BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of Duke Energy Ohio, Inc., for Authority to Establish an Energy Efficiency Pilot Program.

Case No. 14-0075-EL-POR

REPLY COMMENTS OF DUKE ENERGY OHIO, INC.

I. INTRODUCTION

On January 13, 2014, Duke Energy Ohio, Inc. (Duke Energy Ohio) submitted an Application for approval of a pilot program that was agreed to and adopted and approved by the Commission in the Company's most recent case providing for approval of its energy efficiency and peak demand reduction portfolio (Portfolio).¹ The Office of the Ohio Consumers' Counsel, (OCC), Ohio Partners for Affordable Energy, (OPAE), the Ohio Environmental Council and Environmental Defense Fund, (collectively, OEC), and the Industrial Energy Users-Ohio, (IEU) all moved to intervene in this proceeding. Along with the Staff of the Public Utilities Commission of Ohio, OCC, OPAE, IEU filed comments in this proceeding. The Attorney Examiner established a procedural schedule on January 9, 2015, providing that reply comments be filed on February 12, 2015. Below are Duke Energy Ohio's reply comments.

¹ In the Matter of the Application of Duke Energy Ohio, Inc. for Approval of its Energy Efficiency and Peak Demand Reduction Portfolio of Programs, Case No. 13-431-EL-POR, Stipulation and Recommendation, September 6, 2013.

II. DISCUSSION

As noted above, the joint marketing arrangement that forms the basis for the partnership that is proposed in this proceeding with the Greater Cincinnati Energy Alliance (GCEA), was discussed and agreed to in a stipulation wherein Duke Energy Ohio's current Portfolio was approved.² Both OCC and OPAE were participants in the Portfolio docket and both signed the stipulation. IEU did not participate in the docket, nor has IEU typically been a participant in any Duke Energy Ohio energy efficiency related docket until now. IEU is not a member or participant in the Duke Energy Ohio Energy Efficiency Collaborative.

The Stipulation and Recommendation agreed to in the Portfolio proceeding noted that Duke Energy Ohio would work with GCEA to develop proposals for a partnership and coordination between the two organizations.³ The Stipulation and Recommendation further provided specific details around the subject matter of the partnership and coordination. The Application in this proceeding is entirely consistent with this provision of the Stipulation and Recommendation and thus does not represent any amendment or change to the Company's existing portfolio. It is also important to note that the Company filed this Application before SB 310 was enacted or became effective. IEU and OPAE's arguments that SB 310 "forbids" the Commission from taking action on this Application are simply incorrect. If arguendo, SB 310 were applicable, nonetheless, this program represents a continuation of the Company's existing Portfolio plan. There is no amendment requested and none needed.

Additionally, SB 310 permits the Commission to act and take "actions necessary to administer the implementation of existing portfolio plans." That explicit language perfectly embodies what is requested herein.

 $[\]frac{^{2}}{^{3}}$ <u>Id</u>. ³ <u>Id</u>, at p.12, para.11

Staff correctly notes that the Application to co-market with GCEA is not an amendment to the Company's approved Portfolio as it was agreed to and approved in the earlier Portfolio proceeding. Duke Energy Ohio agrees.

The Company disagrees with Staff however, and notes that it is necessary to clarify the Company's Application because the Commission's recommendation regarding the need for the Company to recognize a ratio of kWh impacts in Warren County based on the impacts realized in Clermont County is neither necessary nor appropriate. The Company's application requested the ability to claim 100% attribution of the impacts achieved through its Residential Smart Saver Program regardless of whether or not the customer takes advantage of the GC HELP financing program. The Company was not proposing to claim any impacts that were achieved through the GC Help Program outside of those impacts that are directly associated with the customers participation in the Company's Residential SmartSaver Program, but rather it was proposing to not have customer participation in GC HELP erode the impact attributed to the Company's Smart Saver Program. Additionally, it is unclear how Staff's recommendation would be accomplished, as it has not proposed nor is it planning to perform the necessary EM&V to determine the impacts associated with customer participation in Clermont County.

III. CONCLUSION

For the reasons stated above, Duke Energy Ohio respectfully requests that the Commission approve this energy efficiency program for inclusion in the Company's energy efficiency and peak-demand portfolio of programs.

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Respectfully submitted,

Elizabeth H Watte

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CERTIFICATE OF SERVICE

I hereby certify that a true and accurate copy of the foregoing was delivered by U.S. mail (postage prepaid), personal delivery, or electronic mail, on this 12th day of February, 2015, to the following parties.

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Summary: Reply Comments of Duke Energy Ohio, Inc. electronically filed by Carys Cochern on behalf of Watts, Elizabeth H. Ms.