

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of for)
Recovery of Costs, Lost Margin, and)
Performance Incentive Associated With the) Case No. 06-91-EL-UNC
Implementation of Electric Residential)
Demand Side Management Programs by The)
Cincinnati Gas & Electric Company.)

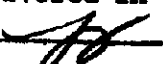
In the Matter of the Application of for)
Recovery of Costs, Lost Margin, and)
Performance Incentive Associated With the) Case No. 06-92-EL-UNC
Implementation of Electric Non-Residential)
Demand Side Management Programs by The)
Cincinnati Gas & Electric Company.)

In the Matter of the Application of for)
Recovery of Costs, Lost Margin, and)
Performance Incentive Associated With the) Case No. 06-93-GA-UNC
Implementation of Natural Gas Demand Side)
Management Programs by The Cincinnati)
Gas & Electric Company.)

ENTRY

The Commission finds:

- (1) On January 24, 2006, as amended on August 16, 2006, Duke Energy Ohio, formerly The Cincinnati Gas & Electric Company (Duke) filed applications in the above-captioned cases to implement a set of demand side management (DSM) programs, through the year 2010, for residential and small/medium size business consumers. In addition, Duke proposed to implement DSM cost recovery riders applicable to residential electric and gas sales and non-residential electric sales.
- (2) In its applications, Duke noted that the DSM programs contained within the applications were developed with the consensus of the Duke Energy Community Partnership, the Office of Ohio Consumers' Counsel (OCC), and the Cincinnati Public Schools. In addition, Duke indicated that it is applying

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for recovery of costs, lost margins, and shared savings associated with the proposed set of residential and non-residential DSM programs.

- (3) On various dates, The Kroger Co. (Kroger), The Ohio Energy Group (OEG), Industrial Energy Uses-Ohio (IEU-Ohio), OCC, and Ohio Partners for Affordable Energy (OPAE) filed motions to intervene in these proceedings. No party opposed any motion to intervene.
- (4) Within each motion to intervene, a real and substantial interest in the applications was asserted. Kroger argued that it is one of the largest commercial customers of Duke in Ohio, that its stores are high load factor facilities that use energy, and that its interests may be directly affected by the outcome of these proceedings. OEG claimed that it represents the interests of large industrial and commercial customers who purchase electric distribution services from Duke and that its interests may be directly affected by the outcome of these proceedings. IEU-Ohio alleged that its nonresidential members are served by Duke and may be affected by the proposed DSM trackers that are designed to recover program costs, lost revenue, and incentives. OCC declared that the residential customers that it represents are directly affected by the applications because Duke seeks recovery of the DSM program costs and lost revenue from its residential electric and natural gas customers. Further, OPAE asserted that it represents low and moderate income residential customers of Duke from whom Duke seeks to recovery, in part, the program costs and lost revenue associated with the DSM programs. OPAE also requested the opportunity to intervene to assure that the recovery of lost revenue and shared savings is not excessive or unwarranted.
- (5) The Commission finds that Kroger, OEG, IEU-Ohio, OCC, and OPAE have stated real and substantial interests that may be affected by Duke's applications. Therefore, the motions to intervene filed by Kroger, OEG, IEU-Ohio, OCC, and OPAE should be granted.
- (6) The Commission directs the staff to conduct an investigation of Duke's applications and to file a report of its investigation no

later than 14 days after the date of this entry. Any interested person may file initial comments in response to the staff report no later than 14 days after the filing of the staff report and reply comments no later than 21 days after the filing of the staff report.

It is, therefore,

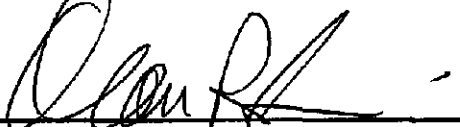
ORDERED, That the motions to intervene filed by Kroger, OEG, IEU-Ohio, OCC, and OPAE be granted. It is, further,

ORDERED, That staff file a report of investigation as directed in Finding (6). It is, further,

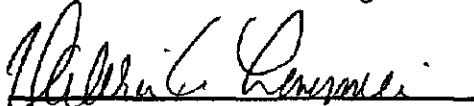

ORDERED, That comments and reply comments be filed as directed in Finding (6). It is, further,

ORDERED, That a copy of this entry be served upon all parties of record in Case Nos. 06-91-EL-UNC, 06-92-EL-UNC, 06-93-GA-UNC, and 03-93-EL-ATA.

THE PUBLIC UTILITIES COMMISSION OF OHIO



Alan R. Schriber, Chairman


Ronda Hartman Fergus
Judith A. Jones
Valerie A. Lemmie
Donald L. Mason

SEF:vrn

Entered in the Journal

JAN 10 2007



Renee J. Jenkins
Secretary