

# **Confidential Release**

**Case Number:**  
**93-03-EL-ATA**

**Date of Confidential Document:**  
**7/16/2004**

**Today's Date:**  
**July 30, 2009**

**Proposal of Ohio Partners for Affordable Energy  
and Citizens United for Action with Cincinnati  
Gas & Electric Company.**

## Ohio Partners of Affordable Energy

## MEMORANDUM

93-03-EL-ATA et al.

**To:** Paul Colbert, Senior Counsel – Cinergy  
John Finnigan, Senior Counsel – Cinergy

**From:** Dave Rinebolt, Executive Director and Counsel  
Noel Morgan – Legal Aid Society of Cincinnati

**Subject:** CG&E Rate Case – Settlement Proposal

**Date:** May 10 2006

**NOTE:** The following information is confidential and relates to ongoing settlement discussions involving Case No. 03-93 et.al.

Ohio Partners for Affordable Energy ("OPAE") and Citizens United for Action ("CUFA") jointly make the following settlement offer to Cincinnati Gas & Electric Company ("CGE"). In return for an agreement on the following issues, OPAE and CUFA are willing to withdraw from the case or reach another disposition mutually agreeable to both parties.

Our proposal is as follows:

1. ***The Company will provide OPAE with \$1.345 million per year through 2008 for an energy efficiency and health and safety program modeled on the FirstEnergy Community Connections Program.*** Allowable program measures include energy efficiency/weatherization, roof repair and replacement, electrical repairs and upgrades, appliance repair and replacement, and consumer education. The program will be piggybacked with other energy efficiency programs funded by the federal and state governments and utilities. Funds will be proportionally allocated to all agencies with a demonstrated capacity to deliver these services, as evidenced by other contracts.

Currently, CG&E rates collect \$4.8 million from residential customers per year for DSM. Per the Commission Order in Case No. 95-203-EL-FOR, the Company was permitted to utilize \$2.4 million to amortize deferrals from other DSM programs. The balance of funding was to be spent on programs approved by the Cinergy Community Energy Partnership. Unfortunately, the Company is currently spending only \$1,054,971 per year, the vast majority on low-income programs. We are essentially asking for the balance of the funds CG&E is collecting in rates. Current programs would continue.

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2. ***The Market Development Period for Residential customers will extend through 2005 for residential customers.*** Rate caps must stay in place for residential customers as required by law.
3. ***The enhanced shopping credit for residential customers will be made available to PIPP customers through 2005.*** OPAE and CUFA wish to clarify that the enhanced shopping credit is available to the PIPP pool, if it is aggregated and bid prior to the 20% switching threshold being reached. Since this is unlikely to occur prior to the end of the MDP and actual shopping plus the PIPP pool is unlikely in the aggregate to meet the 20% threshold, there is no financial harm to CG&E.
4. ***CG&E will cease collecting PIPP arrearages on behalf of the Ohio Department of Development.*** Under the current contract between CG&E and ODOD, the Company acts as a collection agent for PIPP arrears from both current and former customers. The arrears appear as debts on credit reports, making it difficult to get loans, increasing the cost of insurance, and preventing people from getting jobs. It can also block a household from getting electric service when it is no longer eligible for PIPP (when, e.g., the heat is master-metered and electricity is needed only for lights) even though the arrearage is actually now to ODOD and not to the utility. This is one of the legacy features of PIPP that needs to be eliminated. OPAE and CUFA propose that CG&E exercise the option in its current contract with ODOD to provide the required 60 day notice, eliminate arrears from customer's bills and cease collection of PIPP arrears.

## CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion for a Protective Order and Waiver of Rule 4901-1-24(F) and Memorandum in Support of Ohio Partners for Affordable Energy were served by regular U.S. Mail upon the parties of record identified below in this case on this 15<sup>th</sup> day of July, 2004.



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