110	Direct Mail - Billing Inserts	Fri 9/1/00	Thu 5/31/01									
115	Presentations (Large C&I Customers)	Thu 6/1/00	Wed 7/5/00									
122	Community Events	Mon 7/3/00	Wed 1/30/02									
124	Community Based Organizations	Thu 6/1/00	Mon 12/31/01									
133	Media - Press Kit	Wed 3/1/00	Thu 6/4/00									
140	External Local Media Appearance	Mon 4/3/00	Sat 6/30/01									
144	Interactive Web Site	Mon 1/3/00	Thu 6/1/00									
152	Research and Benchmarking	Wed 3/1/00	Mon 12/31/01									
154	Local Advisory Group	Mon 1/3/00	Mon 12/31/01									
158	Paid Consumer Ads in Local Media	Wed 12/1/99	Fri 11/30/01									
162	Collateral Materials	Tue 2/1/00	Fri 7/28/00									
167	Develop Training Programs	Thu 3/16/00	Fri 12/29/00									
11	Certified Supplier	Tue 6/1/99	Wed 12/27/00									

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12	Credit Reporting	Tue 6/1/99	Fri 7/14/00									
1	Develop Business Plan or Project Charter	Tue 6/1/99	Wed 6/30/99									
2	Develop Business Processes	Tue 6/1/99	Mon 11/15/99									
9	Credit Reporting Analysis	Mon 11/1/99	Mon 11/1/99									
12	Vendor Selection Process	Thu 11/18/99	Mon 1/31/00									
18	Vendor Selection Complete	Mon 1/31/00	Mon 1/31/00									
19	Credit Reporting Detailed Design	Tue 2/1/00	Mon 3/13/00									
22	Credit Reporting Detailed Design Complete	Mon 3/13/00	Mon 3/13/00									
23	IT Credit Reporting Development	Tue 3/14/00	Mon 6/5/00									
25	IT Credit Reporting Development Complete	Mon 6/5/00	Mon 6/5/00									
26	Develop Credit Reporting Section of CS Guidebooks	Mon 5/1/00	Mon 5/15/00									
28	Credit Reporting Section of CS Guidebook Complete	Mon 5/15/00	Mon 5/15/00									
30	Credit Reporting Testing	Fri 6/9/00	Thu 6/29/00									
32	Credit Reporting Testing Complete	Thu 6/29/00	Thu 6/29/00									
33	Credit Reporting Training	Fri 6/30/00	Thu 7/13/00									
35	Credit Reporting Training Complete	Thu 7/13/00	Thu 7/13/00									
36	Credit Reporting System Operational	Fri 7/14/00	Fri 7/14/00									
13	Certified Supplier	Tue 6/1/99	Wed 12/27/00									
1	Identify Business Needs	Tue 6/1/99	Mon 11/1/99									
7	Business Needs Identified	Mon 11/1/99	Mon 11/1/99									
8	Identify Supplier Information System (SIS) Needs	Mon 11/1/99	Mon 11/1/99									

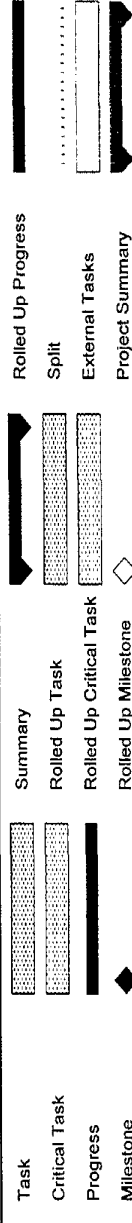
Task	Summary	Rolled Up Progress
Critical Task	Rolled Up Task	Split
Progress	Rolled Up Critical Task	External Tasks
Milestone	Rolled Up Milestone	Project Summary

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12	Certified Supplier Enrollment Process	Mon 11/15/99	Wed 8/2/00					
13	Develop Supplier Services enrollment work-flow proc	Mon 11/15/99	Tue 1/4/00					
20	Develop Certification overview for Web-site publication	Wed 3/1/00	Thu 6/1/00					
21	Work with / Corporate Communications to post certification	Fri 8/2/00	Wed 8/2/00					
22	Certified Supplier Enrollment Process Operational	Wed 8/2/00	Wed 8/2/00					
23	Develop Electronic Data Interface Processes	Tue 1/4/00	Mon 7/31/00					
42	EDI (CS) Available for Testing	Tue 8/1/00	Tue 8/1/00					
43	EDI Operational	Wed 11/1/00	Wed 11/1/00					
44	Coordinated Point of Contact Process	Thu 11/18/99	Wed 12/27/00					
45	Finalize Account Manager Roles and Responsibilities	Mon 1/22/99	Thu 3/2/00					
50	Account Manager's Roles and Responsibilities Complete	Thu 3/2/00	Thu 3/2/00					
51	Supplier Business Center Organization	Tue 2/1/00	Thu 7/6/00					
70	Staff Supplier Services Business Center	Mon 4/3/00	Tue 5/30/00					
76	Organization in place and operational	Tue 5/30/00	Tue 5/30/00					
77	Customer Contact Management System (CCMS)	Thu 11/18/99	Wed 8/2/00					
78	Market Scan Vendor Analysis	Thu 11/18/99	Mon 1/31/00					
84	Vendor selection complete	Mon 1/31/00	Mon 1/31/00					
85	Detail Design	Tue 2/1/00	Fri 3/31/00					
87	CCMS detail design complete	Fri 3/31/00	Fri 3/31/00					
88	IT CS CCMS System Development	Mon 4/3/00	Wed 5/31/00					
90	IT CS CCMS System Development Complete	Wed 5/31/00	Wed 5/31/00					



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91	CS Guidebook Development	Mon 5/1/00	Mon 5/15/00								
93	CS Guidebook Development Complete	Mon 5/15/00	Mon 5/15/00								
94	CCMS Testing	Thu 6/1/00	Fri 6/30/00								
96	CCMS System Testing Complete	Fri 6/30/00	Fri 6/30/00								
97	Develop CCMS System Training	Fri 6/30/00	Tue 7/18/00								
104	Development of CCMS System Training complete	Tue 7/18/00	Tue 7/18/00								
105	Implement CCMS System Training	Wed 7/19/00	Tue 8/1/00								
107	CCMS System training complete	Tue 8/1/00	Tue 8/1/00								
108	CCMS System Complete	Tue 8/1/00	Tue 8/1/00								
110	Certified Supplier Registration Begins	Wed 8/2/00	Wed 8/2/00								
111	Supplier Registration, CS/TSA Relationship Manager	Thu 11/18/99	Tue 8/1/00								
112	Market Scan Vendor Analysis	Thu 11/18/99	Mon 1/31/00								
118	Vendor Selection Complete	Mon 1/31/00	Mon 1/31/00								
119	CS Supplier Registration Detail Design	Tue 2/1/00	Fri 3/31/00								
121	CS Supplier Registration Detail Design complete	Fri 3/31/00	Fri 3/31/00								
122	IT CS Supplier Registration System Development	Mon 4/3/00	Wed 5/31/00								
127	IT CS Supplier Registration System Development C	Wed 5/31/00	Wed 5/31/00								
128	Supplier Registration Guidebook Development	Mon 5/1/00	Mon 5/15/00								
130	Supplier Registration Guidebook Development Com	Mon 5/15/00	Mon 5/15/00								
131	Supplier Registration System Testing	Thu 6/1/00	Fri 6/30/00								
133	Supplier Registration System Testing Complete	Fri 6/30/00	Fri 6/30/00								

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134	Supplier Registration System Complete	Fri 6/30/00	Fri 6/30/00									
135	Develop Supplier Registration System Training	Fri 6/30/00	Tue 7/18/00									
142	Development of Supplier Registration System Traini	Tue 7/18/00	Tue 7/18/00									
143	Implement Supplier Registration System training	Wed 7/19/00	Tue 8/1/00									
145	Supplier Registration System Training complete	Tue 8/1/00	Tue 8/1/00									
146	Certified Supplier Billing System	Thu 11/18/99	Wed 12/27/00									
147	Market scan vendor analysis	Thu 11/18/99	Mon 1/31/00									
153	Vendor selection complete	Mon 1/31/00	Mon 1/31/00									
154	CS Billing Detail Design	Tue 2/1/00	Fri 4/28/00									
156	CS Billing Detail Design Complete	Fri 4/28/00	Fri 4/28/00									
157	IT CS Billing System Development	Mon 5/1/00	Wed 11/1/00									
159	IT CS Billing System Development Complete	Wed 11/1/00	Wed 11/1/00									
160	CS Billing System Guidebook Development	Mon 5/1/00	Mon 5/15/00									
162	CS Billing System Guidebook Development Comple	Mon 5/15/00	Mon 5/15/00									
163	CS Billing System Testing	Thu 11/2/00	Fri 12/1/00									
165	CS Billing System Testing Complete	Fri 12/1/00	Fri 12/1/00									
166	Develop CS Billing System Training	Tue 11/28/00	Wed 12/13/00									
173	Development of CS Billing System Training complet	Wed 12/13/00	Wed 12/13/00									
174	Implement CS Billing System Training	Thu 12/14/00	Wed 12/27/00									
176	CS Billing System Training complete	Wed 12/27/00	Wed 12/27/00									
177	CS Billing System Complete	Wed 12/27/00	Wed 12/27/00									

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178	Certified Supplier Training		Wed 12/15/99	Wed 12/20/00									
179	Define Training Objectives		Wed 12/15/99	Tue 8/15/00									
187	Training Program Developed		Tue 8/15/00	Tue 8/15/00									
188	Provide Certified Supplier Training		Wed 8/16/00	Wed 12/20/00									
192	Create Supplier Guidebook		Fri 4/14/00	Tue 8/1/00									
210	Supplier Guidebook Complete		Tue 8/1/00	Tue 8/1/00									
211	Conduct Employee Training		Wed 5/10/00	Fri 9/29/00									
221	Employee Training Complete		Fri 9/29/00	Fri 9/29/00									
222	Certified Supplier Web-site		Wed 12/1/99	Fri 10/13/00									
249	Web-Site Complete		Fri 10/13/00	Fri 10/13/00									
14	Retail Supply and Operations		Mon 8/2/99	Fri 12/29/00									
15	Settlement and Transmission Billing		Mon 8/2/99	Fri 12/29/00									
1	Requirements Definition		Mon 8/2/99	Tue 11/30/99									
3	Define Requirements Complete		Tue 11/30/99	Tue 11/30/99									
4	Vendor Selection Process		Wed 11/17/99	Mon 1/31/00									
11	Vendor Selection Complete		Mon 1/31/00	Mon 1/31/00									
12	Gap Analysis		Tue 2/1/00	Mon 2/28/00									
14	Functional Specifications Complete		Mon 2/28/00	Mon 2/28/00									
15	Settlement & Transmission Billing Detailed Design		Tue 2/1/00	Mon 5/1/00									
17	Settlement & Transmission Billing Detailed Design Complete		Mon 5/1/00	Mon 5/1/00									
18	Develop Settlement & Transmission Billing Section of CS		Mon 5/1/00	Mon 5/15/00									

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20	Settlement & Transmission Billing Section of CS Guidebook D		Mon 5/15/00	Mon 5/15/00									
22	IT Settlement & Transmission Billing Development		Tue 5/2/00	Mon 10/2/00									
24	IT Settlement & Transmission Billing Development Complete		Mon 10/2/00	Mon 10/2/00									
25	Software Installation Process		Mon 10/2/00	Tue 10/31/00									
28	Software Installation Complete For Testing		Tue 10/31/00	Tue 10/31/00									
29	Settlement & Transmission Billing Testing		Wed 11/1/00	Fri 12/1/00									
37	Settlement & Transmission Billing Testing Complete		Fri 12/1/00	Fri 12/1/00									
38	Application Testing		Mon 12/4/00	Fri 12/29/00									
40	Application Testing Complete		Fri 12/29/00	Fri 12/29/00									
41	Develop Training Program for Settlement & Transmission		Wed 11/1/00	Thu 11/30/00									
49	Development of Training Complete		Thu 11/30/00	Thu 11/30/00									
50	Implement Settlement & Transmission Billing Training		Fri 12/1/00	Fri 12/29/00									
52	Settlement & Transmission Billing Training Complete		Fri 12/29/00	Fri 12/29/00									
16	Load Forecasting		Mon 8/2/99	Tue 12/19/00									
1	Requirements Definition		Mon 8/2/99	Tue 11/30/99									
3	Define Requirements Complete		Tue 11/30/99	Tue 11/30/99									
4	Vendor Selection Process		Tue 11/16/99	Mon 1/31/00									
10	Vendor Selection Complete		Mon 1/31/00	Mon 1/31/00									
11	Gap Analysis		Tue 2/1/00	Tue 2/29/00									
13	Functional Specifications Complete		Tue 2/29/00	Tue 2/29/00									
14	Load Forecasting Detailed Design		Mon 2/7/00	Fri 3/31/00									

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16	Load Forecasting Detailed Design Complete	Fri 3/31/00	Fri 3/31/00									
17	Develop Load Forecasting Section of CS Guidebook	Mon 5/1/00	Mon 5/15/00									
19	Load Forecasting Section of CS Guidebook Development corr	Mon 5/15/00	Mon 5/15/00									
21	IT Load Forecasting Development	Mon 4/3/00	Fri 9/15/00									
23	IT Load Forecasting Development Complete	Fri 9/15/00	Fri 9/15/00									
24	Load Forecasting Testing	Mon 9/18/00	Wed 10/18/00									
30	Load Forecasting Testing Complete	Tue 10/17/00	Tue 10/17/00									
31	Application Testing	Wed 10/18/00	Tue 12/19/00									
33	Application Testing Complete	Tue 12/19/00	Tue 12/19/00									
34	Load Forecasting Model Tuning	Thu 10/19/00	Tue 12/19/00									
36	System Model Development Complete	Mon 12/18/00	Mon 12/18/00									
37	Develop Training Program for Load Forecasting	Wed 10/18/00	Mon 11/20/00									
45	Development of Load Forecasting Training Complete	Mon 11/20/00	Mon 11/20/00									
46	Implement Load Forecasting Training	Tue 11/21/00	Tue 12/19/00									
48	Load Forecasting Training Complete	Tue 12/19/00	Tue 12/19/00									
49	Begin Next Day Forecasting	Tue 12/19/00	Tue 12/19/00									
17	OASIS	Mon 8/2/99	Mon 10/2/00									
1	Requirements Definition	Mon 8/2/99	Mon 11/15/99									
3	Define Requirements Complete	Tue 11/30/99	Tue 11/30/99									
4	OATT Refiling	Mon 11/1/99	Thu 12/30/99									
8	File for Changes	Thu 12/30/99	Thu 12/30/99									

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9	FERC Approval	Wed 3/15/00	Wed 3/15/00									
10	Gap Analysis	Mon 1/17/00	Wed 3/1/00									
12	Functional Specifications Complete	Wed 3/1/00	Wed 3/1/00									
13	Develop OASIS Section of CS Guidebook	Mon 5/1/00	Mon 5/15/00									
15	OASIS Section of CS Guidebook Development Complete	Mon 5/15/00	Mon 5/15/00									
17	IT (ABB) - OASIS Development	Thu 3/2/00	Fri 6/2/00									
19	IT (ABB) - OASIS Development Complete	Fri 6/2/00	Fri 6/2/00									
20	Software Installation Process	Mon 6/5/00	Wed 7/5/00									
22	Software Installation Complete For Testing	Wed 7/5/00	Wed 7/5/00									
23	OASIS Testing	Thu 7/6/00	Fri 8/4/00									
27	OASIS Testing Complete	Fri 8/4/00	Fri 8/4/00									
28	OASIS Application Testing	Mon 8/7/00	Mon 10/2/00									
30	OASIS Application Testing Complete	Mon 10/2/00	Mon 10/2/00									
31	Develop Training Program for OASIS	Thu 7/6/00	Mon 9/4/00									
39	Development of OASIS Training Complete	Mon 9/4/00	Mon 9/4/00									
40	Implement OASIS Training	Tue 9/5/00	Mon 10/2/00									
42	OASIS Training Complete	Mon 10/2/00	Mon 10/2/00									
43	Begin Accepting Network Service Reservation	Mon 10/2/00	Mon 10/2/00									
18	Scheduling	Mon 8/2/99	Fri 12/15/00									
1	Requirements Definition	Mon 8/2/99	Mon 1/17/00									
3	Define Requirements Complete	Mon 1/17/00	Mon 1/17/00									

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4	Gap Analysis	Mon 1/17/00	Wed 3/1/00									
6	Functional Specifications Complete	Wed 3/1/00	Wed 3/1/00									
7	Develop of Scheduling Section of CS Guidebook	Mon 5/1/00	Mon 5/15/00									
9	Scheduling Section of CS Guidebook Development Complete	Mon 5/15/00	Mon 5/15/00									
11	IT Scheduling Development	Thu 3/2/00	Mon 7/31/00									
13	IT Scheduling Development Complete	Mon 7/31/00	Mon 7/31/00									
14	Software Installation Process	Tue 8/1/00	Fri 9/1/00									
16	Software Installation Complete For Testing	Fri 9/1/00	Fri 9/1/00									
17	Testing	Mon 9/4/00	Tue 10/3/00									
21	Scheduling Testing Complete	Tue 10/3/00	Tue 10/3/00									
22	Application Testing	Wed 10/4/00	Mon 11/20/00									
24	Application Testing Complete	Mon 11/20/00	Mon 11/20/00									
25	Develop Training Program for Scheduling	Mon 10/2/00	Wed 11/15/00									
33	Development of Schedule Training Complete	Wed 11/15/00	Wed 11/15/00									
34	Implement Training Program For Scheduling	Thu 11/16/00	Fri 12/15/00									
36	Scheduling Training Complete	Fri 12/15/00	Fri 12/15/00									
37	Begin Scheduling	Fri 12/15/00	Fri 12/15/00									
19	Load Profiling	Mon 8/2/99	Fri 12/29/00									
1	Requirements Definition	Mon 8/2/99	Tue 11/30/99									
3	Define Requirements Complete	Tue 11/30/99	Tue 11/30/99									
4	Interval / Sampling Meters Installed	Wed 12/1/99	Wed 12/1/99									

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5	Augment Current DM/DS Samples w/ Additional LPR Mete		Wed 12/1/99	Fri 12/31/99									
7	Load Research Data Analysis		Mon 1/3/00	Mon 7/31/00									
9	End Load Research Data Collection and Analysis		Mon 7/31/00	Mon 7/31/00									
10	Develop Profiles for Customer Classes		Tue 8/1/00	Thu 8/31/00									
12	Profiles Complete for Customer Classes		Thu 8/31/00	Thu 8/31/00									
13	Vendor Selection Process		Wed 11/17/99	Mon 1/31/00									
19	Vendor Selection Complete		Mon 1/31/00	Mon 1/31/00									
20	Gap Analysis		Tue 2/1/00	Tue 2/29/00									
22	Functional Specifications Complete		Tue 2/29/00	Tue 2/29/00									
23	Load Profiles Detailed Design		Tue 2/1/00	Fri 3/31/00									
25	Load Profiles Detailed Design Complete		Fri 3/31/00	Fri 3/31/00									
26	Develop Load Profiling Section of CS Guidebook		Mon 5/1/00	Mon 5/15/00									
28	Load Profiling Section of CS Guidebook Development Complete		Mon 5/15/00	Mon 5/15/00									
30	IT Load Profiling Development		Mon 4/3/00	Thu 9/14/00									
32	IT Load Profiling Development Complete		Thu 9/14/00	Thu 9/14/00									
33	Load Profiling Testing		Fri 9/15/00	Mon 10/16/00									
39	Load Profiling Testing Complete		Mon 10/16/00	Mon 10/16/00									
40	Application Testing		Tue 10/17/00	Thu 11/30/00									
42	Application Testing Complete		Thu 11/30/00	Thu 11/30/00									
43	Develop Training Program for Load Profiling		Tue 10/17/00	Fri 12/15/00									
51	Development of Load Profiling Training Complete		Fri 12/15/00	Fri 12/15/00									

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52	Implement Load Profiling Training	Mon 12/18/00	Fri 12/29/00												
54	Load Profiling Training Complete	Fri 12/29/00	Fri 12/29/00												
55	Load Profiling System Complete	Fri 12/29/00	Fri 12/29/00												
20	Default Supply	Mon 8/2/99	Fri 12/29/00												
1	Requirements Definition	Mon 8/2/99	Tue 11/30/99												
3	Define Requirements Complete	Tue 11/30/99	Tue 11/30/99												
4	Vendor Selection Process	Tue 11/16/99	Mon 1/31/00												
10	Vendor Selection Complete	Mon 1/31/00	Mon 1/31/00												
11	Gap Analysis	Tue 2/1/00	Tue 2/29/00												
13	Functional Specifications Complete	Tue 2/29/00	Tue 2/29/00												
14	Default Tracker Detailed Design	Tue 2/1/00	Mon 5/1/00												
16	Default Tracker Detailed Design Complete	Mon 5/1/00	Mon 5/1/00												
17	Develop Default Tracker Section of CS Guidebook	Mon 5/1/00	Mon 5/15/00												
19	Default Tracker Section of CS Guidebook Development Comp	Mon 5/15/00	Mon 5/15/00												
21	IT Default Tracker Development	Tue 5/2/00	Mon 10/2/00												
23	IT Default Tracker Development Complete	Mon 10/2/00	Mon 10/2/00												
24	Software Installation Process	Tue 10/3/00	Wed 11/1/00												
26	Software Installation Complete	Wed 11/1/00	Wed 11/1/00												
27	Default Tracker Testing	Thu 11/2/00	Fri 12/1/00												
30	Default Tracker Testing Complete	Fri 12/1/00	Fri 12/1/00												
31	Develop Training Program for DefaultTracker	Thu 11/2/00	Mon 12/4/00												
Project: MasterCC Date: Wed 12/15/99				Summary				Rolled Up Progress				Split			
				Task				Critical Task				External Tasks			
				Critical Task				Rolled Up Task				Project Summary			
				Progress				Rolled Up Critical Task							
				Milestone				Rolled Up Milestone							
				Milestone				Rolled Up Milestone							

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CG&E's Electronic Project Management Program

ID	Task Name	Start	Finish	1st Half Qtr 1	2nd Half Qtr 2	1st Half Qtr 3	2nd Half Qtr 4	1st Half Qtr 1	2nd Half Qtr 2	1st Half Qtr 3	2nd Half Qtr 4	1st Qtr 1
39	Development of Default Tracker Training Complete	Mon 12/4/00	Mon 12/4/00									
40	Implement Default Tracker Training	Tue 12/5/00	Fri 12/29/00									
42	DefaultTracker Training Complete	Fri 12/29/00	Fri 12/29/00									
21	OtherOps	Mon 8/2/99	Wed 10/4/00									
1	Requirements Definition	Mon 8/2/99	Tue 11/30/99									
3	Define Requirements Complete	Tue 11/30/99	Tue 11/30/99									
4	Energy Accounting System (EA)	Wed 12/1/99	Thu 8/31/00									
5	Gap Analysis	Wed 12/1/99	Mon 5/1/00									
7	Finalize Functional Specifications Complete	Mon 5/1/00	Mon 5/1/00									
8	IT EA Development	Tue 5/2/00	Tue 8/1/00									
10	IT EA Development Complete	Tue 8/1/00	Tue 8/1/00									
11	EA Testing	Tue 8/1/00	Thu 8/31/00									
15	EA Testing Complete	Thu 8/31/00	Thu 8/31/00									
16	EA Project Complete	Thu 8/31/00	Thu 8/31/00									
17	Energy Management System (EMS)	Wed 12/1/99	Wed 10/4/00									
18	Gap Analysis	Wed 12/1/99	Mon 5/1/00									
20	Functional Specifications Complete	Mon 5/1/00	Mon 5/1/00									
21	IT (ABB) EMS Development	Tue 5/2/00	Tue 8/1/00									
23	IT (ABB) EMS Development Complete	Tue 8/1/00	Tue 8/1/00									
24	Software Installation Process	Wed 8/2/00	Mon 9/4/00									
26	Software Installation Complete	Mon 9/4/00	Mon 9/4/00									

Project: MasterCC	Summary	Summary	Summary	Summary	Summary	Summary	Summary	Summary	Summary	Summary	Summary	Summary
Date: Wed 12/15/99	Critical Task	Critical Task	Critical Task	Critical Task	Critical Task	Critical Task	Critical Task	Critical Task	Critical Task	Critical Task	Critical Task	Critical Task
	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress	Progress
	Milestone	Milestone	Milestone	Milestone	Milestone	Milestone	Milestone	Milestone	Milestone	Milestone	Milestone	Milestone
	Task	Task	Task	Task	Task	Task	Task	Task	Task	Task	Task	Task
	Rollled Up Task	Rollled Up Task	Rollled Up Task	Rollled Up Task	Rollled Up Task	Rollled Up Task	Rollled Up Task	Rollled Up Task	Rollled Up Task	Rollled Up Task	Rollled Up Task	Rollled Up Task
	Rollled Up Milestone	Rollled Up Milestone	Rollled Up Milestone	Rollled Up Milestone	Rollled Up Milestone	Rollled Up Milestone	Rollled Up Milestone	Rollled Up Milestone	Rollled Up Milestone	Rollled Up Milestone	Rollled Up Milestone	Rollled Up Milestone
	External Tasks	External Tasks	External Tasks	External Tasks	External Tasks	External Tasks	External Tasks	External Tasks	External Tasks	External Tasks	External Tasks	External Tasks
	Project Summary	Project Summary	Project Summary	Project Summary	Project Summary	Project Summary	Project Summary	Project Summary	Project Summary	Project Summary	Project Summary	Project Summary

CG&E's Electronic Project Management Program

ID	Task Name	Start	Finish	1st Half Qtr 1	2nd Half Qtr 2	1st Half Qtr 3	2nd Half Qtr 4	1st Qtr 1	2nd Qtr 2	3rd Qtr 3	4th Qtr 4
27	EMS Testing	Tue 9/5/00	Tue 10/3/00								
29	EMS Testing Complete	Tue 10/3/00	Tue 10/3/00								
30	Develop Training Program for EMS	Tue 9/5/00	Wed 9/20/00								
38	Development of EMS Training Complete	Wed 9/20/00	Wed 9/20/00								
39	Implement EMS Training	Thu 9/21/00	Wed 10/4/00								
41	EMS Training Complete	Wed 10/4/00	Wed 10/4/00								
42	EMS Project Complete	Wed 10/4/00	Wed 10/4/00								

Task

Critical Task

Progress

Milestone

Summary

Rolled Up Task

Rolled Up Critical Task

Rolled Up Milestone

Rolled Up Progress

Split

External Tasks

Project Summary

Project: MasterCC

Date: Wed 12/15/99

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OSP Appendix II, Public Utilities Commission of Ohio Financial Certification of Certified Suppliers

I. Financial Qualifications:

- A) The applicant shall execute and maintain a bond issued by a surety company authorized to transact business in the State of Ohio in favor of the People of the State of Ohio in the amount of \$250,000. The bond shall be conditioned upon the full and faithful performance of all duties and obligations of the applicant as a Certified Supplier. The cost of the bond shall be paid by the applicant. The applicant shall provide a copy of this bond as part of its application for certification.
- B) An applicant shall be deemed to possess sufficient financial capabilities to serve retail customers if in addition to meeting the requirement described in section (A), the applicant meets one of the three following criteria:
- 1) The applicant maintains at least two of the following ratings:

Rating Agency or Its Successor	Commercial Paper	Long-Term Bond
Standard & Poor's	A-2 or Higher	BBB- or Higher
Moody's Investors Service	P-2 or Higher	Baa3 or Higher
Duff & Phelps	D-2 or Higher	BBB- or Higher
Fitch IBCA	F-2 or Higher	BBB- or Higher

The applicant shall provide with its application to the Public Utility Commission of Ohio a copy of the ratings reports that present these ratings.

- 2) The obligations of the applicant to the applicable Ohio utility will be unconditionally guaranteed by an affiliate of the applicant that maintains at least two of the following ratings:

Rating Agency or Its Successor	Commercial Paper	Long-Term Bond
Standard & Poor's	A-2 or Higher	BBB- or Higher
Moody's Investors Service	P-2 or Higher	Baa3 or Higher
Duff & Phelps	D-2 or Higher	BBB- or Higher
Fitch IBCA	F-2 or Higher	BBB- or Higher

The guaranty format will be provided to the applicant by the applicable Ohio utility and shall be executed at such time the applicant applies to participate in that Ohio utility's program. The guaranty amount shall be an amount at least equal to a good faith estimate of 120 days of customer usage in the summer season as estimated by the applicable Ohio utility, which is subject to adjustment in the applicable Ohio utility's sole and exclusive judgment. The applicant shall provide a copy of the following with their application to the Public Utility Commission:

- a) The ratings reports that present the ratings of the affiliate; and
 - b) Evidence that the affiliate has the ability and is authorized to issue a guaranty for the applicant.
- 3) The applicant may deliver an irrevocable letter of credit issued by a financial institution with a long-term obligation rating of A- or higher as rated by two out of the four rating agencies previously mentioned in favor of each Ohio utility in whose service territory the applicant will serve retail customers. The letter of credit shall be in an amount equal to a good faith estimate of 120 days of customer usage in the summer season, as estimated by the applicable Ohio utility, which is subject to adjustment in the applicable Ohio utility's sole and exclusive judgment. The initial letter shall be valid for a period of not less than one year after the date on which the applicant begins participating in the Ohio utility's program and shall be renewed annually. The letter of credit format will be provided by the applicable Ohio utility and shall be executed at such time the applicant applies to participate in that Ohio utility's program.

The applicant shall provide a copy of the following with their application to the Public Utility Commission

- a) The line of credit or revolving credit agreement;
- b) The Standard & Poor's, Moody's Investment Service, Duff & Phelps or Fitch IBCA ratings report that presents the debt security rating of the financial institution extending the credit.

OSP Appendix III, Public Utilities Commission of Ohio Managerial and Technical License Application

Please submit an original, two copies, and a copy on diskette formatted for WordPerfect or Microsoft Word. Please type or print:

1. Legal Name of Applicant:

Doing Business As (DBA):

2. Business Address:

3. If a corporation, association, or partnership:
(a) organized under the laws of which state: _____
(b) date of organization: _____
(c) please attach a copy of articles of incorporation, association, partnership agreement, or other document regarding legal organization
(d) please attach a copy of the by-laws
(e) license to do business in the State of Ohio, if not incorporated in Ohio

4. Name, Title and Business Address of all Officers and Directors, Partners, or other similar Officials:

_____	_____
_____	_____
_____	_____
_____	_____

5. A statement (with appropriate citation to corporate articles or by-laws or other operative documents) that acting as a Competitive Supplier or Electricity Broker is not beyond the scope of the entity:

6. A summary of any history of bankruptcy, dissolution, merger or acquisition of the entity in the two calendar years immediately preceding application:

7. Name, Title and Toll-Free Telephone Number of Customer Service Contact Person:

8. Name, Title and Telephone Number of Regulatory Contact Person:

Fax and Internet Address (Optional)

9. Name and address of Resident Agent for Service of Process:
-
-
10. Provide a clear and concise description of the specific services that are to be provided by the Applicant. Include the types of customers to be served and geographic area in which services are to be provided.
11. Provide brief description of the applicant's business.
-
12. Provide documentation of the appropriate level of legal interest in the supply (i.e., power purchase contract or ownership in generation) necessary to serve the proposed load.
13. Provide documentation of technical ability to generate or otherwise obtain and deliver electricity, or provide other proposed services.
14. Provide documentation of ability to schedule power on transmission lines or contract to have power scheduled.
15. Provide evidence of Applicant's attendance at a training session sponsored by the Ohio distribution companies.
16. Provide a statement where any director, officer, or other similar official has been convicted of a felony or held liable for any antitrust violation.
17. Provide adequate documentation establishing that the signatories to this application are authorized so to act on behalf of the Applicant in filing this application (for example, in the case of a corporate applicant, a vote of the board of directors authorizing the signatories to bind the corporation).

DECLARATION

We, _____ and _____
(print name and title) (print name and title)

declare that I have personally reviewed the above statements and that they are true and correct and complete in all material respects. We further declare that the information contained in this application was prepared and compiled under our supervision and control. We further declare that we are authorized by the Applicant to file this application on its behalf. We acknowledge that we have a positive duty to ascertain the accuracy and completeness of this application and that we sign this declaration under personal pains and penalties of perjury.

Dated this _____ day of _____, _____ at _____.
(day) (month) (year) (place of execution)

Signature: _____

Title: _____

Signature: _____

Title: _____

NOTARIZATION:

Notarial Seal

OSP Appendix IV, Certified Supplier Registration Form

The Cincinnati Gas & Electric Company

Supplier must fill this form out completely and return it to Company prior to being enrolled to participate in CG&E's Electric Customer Choice Program. Failure to fill out the form completely will render Company unable to enroll the Supplier. The Supplier must also submit all necessary attachments and the enrollment fee specified in the Certified Supplier Tariff.

Certified Supplier Registration Form (Please type or print clearly)

1. Date Submitted _____ Date Received by CG&E &
Acct. Mgr. Initial _____

2. Certified Supplier Name & Address:

Corporate Name:			
Mailing Address:			
City, State, Zip:			
Phone Number:		Fax Number:	

3. Parent Company Name & Address:

Corporate Name:			
Mailing Address:			
City, State, Zip:			
Phone Number:		Fax Number:	

4. Written Notices are sent to:

Name & Title:			
Company:			
Mailing Address:			
City, State, Zip:			

5. Primary Contact:

Name & Title:	
Mailing Address:	
Telephone Number:	
Pager:	
E-mail Address:	

6. 24-Hour Contact Number: _____

7. PUCO License Number & Copy of Certification: _____

8. Dunn & Bradstreet Number: _____

Authorized Signature:

Title:

Date:

DECLARATION

We, _____ and _____
 (print name and title) (print name and title)
declare that I have personally reviewed the above statements and that
they are true and correct and complete in all material respects. We
further declare that the information contained in this application was
prepared and compiled under our supervision and control. We further
declare that we are authorized by the Applicant to file this application on
its behalf. We acknowledge that we have a positive duty to ascertain the
accuracy and completeness of this application and that we sign this
declaration under personal pains and penalties of perjury.

Dated this _____ day of _____, _____
 (day) (month) (year)

at _____
 (place of execution)

Signature: _____

Title: _____

Signature: _____

Title: _____

NOTARIZATION:

Notaries Seal

OSP Appendix V, Certified Supplier Credit Application

CG&E Certified Supplier Credit Application for Participation in Retail Choice Program

An applicant shall forward this completed and signed application, and accompanying financial information to the following address:

Cinergy Corp.
139 East Fourth Street - EF402
Cincinnati, OH 45201
Attn: Credit Manager

An applicant will not be eligible to be a Certified Supplier until CG&E approves the applicant's application and the applicant and CG&E execute a Certified Supplier Service Agreement.

1. Applicant/Company

Applicant Name:	_____	Years in Business:	_____
State of Incorporation:	_____	D&B Duns #:	_____
Federal Tax ID:	_____	State of Incorporation:	_____
Parent Company:	_____		
Internet Web Site:	_____		
Credit or Financial Contact Person:			
First and Last Name:	_____		
Title:	_____		
Address:	_____		
City, State, Zip Code:	_____		
E-mail Address:	_____		
Telephone:	_____		
Facsimile:	_____		

2. Wiring (Bank) Information

Bank Name:	_____	ABA No.:	_____
Contact:	_____	Account No.:	_____
Address:	_____	Telephone:	_____
City, State, Zip Code:	_____		

3. Credit Information
Please provide three (3) most recent credit references:

Company Name:	_____	Contact:	_____
Telephone No.:	_____		
Company Name:	_____	Contact:	_____
Telephone No.:	_____		
Company Name:	_____	Contact:	_____
Telephone No.:	_____		

4. Bank Reference

Bank Name:	_____	Account Officer:	_____
Address:	_____	Account No.:	_____
City, State, Zip Code	_____		

5. Supplemental Data

Please provide the following information for you and your parent company:

- a) Two (2) most recent Annual Reports;
- b) Most recent SEC Form 10-K and 10-Q; or, if SEC Form 10-K is unavailable substitute with audited annual financial information (including a balance sheet, income statement and cashflow statement);
- c) Most recent quarterly or monthly financial information (including a balance sheet, income statement, and cashflow statement) accompanied by an attestation by Applicant's Chief Financial Officer that the information submitted is true, correct and a fair representation of Applicant's financial condition.
- d) Long-Term Bond Rating

Moody's	_____	S&P	_____
Fitch	_____	Duff & Phelps	_____
- e) Parent Long-Term Bond Rating

Moody's	_____	S&P	_____
Fitch	_____	Duff & Phelps	_____

Please provide proof of the following:

- f) FERC Power Marketer License No./Date _____
- g) PUCO License/Expiration Date _____
- h) Midwest ISO Certification _____
- i) Date Electronic Data Interchange Capabilities Tested _____
- j) Date completed CG&E training for Certified Suppliers _____

6. Representations	Applicant		Parent	
	Yes	No	Yes	No
Is the applicant and/or their parent				
a) Operating under federal bankruptcy laws?	_____	_____	_____	_____
b) Subject to pending litigation or regulatory proceedings in state or federal courts and/or agencies which could impact the Applicant's and/or Parent's financial condition	_____	_____	_____	_____
c) Subject to collection lawsuits or outstanding judgements which could impact solvency?	_____	_____	_____	_____
d) Mandatory disclosure of prior bankruptcy declarations	_____			

7. Alternative Credit Arrangements
If the Applicant is unable to provide CG&E with the above-mentioned information, the Applicant must make alternative credit arrangement, which may include:
a) A guarantee from a creditworthy Guarantor for an amount covering four summer months of <i>estimated</i> charges for service. The guarantee must be submitted with proof of Guarantor's credit worthiness by including the documents listed in the Supplemental Credit Data section of this application; or,
b) An irrevocable Letter of Credit from a financial institution with an investment grade rating in a format acceptable to CG&E covering four months of estimated summer charges for service;
c) A cash deposit covering four months of estimated summer charges for service.

8. Estimated Number of Customers by Class and Load:		
Residential _____	Large Industrial _____	Expected Load Factor _____
Small Commercial _____	Estimated Peak Summer Load _____	

9. Certification, Authorization, and Signature

CG&E will treat all financial statements provided by Applicant in a confidential manner.

Applicant will notify CG&E if any financial or credit application information changes.

Applicant certifies that the information herein is complete and accurate to the best of Applicant's knowledge, information and belief, and that the individual signing below is an authorized Representative of the Certified Supplier.

Applicant hereby authorizes CG&E to obtain any information that may be required relative to this Application from any source, including Applicant's financial and Trade references. Applicant also hereby authorizes each source to provide such Information.

Legal Name of Applicant: _____

Signature of Authorized
Representative: _____

Name: (Please Print) _____

Title: _____

Sworn Before: _____

Date: _____

OSP Appendix VI, Certified Supplier Service Agreement

This CERTIFIED SUPPLIER SERVICE AGREEMENT dated as of _____, 200__ is between and among The Cincinnati Gas & Electric Company ("CG&E") and _____ (the "Certified Supplier"). CG&E and the Certified Supplier are collectively the Parties and each individually is a Party to the Agreement.

WHEREAS, the Certified Supplier wishes to enter into an agreement with CG&E in order to participate in CG&E's Customer Choice Program;

WHEREAS, the Parties wish to establish the terms and conditions under which the Certified Supplier will participate in CG&E's Customer Choice Program; and

NOW, THEREFORE, in consideration of the premises and the mutual agreements contained herein, the Parties agree as follows:

1. Definitions

As used in this Agreement, the following terms have the definitions set forth below.

- 1.1 "CG&E's Customer Choice Program" means a program offered by CG&E under which end-use customers may select a Certified Supplier of competitive retail electric service.
- 1.2 "Cinergy Transmission Tariff" means the Cinergy Services, Inc (Cinergy Services) Open Access Transmission Tariff on file with the FERC which sets forth the rates, terms and conditions of transmission service over transmission facilities located in the Cinergy Control Area, or any successor transmission tariff for similar service.
- 1.3 "Certified Supplier Tariff" means CG&E's Public Utilities Commission of Ohio Electric Tariff No. 20.

2. Effective Date of Agreement

- 2.1 The effective date of this Agreement shall be the date it is signed by the Parties and the terms of this Agreement shall be effective as of that date. Either Party may terminate this Agreement by providing thirty days written notice to the other Party.
- 2.2 The Certified Supplier shall be eligible to serve end-use customers in CG&E's Customer Choice Program after the later of January 1, 2001 or the date that the Certified Supplier is certified by the Public Utilities Commission of Ohio, has completed all enrollment requirements under the Certified Supplier Tariff and has received notice from CG&E that the Certified Supplier is eligible to begin serving end-use customers.
- 2.3 The applicable provisions of this Agreement shall continue in effect after the Term of the Agreement to the extent necessary to provide for final accounting, final billing, billing adjustments, resolution of billing disputes, resolution of any court, alternative dispute resolution or administrative proceedings arising out of this Agreement and final payment.

3. Certified Supplier Tariff

- 3.1 The Parties agree to abide by all terms and conditions of the Certified Supplier Tariff, which is incorporated herein, by reference.

4. Designation of Transmission Scheduling Agent (TSA)

- 4.1 A Certified Supplier shall be entitled to schedule its own power for delivery to end-use customer if the Certified Supplier is an eligible transmission customer under the terms of the Cinergy Transmission Tariff and meets the requirements of scheduling power for itself under the Certified Supplier Tariff. In all other cases, the Certified Supplier shall retain the services of an eligible transmission customer under the Cinergy Transmission Tariff. Whether the Certified Supplier performs scheduling for itself or uses the services of an eligible transmission customer, the Certified Supplier shall be required to complete a Transmission Scheduling Agent Designation Agreement.

4.2 The Parties agree that the TSA shall be the sole point of contact for Cinergy Services or CG&E on all matters relating to services performed under the Cinergy Transmission Tariff.

4.3 The Certified Supplier shall be responsible for all actions or inactions of the TSA relating to services performed under the Cinergy Transmission Tariff to serve the Certified Supplier's end-use customers in CG&E's Customer Choice Program.

5. **Lack of Eligible TSA**

5.1 If the Certified Supplier/TSA relationship is terminated and a new TSA has not begun to perform services under the Cinergy Transmission Tariff for the Certified Supplier within the time limits specified in the Certified Supplier Tariff, CG&E agrees to supply and the Certified Supplier agrees to take Back-up Generation Service under the terms of Rate BUG in the Certified Supplier Tariff.

6. **Applicability of Certified Supplier Tariff**

6.1 The Certified Supplier and its designated TSA agree to comply with all terms and conditions of the Certified Supplier Tariff.

7. **Default, Suspension and Termination**

7.1 The Certified Supplier agrees to the terms and conditions applicable to default, suspension and termination as set forth in the Certified Supplier Tariff.

8. **Amendment**

8.1 This Agreement may be amended only by a written agreement signed by the Parties.

9. **Complete and Full Agreement**

9.1 This Agreement constitutes the entire agreement between the Parties.

10. **Assignment**

10.1 No Party shall assign, pledge or transfer this Agreement without the prior written consent of all the Parties.

11. **Notices**

11.1 All notices provided for under this Agreement shall be sent to the following:

To the Certified Supplier:

Attn: _____

Title: _____

Telephone: _____

Facsimile: _____

Internet email: _____

To CG&E:

Attn: _____

Title: _____

Telephone: _____

Facsimile: _____

Internet email: _____

IN WITNESS WHEREOF, the undersigned Parties have caused this Agreement to be executed in their names by their respective duly authorized officials, as of the _____ day of _____, 200__.

The Cincinnati Gas & Electric Company

By: _____

For the Certified Supplier

By: _____

OSP Appendix VII, EDI Trading Partner Agreement

THIS ELECTRONIC DATA INTERCHANGE ("EDI") TRADING PARTNER AGREEMENT (the "Agreement") is made as of _____, 200__, by and between The Cincinnati Gas & Electric Company ("CG&E"), an Ohio corporation and a utility providing delivery services with offices at 139 East Fourth Street, Cincinnati, Ohio, and _____, a _____ corporation and a Certified Supplier of competitive retail electric service (Certified Supplier), with offices at _____, (CG&E and Certified Supplier individually a "Party", and collectively, "Parties").

RECITALS

WHEREAS, CG&E and Certified Supplier desire to facilitate the exchange of business electronic transactions by electronically transmitting and receiving data in agreed upon formats and to ensure that such electronic transactions are legally valid, binding and enforceable.

AGREEMENT

NOW THEREFORE, in consideration of mutual promises and covenants contained herein and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties, intending to be legally bound hereby, hereto agree as follows:

2 Prerequisites

- 2.1 **Electronic transactions.** Each Party may electronically transmit to or receive from the other Party those electronic transactions which the parties may designate by a separate addendum. By separate agreement, the Parties may conduct other electronic transactions. Electronic transactions shall be transmitted and approved by CG&E.
- 2.2 **Scope of the Agreement.** This Agreement shall govern and apply only to electronic transactions transmitted from either Party to the other Party in connection with CG&E's Customer Choice
- 2.3 **Third-Party Service Providers.**
 - 2.3.1 Electronic transactions will be transmitted electronically to each Party either directly or through any third Party

service provider ("Provider") with which either Party may contract on its own behalf. Either Party may modify its election to use, not use or change its Provider upon 30 days prior written notice.

2.3.2 Each Party shall be responsible for the costs and performance of any Provider with which it contracts.

2.3.3 Each Party shall be liable for the acts or omissions of its Provider while transmitting, receiving, storing or handling documents, or performing related activities, for such Party.

2.4 **System Operations.** Each Party, at its own expense, shall be responsible for and/or provide and maintain the equipment, software, services and testing necessary to effectively and reliably transmit and receive electronic transactions.

2.5 **Security Procedures.** Each Party shall properly use those security procedures which are reasonably sufficient to ensure that all transmissions of an electronic transaction are authorized and to protect its business records and data from improper access.

2.6 **Freedom from Computer Viruses.** Each party shall use reasonable efforts to ensure that electronic transactions are free of, but not limited to, the following: computer viruses or other computer software code or routine designed to disable, damage, impair or electronically repossess or erase programs or data files which can cause damage to a Party's computer systems and/or operations. Either Party will promptly notify the other if such destructive logic is detected in and/or transmitted from any computer system involving electronic transactions.

2.7 **Back-up Data.** Each party agrees to maintain adequate back-up files to recreate transmissions as required. Back-up files shall be subject to this Agreement to the same extent as original data. Electronic transactions shall be retained for such periods as required by relevant state and federal requirements.

2.8 **Testing.**

2.8.1 Electronic transactions will not be authorized by either Party until subjected to reasonable testing to ensure compliance with testing requirements and until each Party is satisfied with the results of such testing.

-
- 2.8.2 Following acceptance by each Party for production use, additional testing may be required by a Party in response to a change in the system environments including, but not limited to: installation of a new application system, installation of a new EDI translator, or implementation of a new EDI version.

3 Transmissions

- 3.1 **Proper Receipt.** Electronic transactions shall not be deemed to have been properly received, and no electronic transactions shall give rise to any obligation, until received by the receiving Party and verification confirmed by such Party in accordance with Section 2.2 of this Agreement.
- 3.2 **Verification.** Upon receipt of any electronic transaction or any information related to the electronic transaction, the receiving Party shall properly transmit a functional acknowledgement ("FA") in return, which FA shall be in standard format as prescribed by American National Standards Institute X12 standards or other agreed upon standards. A FA shall constitute conclusive evidence that an electronic transaction has been properly received but does not constitute an agreement or acceptance to such transaction or a status report.
- 3.3 **Responses.** If a response to an electronic transaction is required, any such electronic transaction which has been properly received shall not give rise to any obligation unless and until the Party initially transmitting such electronic transaction has properly received in return a response transaction.
- 3.4 **Garbled Transmissions.** If any properly transmitted electronic transaction is received in an unintelligible or garbled form, the receiving Party shall promptly notify the originating Party (if identifiable from the received electronic transaction) in a reasonable manner. In the absence of such a notice, the originating Party's records of the contents of such electronic transaction shall control, unless the identity of the originating Party cannot be determined from the received electronic transaction.

4 Transaction Terms

- 4.1 **Terms and Conditions.** Any electronic transaction made pursuant to this Agreement, and any related communication shall, in addition to this Agreement, also be subject to the terms and conditions included in CG&E's applicable rates, riders and tariffs

that may be approved by the Public Utilities Commission of Ohio ("PUCO") from time to time. The parties acknowledge that the terms and conditions set forth in CG&E's rates, riders and tariffs may be or may become inconsistent, or in conflict with this Agreement, but agree that any conflict or dispute that arises between the parties in connection with any such electronic transaction will be resolved as if such electronic transaction had been effected through application of the rates, riders and tariffs. Any inconsistency between this Agreement and any rates, riders and tariffs or any PUCO Orders shall be resolved by giving precedence to applicable rates, riders and tariffs, applicable PUCO Orders and then to this Agreement.

- 4.2 **Confidentiality.** Electronic transactions and other communications related to electronic transactions under the Agreement shall maintain the same confidential or non-confidential status (whichever is applicable) as they would have in the form of paper records.

4.3 **Validity; Enforceability.**

- 4.3.1 The parties have executed this agreement and may agree to add additional transactions regarding the electronic transmission and receipt of electronic transaction information. Such additional agreements will specify the applicable terms of such transactions, regarding CG&E's Customer Choice program.
- 4.3.2 The parties agree that correspondence and documents electronically transmitted pursuant to this Agreement shall be construed to be in conformance with all requirements set forth in CG&E's rates, riders and tariffs.
- 4.3.3 Any electronic transaction and any information related to the electronic transaction, properly transmitted pursuant to this Agreement, shall be considered to be a "writing" or "in writing", and to constitute an "original" when printed from electronic files or records established and maintained in the normal course of business.
- 4.3.4 The conduct of the parties pursuant to this Agreement, including the use of electronic transactions properly transmitted pursuant to this Agreement, shall, for all legal purposes, evidence a course of performance accepted by the parties in furtherance of this Agreement.

- 4.3.5 The parties agree not to contest the validity or enforceability of electronic transactions under the provisions of any applicable law relating to whether agreements are in writing and signed by the Party to be bound thereby. Electronic transactions, if introduced as evidence on paper in any judicial, arbitration, mediation or administrative proceedings, will be admissible as between the parties to the same extent and under the same conditions as other business records originated and maintained in documentary form. Neither Party shall contest the admissibility of copies of electronic transactions on the basis that such copies were not originated or maintained in documentary form.

5 Miscellaneous

- 5.1 **Headings.** Headings or titles of the provisions hereof are for convenience only and shall have no effect on the provisions of this Agreement.
- 5.2 **Termination.** This Agreement shall remain in effect until terminated by either Party with not less than thirty (30) days prior written notice, which notice shall specify the effective date of termination; provided, however, that any termination shall not affect the respective obligations or rights of the parties arising under any electronic transaction or otherwise under this Agreement prior to the effective date of termination. Any attempted termination in conflict with any of CG&E's rates, riders or tariffs or any Order of the PUCO shall be deemed ineffective for purposes herein.
- 5.3 **Severability.** Any provision of this Agreement which is determined to be invalid or unenforceable will be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such remaining provisions.
- 5.4 **Entire Agreement.** This Agreement constitutes the complete agreement of the Parties relating to the matters specified in this Agreement and supersedes all prior representations or agreements, whether oral or written, with respect to such matters. This Agreement may not be amended, supplemented, changed or modified in any manner, orally or otherwise, except by an instrument in writing of concurrent or subsequent date, signed by a duly authorized representative of each Party. No oral modification or waiver of any of the provisions of this Agreement

shall be binding on either Party. No obligation to enter into any electronic transaction is to be implied from the execution or delivery of this Agreement. This Agreement is for the benefit of, and shall be binding upon, the parties and their respective successors and assigns.

- 5.5 **Assignment.** This Agreement, or any rights or obligations hereunder, shall not be assigned by either Party without the express written approval of the other Party. Any assignment, which does not comply with the provisions of this section 4.5, shall be null and void.
- 5.6 **Non-Waiver.** The waiver by either Party of any breach of any term, covenant or condition contained in this Agreement shall not be deemed to be a waiver of any other breach or default of the same or any other term, covenant, condition or obligation.
- 5.7 **Governing Law and Tariffs.** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Ohio and CG&E's rates, riders and tariffs filed with the PUCO. This Agreement shall at all times be subject to any changes or modifications by the PUCO as said PUCO may, from time to time, direct in the exercise of its jurisdiction.
- 5.8 **Force Majeure.** No Party shall be liable for any failure to perform its obligations in connection with any electronic transaction where such failure results from any act of God or other cause beyond such Party's reasonable control which prevents such Party from transmitting or receiving any Documents.
- 5.9 **EXCLUSION OF DAMAGES.** NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, EXEMPLARY OR CONSEQUENTIAL DAMAGES IN CONNECTION WITH THE AGREEMENT, ANY ELECTRONIC TRANSACTION OR ANY DOCUMENT INCLUDING, BUT NOT LIMITED TO, ARISING FROM OR AS A RESULT OF ANY DELAY, OMISSION, OR ERROR IN THE ELECTRONIC TRANSMISSION OR RECEIPT OF ANY DOCUMENTS PURSUANT TO THIS AGREEMENT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.
- 5.10 **Resolution of Disputes.**
- 5.10.1 Disputes between CG&E and the Certified Supplier that involve the performance, breach, or alleged breach of any obligation under this Agreement may be resolved through alternative dispute resolution as provided in CG&E's

Alternative Dispute Resolution Procedure, as contained in CG&E's current rates, riders and tariffs. Nothing herein shall (a) limit or restrict the jurisdiction of the PUCO or of the Federal Energy Regulatory Commission, or (b) require or permit arbitration if any such dispute or controversy is subject to such jurisdiction.

- 5.11 **Notices.** Unless otherwise provided herein, all notices, demands or other communications hereunder shall be in writing and shall be deemed to have been received when personally delivered, when sent by (i) courier delivery; (ii) Federal Express or similar overnight courier delivery; (iii) U.S. certified mail, return receipt requested to the address and persons specified in this Agreement. Notices or communications shall be deemed given on the date of (a) courier or overnight courier delivery; or (b) in the case of transmittal by U.S. certified mail, return receipt requested, the date the return receipt is signed or delivery is rejected. The following are the primary contacts for all communications related to this Agreement;

5.11.1 CG&E:

Company Name: The Cincinnati Gas & Electric Company
Attn: Certified Supplier Business Center
Address: P.O. Box 960
Cincinnati, Ohio 45201-0960
Phone: (513) _____
Fax: (513) _____
email: _____

5.11.2 Certified Supplier:

Company Name: _____
Attn: _____
Address: _____

Phone: _____
Fax: _____
email: _____

5.12 Status of Parties.

5.12.1 Each party shall perform its obligations under this Agreement as an independent contractor.

5.12.2 Unless specifically stated in this Agreement to be otherwise, the duties, obligations, and liabilities of the parties are intended to be severable and not joint or collective. Nothing contained in this Agreement shall ever be construed to create an association, trust, partnership or joint venture or to create or impose a trust or partnership duty, obligation or liability on or with regard to either party. Without limiting the foregoing, the parties recognize and agree that the use of the term "Trading Partner" in this Agreement or in connection with this Agreement is merely to conform to industry usage and such use does not and shall not be construed or used to create or imply any partnership agreement or arrangement between the parties or to create or impose any partnership duty, obligation or liability on or with regard to either party. Each party shall be liable individually and severally for its own obligations under this Agreement.

IN WITNESS WHEREOF, the parties have executed the agreement as of the day and year first above written.

The Cincinnati Gas & Electric Company

By: _____

Name: _____

Title: _____

Certified Supplier Name: _____

By: _____

Name: _____

Title: _____

OSP Appendix VIII, TSA Designation Agreement

TRANSMISSION SCHEDULING AGENT (TSA) DESIGNATION AGREEMENT

This TRANSMISSION SCHEDULING AGENT DESIGNATION AGREEMENT dated as of _____, 200__ is between and among The Cincinnati Gas & Electric Company ("CG&E"), _____ (the "Certified Supplier") and _____ (the "Transmission Scheduling Agent" or "TSA"). CG&E, the Certified Supplier and the TSA are collectively the Parties and each individually is a Party to the Agreement.

WHEREAS, the Certified Supplier desires to designate the TSA to schedule power on its behalf into CG&E's Control Area Operations commencing _____ (hereinafter "effective date of service") so that the Certified Supplier can serve its end-use customers under CG&E's Customer Choice Program;

WHEREAS, the TSA is a Transmission Customer as defined under Cinergy Transmission Tariff and desires to perform scheduling services on behalf of the Certified Supplier;

WHEREAS, the Parties wish to establish the terms and conditions under which the TSA will perform power scheduling on behalf of the Certified Supplier in CG&E's Customer Choice Program; and

NOW, THEREFORE, in consideration of the premises and the mutual agreements contained herein, the Parties agree as follows:

1. Definitions

As used in this Agreement, the following terms have the definitions set forth below.

5.13 "CG&E's Customer Choice Program" means a program offered by CG&E under which end-use customers may select a Certified Supplier of competitive retail electric service.

5.14 "Cinergy Transmission Tariff" means the Cinergy Services, Inc (Cinergy Services) Open Access

Transmission Tariff on file with the FERC which sets forth the rates, terms and conditions of transmission service over transmission facilities located in the Cinergy Control Area, or any successor transmission tariff for similar service.

2. **Effective Date of Agreement**

- 2.1 The effective date of this Agreement shall be the date it is signed by the Parties and the terms of this Agreement shall be effective as of that date.
- 2.2 The TSA shall not be eligible to perform scheduling services on behalf of the Certified Supplier until: (a) five (5) business days after the effective date of this agreement and (b) Cinergy Services has performed its financial review and the TSA has complied with all credit requirements of Cinergy Services.
- 2.3 The applicable provisions of this Agreement shall continue in effect after the Term of the Agreement to the extent necessary to provide for final accounting, final billing, billing adjustments, resolution of billing disputes, resolution of any court, alternative dispute resolution or administrative proceedings arising out of this Agreement and final payment.

3. **Appointment of TSA**

- 3.1 Certified Supplier hereby appoints TSA and TSA hereby accepts its appointment as the agent of the Certified Supplier to perform all functions as set forth in the Cinergy Transmission Tariff.

4. **Relationship of Parties**

- 4.1 The Parties agree that the TSA shall be the sole point of contact for Cinergy Services or CG&E on all matters relating to services performed under the Cinergy Transmission Tariff.
- 4.2 The Certified Supplier shall be responsible for all actions or inactions of the TSA relating to services performed under the Cinergy Transmission Tariff to serve the Certified Supplier's end-use customers in CG&E's Customer Choice Program.

5. **Applicability of Certified Supplier Tariff**

- 5.1 The Certified Supplier and its designated TSA agree to comply with all terms and conditions of the Certified Supplier Tariff.

6. **Termination of TSA Relationship**

- 6.1 If either the Certified Supplier or the TSA wishes to terminate the Certified Supplier/TSA designation as set forth in this Agreement, then the Party wishing to terminate the designation shall send written notice to Cinergy Services or CG&E of the termination of the designation and the date and hour when the TSA will no longer schedule power on behalf of the Certified Supplier.

7. **Amendment**

- 7.1 This Agreement may be amended only by a written agreement signed by the Parties.

8. **Complete and Full Agreement**

- 8.1 This Agreement constitutes the entire agreement between the Parties.

9. **Assignment**

- 9.1 No Party shall assign, pledge or transfer this Agreement without the prior written consent of all the Parties.

10. **Notices**

- 10.1 All notices provided for under this Agreement shall be sent to the following:

To the Certified Supplier:

Attn: _____

Title: _____

Telephone: _____

Facsimile: _____

Internet email: _____

To the TSA:

Attn: _____

Title: _____

Telephone: _____

Facsimile: _____

Internet email: _____

To CG&E:

Attn: _____

Title: _____

Telephone: _____

Facsimile: _____

Internet email: _____

To Cinergy Services:

Attn: _____

Title: _____

Telephone: _____

Facsimile: _____

Internet email: _____

IN WITNESS WHEREOF, the undersigned Parties have caused this Agreement to be executed in their names by their respective duly authorized officials, as of the _____ day of _____, 200__.

The Cincinnati Gas & Electric Company

By: _____

For the Certified Supplier

By: _____

For the Transmission Scheduling Agent

By: _____

Employee Assistance Plan

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1 If any employees are entitled to benefits under its Employee
2 Assistance Plan, CG&E will notify the affected employees both verbally
3 and in writing.

4 **2. Outplacement Assistance**

5 In conjunction with any voluntary severance program that CG&E
6 may offer, CG&E will provide outplacement assistance. CG&E will also
7 notify affected employees of available benefits and services from federal,
8 state and local assistance agencies.

9 **3. Relocation Assistance**

10 CG&E reserves the right to offer relocation assistance under any
11 voluntary severance program that CG&E may elect to implement. If
12 CG&E chooses to offer relocation assistance, then CG&E will notify
13 affected employees of the availability of this benefit.

14 CG&E's current benefits plan offers relocation assistance, at the
15 discretion of the hiring manager, for non-union employees who are re-
16 assigned to another job with CG&E or its affiliates. These benefits, if
17 approved by the hiring manager, include: (a) the cost of moving the
18 employee's household goods; (b) payment of real estate commissions and
19 closing costs associated with the sale of the employee's home; (c)
20 assistance with closing costs on the employee's purchase of a new home;
21 (d) inspections on both homes; (e) an offer by the Company to purchase
22 the employee's existing home at a pre-determined price; (f) a bonus if the

1 employee sells his or her existing home within 60 days; and (g) a
2 payment representing the differential on the mortgage interest between
3 the employee's existing and new home mortgages, if the difference is
4 greater than 1%.

5 **4. Employee Assistance Program Services**

6 CG&E's existing benefits programs offer several different types of
7 benefits which may be useful to employees whose jobs may be displaced
8 due to electric industry restructuring. CG&E's medical plan provides
9 insurance coverage for mental health treatment. Employees may also
10 elect to make tax-free contributions to a health care flexible spending
11 account that allows them to set aside money for health care expenses
12 that may not be covered by CG&E's medical plan or other insurance.
13 The flexible spending account continues to exist after the employee
14 becomes separated from employment. The employee must spend the
15 money in the flexible spending account by the end of the year when the
16 contribution is made; otherwise, the contribution is forfeited.

17 CG&E employees may elect to participate in a pre-paid legal
18 services plan. CG&E does not sponsor or administer this plan, but
19 rather the employee may purchase insurance coverage that provides
20 coverage in the form of free legal assistance. The legal services include
21 preventive legal assistance, including an unlimited amount of time for
22 attorney consultation, attorney review of personal legal documents and

1 attorney phone calls and letters on the employee's behalf. This coverage
2 continues after the employee leaves CG&E's employment, provided that
3 the employee has paid the premiums for this coverage.

4 CG&E's existing employee benefits plan provides up to five
5 sessions of counseling assistance in areas such as financial problems,
6 depression, work-related issues and marital problems. This program is
7 available to employees and their immediate family members.

8 From time to time, the Company also offers financial planning
9 seminars for employees. These seminars are presented by outside
10 financial planning experts and employees are permitted to attend free of
11 charge. Spouses are often invited. These seminars aid employees in
12 planning for their financial needs.

13 **5. Early Retirement Programs**

14 CG&E may elect to offer an incentivized early retirement program
15 to non-union employees who are vested in one of Cinergy's pension
16 plans. Those employees will be offered ancillary benefits similar to those
17 discussed in item (7), below. CG&E reserves the right (1) to determine
18 whether to offer an early retirement program and the duration of such
19 program; (2) to determine whether to simultaneously offer severance and
20 incentivized early retirement programs and whether to pay for such
21 benefits from general assets or from Cinergy's qualified pension plans, to
22 the extent permitted by R. C. 4928.43; and (3) to condition the receipt of