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BEFORE

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THE PUBLIC UTILITIES COMMISSION OF OHIO

PUCO

In the Matter of the Application of )  
Duke Energy Ohio for Approval of a )  
Competitive Retail Electric Service )  
Pilot Green Power Rider )

Case No. 06-1398-EL-UNC

APPLICATION

TO THE HONORABLE  
THE PUBLIC UTILITIES COMMISSION OF OHIO:

1. **Company Description.** Duke Energy Ohio (DE-Ohio) is an Ohio corporation engaged in the business of supplying electric transmission, distribution, and generation service in Adams, Brown, Butler, Clinton, Clermont, Hamilton, Montgomery, and Warren Counties in Southwestern Ohio to approximately 642,000 consumers, and supplying electric transmission and distribution service to approximately 12,000 consumers that receive generation service from Competitive Retail Electric Service (CRES) Providers. DE-Ohio is also engaged in the business of supplying natural gas local distribution service to approximately 410,000 consumers in the same areas, all of whom will be affected by this Application.

2. **Public Utility Status.** DE-Ohio is a "public utility" as defined by R.C. 4905.02 and 4905.03; an "electric distribution company," "electric light company," "electric supplier," and an "electric utility" as defined by R.C. 4928.01; and a "natural gas company" as defined by R.C. 4905.03.

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3. **Applicant's Proposed Green Power Rider.** DE-Ohio seeks Commission approval of tariffs allowing it to implement a pilot Green Power Program, *GoGreen Power*, as a two-year pilot program ending December 31, 2008. DE-Ohio reserves the right to continue the program beyond 2008 dependant upon its acceptance by consumers in DE-Ohio's certified territory. *GoGreen Power* is a new generation service option that permits consumers to purchase generation from renewable energy sources and other environmentally friendly energy sources including the purchase of Renewable Energy Certificates and Carbon Credits related to such sources. *GoGreen Power* is purely voluntary. It provides consumers with the knowledge that they are helping preserve the environment through their energy usage. Similar Green Power offerings have been approved for utilities in other states. Environmentally conscious consumers are likely to have an interest in this program.

4. **Term of Pilot Program.** DE-Ohio proposes to offer *GoGreen Power* effective January 1, 2007. Success of the program shall be determined by the amount of enrollment and the availability of suitable environmentally friendly energy sources. DE-Ohio will purchase the most economically competitive renewable energy with an emphasis on purchases from Ohio sources. DE-Ohio will seek to maintain a diverse supply portfolio of renewable energy sources in an effort to develop markets for economically competitive environmentally friendly products. DE-Ohio will report on the program's progress annually and will also make semiannual consumer reports available.

DE-Ohio will file the annual report with the Commission's docketing division and make the semiannual consumer reports available to the Commission and the Ohio Consumers' Counsel. DE-Ohio will ultimately determine the success of the program based upon consumer enrollment and the economic availability of renewable energy sources. DE-Ohio will determine whether to continue the pilot beyond December 31, 2008, no later than September 30, 2008.

5. **Eligibility Criteria.** All consumers shall be eligible for the *GoGreen Power* program. The program is voluntary so each consumer must sign a service agreement to enroll. Once enrolled a consumer will remain in the program until they contact DE-Ohio and seek removal or until they switch to a Competitive Retail Electric Service (CRES) provider.

6. **Consumer Communications.** DE-Ohio will provide consumers with information through bill inserts, on its web site, or through other reasonable means, of the *GoGreen Power* program. Information shall include enrollment and un-enrollment procedures, the market price, and environmental benefits of the program. Communication shall include sixty days notice to consumers, the Commission, and the Ohio Consumers' Counsel, prior to termination of the program. DE-Ohio shall use reasonable efforts to make draft promotional material available to the Commission and the Ohio Consumers' Counsel but shall retain final decision making authority over the timing and content of materials.

8. **Applicant's Request for Approval of Green Power Rider.**  
Approval of the Green power Rider is appropriate because the program is

voluntary. The Commission has authority to approve the program as an application pursuant to R.C. 4928.14 through R.C. 4909.18. No hearing is necessary for approval of the program if the Commission finds the program to be just and reasonable. As a competitive retail electric service the applicable just and reasonable standard is set forth in R.C. 4928.05 such that the program is just and reasonable unless DE-Ohio is pricing below cost for the purpose of destroying competition pursuant to R.C. 4905.33(B) or is pricing in a discriminatory manner pursuant to R.C. 4909.35. In this case DE-Ohio is setting a market price above cost and is charging all consumers in a similar manner.

**WHEREFORE,** DE-Ohio respectfully requests that the Commission find that its Application is just and reasonable and approve it without a hearing by issuing an Order approving Rider GP and for all other appropriate relief.

THE CINCINNATI GAS & ELECTRIC  
COMPANY

Respectfully submitted,



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## **Application Exhibit 1**

### **Duke Energy Ohio**

#### **SERVICE AGREEMENT AND TERMS AND CONDITIONS**

1. The customer shall enter into a Service Agreement with the Company that shall specify the amount of green power that the consumer will purchase and the market price of that power. The market price shall equal the price on file with the Public Utilities Commission of Ohio in Duke Energy Ohio's (DE\_Ohio) Rider GP.
2. The customer shall enter this Service Agreement by presenting the Company with: (1) a signed Service Agreement; or (2) a recorded telephone authorization; or (3) internet authorization. The Company shall retain the customer authorization while the customer is enrolled in *GoGreen Power*.
3. The term of the Service Agreement will be for twelve (12) months and thereafter continue on a month to month basis. Service Agreements will automatically renew at the new Rider GP amount for the following year, unless the consumer notifies the Company otherwise or DE-Ohio provides the consumer with sixty days notice for the termination of the program.
4. During the term of the Service Agreement the Company shall bill the consumer at a market price for each twelve (12) month period, determined in accordance with its tariffs approved and on file at the offices of the Public Utilities Commission of Ohio, Rider GP, for green electric service.
5. Customer's eligible for *Your GoGreen Power* shall include all consumers who are located in DE-Ohio's certified territory and purchase their competitive retail electric generation service from DE-Ohio.
6. Consumers shall be removed from the program if they are disconnected from service in accordance with the disconnection rules approved by the Public Utilities Commission of Ohio as they may be amended from time to time. Once removed a consumer shall not be eligible to reenroll in the program until they have paid all past due accounts and remained current on their bill for a twelve month period.

**RIDER GP**

**GREEN POWER RIDER**

**APPLICABILITY**

Applicable to all consumers who wish to purchase "Green Power" from the Company-sponsored "Green Power" program and who enter a service agreement with the company. This rider will be available until December 31, 2008.

**DEFINITION OF GREEN POWER**

Green Power includes energy generated from renewable and/or environmentally friendly sources, including:

Wind, Solar Photovoltaic, Biomass Co-firing of Agricultural Crops, Hydro – as certified by the Low Impact Hydro Institute, Incremental Improvements in Large Scale Hydro, Coal Mine Methane, Landfill Gas, Biogas Digesters, Biomass Co-firing of All Woody Waste including mill residue, but excluding painted or treated lumber.

Green Power includes the purchase of Renewable Energy Certificates and/or Carbon Credits from the sources described above.

**GREEN POWER RATE**

1. Rate RS, Rate ORH, and Rate TD:

For all Green Power kWh, including carbon credits, purchased per month ..... \$0.025 per kWh

Minimum kWh purchase is 200 kWh. Additional purchases to be made in 100 kWh block increments.

2. All other rates:

Individually calculated Green Power Rate per service agreement which may also include carbon credits.

**NET MONTHLY BILL**

Consumers who participate under this Rider will be billed for electric service under all standard applicable tariffs including all applicable riders.

The purchase of Green Power, under this rider, will be billed at the applicable Green Power Rate times the amount of Green Power kWh the customer has agreed to purchase per month. The customer's monthly bill will consist of the sum of all kWh billed at the applicable rate tariffs, including all applicable riders, and the agreed to Green Power kWh blocks billed at the applicable Green Power Rate.

## **TERMS AND CONDITIONS**

1. The customer shall enter into a service agreement with Company that shall specify the amount in kWh blocks and price of Green Power to be purchased monthly. Customer shall give Company thirty (30) days notice prior to cancellation of participation in this rider.
2. Funds from the Green Power Rate will be used to purchase Renewable Energy Certificates and/or carbon credits from renewable and environmentally friendly sources as described in the DEFINITION OF GREEN POWER section and for customer education, marketing, and costs of the Green Power Program.
3. Renewable Energy Certificate ("REC") shall mean tradable units that represent the commodity formed by unbundling the environmental attributes of a unit of renewable or environmentally friendly energy from the underlying electricity. One REC would be equivalent to the environmental attributes of one MWh of electricity from a renewable or environmentally friendly generation source.
4. Company may transfer RECs or Carbon Credits at the prevailing wholesale market prices to and from third parties, including affiliated Companies.
5. Company reserves the right to terminate the Rider or revise the pricing or minimum purchase amount of the Rider after giving 60 days notice.
6. Carbon Credit shall mean tradable units that represent the reduction of the release of a greenhouse gas in the equivalent of one ton CO<sub>2</sub>.

Company may obtain carbon credits from purchased power, company owned generation, or purchased with funds collected from this rider.

## **SERVICE REGULATIONS**

The billing for service and all conditions applying thereto, are subject to the jurisdiction of the Public Utilities Commission of Ohio, and to the Company's Service Regulations currently in effect, as filed with the Public Utilities Commission of Ohio.