

September 26, 2008

Via Electronic Filing

Ms. René J. Jenkins
Director of Administration
Secretary of the Public Utilities Commission of Ohio
180 East Broad Street
Columbus, Ohio 43215

RE: In the Matter of the Adoption of Rules for Alternative and Renewable Energy Technologies and Resources, and Emission Control Reporting Requirements, and Amendment of Chapters 4901:5-1, 4901:5-3, 4901:5-5, and 4901:5-7 of the Ohio Administrative Code, pursuant to Chapter 4928, Revised Code, to Implement Senate Bill No. 221; PUCO Case No. 08-888-EL-ORD

Dear Ms. Jenkins:

Buckeye Power, Inc. submits its Reply Comments for electronic filing in the above-referenced matter.

Thank you for your assistance. If you have any questions, please do not hesitate to call.

Very truly yours,

/s/ Carolyn S. Flahive

Enclosure

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Adoption of Rules for)
Alternative and Renewable Energy Technologies)
and Resources, and Emission Control Reporting)
Requirements, and Amendment of Chapters)
4901:5-1, 4901:5-3, 4901:5-5, and 4901:5-7 of) Case No. 08-888-EL-ORD
the Ohio Administrative Code, pursuant to)
Chapter 4928, Revised Code, to Implement)
Senate Bill No. 221)

REPLY COMMENTS OF
BUCKEYE POWER, INC.

BUCKEYE POWER, INC. (“Buckeye”) hereby submits its Reply Comments in this proceeding. Buckeye and its affiliate, National Power Cooperative, Inc. (“National”), operate their electric utilities on a non-profit cooperative basis for the mutual benefit of their members/consumers and own electric generating facilities in the State of Ohio. Buckeye urges the Commission to adopt the suggested revisions set forth in Buckeye’s Initial Comments and to make any other revisions consistent with the Reply Comments contained herein.

DISCUSSION

Buckeye responds herein to the Initial Comments of other interested parties relating to Ohio Adm.Code Chapter 4901:1-41 as set forth in the Staff Proposal (“Rule 41”). As other interested parties have commented, Rule 41 unlawfully applies to “persons” outside of the Commission’s jurisdiction, which is inconsistent with new Section 4928.68 of the Ohio Revised Code as authorized and created by Amended Substitute Senate Bill No. 221 (“SB 221”).

The Commission’s authority to adopt Rule 41 is clearly set forth in new Section 4928.68 of the Ohio Revised Code: “To the extent permitted by federal law, the public utilities commission shall adopt rules establishing greenhouse gas emission reporting requirements,

including participation in the climate registry, and carbon dioxide control planning requirements for each electric generating facility that is located in this state, **is owned or operated by a public utility that is subject to the commission’s jurisdiction**, and emits greenhouse gases, including facilities in operation on the effective date of this section.” (Emphasis added.)

1. The Staff Proposal relative to Rule 41 must be modified to exclude electric utilities that are not subject to the Commission’s jurisdiction.

Rule 41 as proposed exceeds the authority granted to the Commission because it imposes reporting requirements on electric utilities such as Buckeye and National that are statutorily not subject to the Commission’s jurisdiction. Buckeye’s comments to Rule 41 are supported by the comments of the Industrial Energy Users – Ohio, American Municipal Power – Ohio, Inc., Ohio Edison Company, the Cleveland Electric Illuminating Company and the Toledo Edison Company. To the extent those parties have proposed additional revisions to Rule 41, Buckeye offers no comment other than that those revisions should be considered only in conjunction with those proposed by Buckeye.

Buckeye urges the Commission to adopt its proposed revisions to Rule 41, which would properly limit the rule to electric generating facilities owned or operated by a public utility subject to the Commission’s jurisdiction. For the Commission’s convenience, Buckeye reiterates its proposed revisions to the rule:

Rule 4901:1-41-01 Definitions – Replace the definition of “Person” in subsection (F) with the following definition of “Public Utility”:

(F) “Public Utility” has the meaning set forth in section 4905.02 of the Revised Code.

AND

Rule 4901:1-41-02 Greenhouse gas reporting and carbon dioxide control planning –

Revise subsections (A) and (B) as follows:

(A) Any Public Utility that~~person-which~~ owns or operates an electric generating facility within Ohio shall become a participating member in the climate registry for at least scope 1 (direct) greenhouse gas emissions, and shall report greenhouse gas emissions according to the protocols approved by the climate registry, or as otherwise directed by the commission.

(B) Any Public Utility that~~person-which~~ owns or operates an electric generating facility within Ohio shall file with the commission by April fifteenth of each calendar year an environmental control plan, including carbon dioxide control planning. A copy of such plan shall be provided to the director of the Ohio environmental protection agency, or his designee.

2. The Commission should reject OCC’s proposed definition of “person” in Rule 41.

In its Initial Comments, the Office of the Ohio Consumers’ Counsel (“OCC”) and Environmental Advocates propose revisions to the definition of “Person” that incorporate the specific language from sections 4906.01 and 4935.04 of the Revised Code. As Buckeye more thoroughly discussed in its Initial Comments, to define “Person” through reference to Rev. Code sections 4906.01 and 4935.04 would be to unlawfully extend Rule 41 to companies not subject to the Commission’s jurisdiction. The Commission should reject OCC’s recommended definition of “person” and instead adopt Buckeye’s proposed revisions to Rule 41.

To the extent other interested parties have provided comments to Rule 41, Buckeye urges the Commission to consider those comments only in conjunction with the revisions that are required to properly exclude electric utilities not subject to the Commission’s jurisdiction.

CONCLUSION

For the foregoing reasons, Buckeye Power, Inc. respectfully requests the Commission to amend Chapter 4901:1-41 of the Ohio Administrative Code as set forth in the Staff Proposal consistent with Buckeye’s Initial Comments and Reply Comments.

Respectfully submitted,

BUCKEYE POWER, INC.

By: /s/ Thomas E. Lodge

Thomas E. Lodge (0015741)

Carolyn S. Flahive (0072404)

Kurt P. Helfrich (0068017)

Sarah Porter (0082285)

Thompson Hine LLP

Huntington Center

41 South High Street, Suite 1700

Columbus, Ohio 43215-3435

(614) 469-3200

Its Attorneys

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the Reply Comments filed on behalf of Buckeye Power, Inc. was served by first-class, postage prepaid U.S. mail or electronic mail upon the individuals listed on this 26th day of September 2008.

Gary S. Guzy, General Counsel John Melby, President APX, Inc. 5201 Great America Parkway #522 Santa Clara, CA 95054 gguzy@apx.com jmelby@apx.com	Joseph P. Koncelik Frantz Ward LLP 2500 Key Center 127 Public Square Cleveland, OH 44114 jkoncelik@frantzward.com Attorney for Vertus Technologies Industrial, LLC
Judi L. Sobecki Randall V. Griffin Dayton Power and Light Company 1065 Woodman Dr. Dayton, OH 45432 judi.sobecki@DPLinc.com randall.griffin@DPLinc.com	Michael L. Kurtz Boehm, Kurtz & Lowry 36 East Seventh Street, Suite 1510 Cincinnati, OH 45202 mkurtz@BKLLawfirm.com Attorney for Ohio Energy Group
Rodger A. Kershner Howard & Howard Attorneys PC 39400 Woodward Avenue, Suite 100 Bloomfield Hills, MI 48304 rak@h2law.com Attorney for LS Power Associates, LP	Jeffrey L. Small, Counsel of Record Office of the Ohio Consumers' Counsel 10 W. Broad St., Suite 1800 Columbus, OH 43215 small@occ.state.oh.us
Mary W. Christensen Christensen Christensen Donchatz Kettlewell & Owens, LLP 100 East Campus View Blvd., Suite 360 Columbus, OH 43235 mchristensen@columbuslaw.org Attorney for Great Lakes Energy Development Task Force, Cuyahoga County, Ohio	John W. Bentine Chester, Wilcox & Saxbe, LLP 65 East State Street, Suite 1000 Columbus, OH 43215 jbentine@cwslaw.com Attorney for The Kroger Co.
Charles S. Young, Acting City Manager City of Hamilton, Ohio 345 High Street Hamilton, OH 45011 youngc@ci.hamilton.oh.us	Neil Sater, CEO Greenfield Steam & Electric 6618 Morningside Drive Brecksville, OH 44141

<p>Ann McCabe, Midwest Regional Director The Climate Registry 1543 W. School St. Chicago, IL 60657 ann@theclimateregistry.org</p>	<p>Terrence O'Donnell Bricker & Eckler LLP 100 South Third Street Columbus, OH 43215-4291 todonnell@bricker.com Attorney for the American Wind Energy Association, Ohio Advanced Energy, Wind on the Wires, and Environment Ohio</p>
<p>Michael K. Lavanga Brickfield, Burchette, Ritts & Stone, P.C. 1025 Thomas Jefferson Street, N.W. 8th Floor, West Tower Washington D.C. 20007 mkl@bbrslaw.com Attorney for Nucor Steel Marion, Inc.</p>	<p>John W. Bentine Chester, Willcox & Saxbe, LLP 65 E. State Street, Suite 1000 Columbus, OH 43215 jbentine@cwslaw.com Attorney for American Municipal Power-Ohio, Inc.</p>
<p>Kenneth D. Schisler EnerNOC, Inc. 75 Federal St., Suite 300 Boston, MA 02110 kschisler@enernoc.com</p>	<p>Dale R. Arnold, Director, Energy Services Ohio Farm Bureau Federation 280 North High St. P.O. Box 182383 Columbus, OH 43218 darnold@ofbf.org</p>
<p>Paul A. Colbert, Associate General Counsel Elizabeth H. Watts, Assistant General Counsel Duke Energy Ohio, Inc. 139 East Fourth Street P.O. Box 960 Cincinnati, OH 45201</p>	<p>Dwight N. Lockwood, Group Vice President Global Energy, Inc. 312 Walnut Street, Suite 2300 Cincinnati, OH 45202 dnlockwood@globalenergyinc.com</p>
<p>M. Howard Petricoff Vorys, Sater, Seymour and Pease, LLP 52 East Gay St. P.O. Box 1008 Columbus, OH 43216 mhpetricoff@vorys.com Attorneys for Constellation NewEnergy, Inc., Direct Energy Services, LLC, and Integrys Energy Services, Inc.</p>	<p>David Caldwell, Legislative Coordinator United Steelworkers, District 1 777 Dearborn Park Lane – J Columbus, OH 43085</p>

<p>Jennifer Miller, Conservation Program Coordinator Sierra Club Ohio Chapter 131 N. High St., Ste 605 Columbus, OH 43215</p>	<p>Chester Jourdman, Jr., Executive Director Erin Miller, Director Mid-Ohio Regional Planning Commission 111 Library Street, Suite 100 Columbus, OH 43215 emiller@morpc.org</p>
<p>Langdon D. Bell Bell & Royer Co., LPA 33 South Grant Avenue Columbus, OH 43215 Lbell33@aol.com Attorney for Norton Energy Storage</p>	<p>Mark A. Hayden Firstenergy Service Company 76 South Main Street Akron, OH 44308 haydenm@firstenergycorp.com Attorney for Ohio Edison Company, the Cleveland Electric Illuminating Company and the Toledo Edison Company</p>
<p>Steve Millard, President and Executive Director The Council of Smaller Enterprises The Higbee Building 100 Public Square, Suite 210 Cleveland, OH 44113</p>	<p>Barth E. Royer Bell & Royer Co., LPA 33 South Grant Avenue Columbus, OH 43215 BarthRoyer@aol.com Attorney for Ohio Environmental Council</p>
<p>Steven T. Nourse Marvin I. Resnik American Electric Power Service Corporation 1 Riverside Plaza, 29th Floor Columbus, OH 43215 stnourse@aep.com miresnick@aep.com Attorneys for Columbus Southern Power Company and Ohio Power Company</p>	<p>Amy Gomberg, Program Director Environment Ohio 203 East Broad Street, Ste 3 Columbus, OH 43215</p>
<p>Daniel J. Neilsen McNees Wallace & Nurick, LLC 21 East State Street, 17th Floor Columbus, OH 43215 dneilsen@mwncmh.com Attorney for Industrial Energy Users-Ohio</p>	<p>Kenneth R. Alfred, Executive Director Ohio Fuel Cell Coalition 737 Bolivar Road Cleveland, OH 44115</p>
<p>Mark S. Fleiner, President Rolls-Royce Fuel Cell Systems, Inc. 6065 Strip Avenue NW North Canton, OH 44720</p>	<p>David Marchese Haddington Ventures, LLC 2603 Augusta, Suite 900 Houston, TX 77057</p>

Thomas J. O'Brien Bricker & Eckler, LLP 100 South Third Street Columbus, OH 43215 tobrien@bricker.com Attorneys for Northeast Ohio Public Energy Council	
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/s/ Sarah Porter_____

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Summary: Reply Filing Reply Comments of Buckeye Power, Inc. electronically filed by Carolyn S Flahive on behalf of Buckeye Power, Inc.