



the issuance of this entry on rehearing, as to the process it will employ to ensure that all non-residential customers that may be affected" by the provisions permitting such consumers to avoid certain provider of last resort charges, of how CG&E will inform non-residential consumers of the process they must follow to avoid such applicable charges.

By this filing CG&E hereby informs the Commission that it will publish, in a newspaper of general circulation within CG&E's certified territory, a legal notice describing the requirements that non-residential consumers must meet to avoid the Annually Adjusted Component, Rate Stabilization Charge, and the System Reliability Tracker components of the Provider of Last resort Charge. CG&E will cause the publication of such notice as soon as practicable. The legal notice that CG&E will publish is attached to this filing as Notice Attachment 1.

Further, CG&E will issue a press release describing the requirements that non-residential consumers must meet to avoid the Annually Adjusted Component, Rate Stabilization Charge, and the System Reliability Tracker components of the Provider of Last resort Charge. Finally, CG&E will train its customer representatives to provide inquiring non-residential consumers of the applicable requirements and proactively contact consumers to explain the changes.

CG&E continues to study the Commission's Entry on Rehearing. This compliance filing is not an acceptance of the Commission's revision to CG&E's Alternative Proposal set forth in its Application for Rehearing.

CG&E does expect however, to proceed with the implementation of the Commission's Entry on Rehearing while preserving its legal rights through the appropriate legal processes.

Respectfully submitted,

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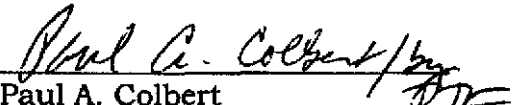
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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing The Cincinnati Gas & Electric Company's Compliance Filing was electronically served on the following parties this 29th day of November 2004.

  
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## **Notice Attachment 1**

### **Legal Notice to All Non-Residential Electric Consumers in The Cincinnati Gas & Electric Company's Certified Territory**

On November 23, 2004, the Public Utilities Commission of Ohio issued its Entry on Rehearing ordering The Cincinnati Gas & Electric Company to implement a Market-Based Standard Service Offer of competitive retail electric service effective January 1, 2005. The Public Utilities Commission of Ohio's order provides rate certainty for consumers, financial stability for The Cincinnati Gas & Electric Company, and encourages the further development of competitive retail electric service within The Cincinnati Gas & Electric Company's certified territory.

For non-residential consumers, the approved Market-Based Standard Service Offer is effective with The Cincinnati Gas & Electric Company's bills rendered on and after January 3, 2005, and covers a four-year period ending December 31, 2008. The Market-Based Standard Service Offer specifies certain conditions under which non-residential customers may avoid some of the billing components associated with the purchase of competitive retail electric generation service. The billing components that non-residential consumers may avoid through compliance with various notice and contractual requirements include the Rate Stabilization Charge, the Annually Adjusted Component, and the System Reliability Tracker. The Cincinnati Gas & Electric Company will publicly file these components at the offices of the Public Utilities Commission of Ohio as Rider RSC, Rider AAC, and Rider SRT, respectively.

Riders RSC, AAC, and SRT may be avoided simultaneously by any non-residential consumer during 2005 by meeting the following conditions:

- The non-residential consumer must purchase competitive retail electric generation service from a competitive retail electric service provider certified by the Public Utilities Commission of Ohio and must be receiving a shopping credit from The Cincinnati Gas & Electric Company.
- The non-residential consumer may purchase competitive retail electric generation service from a competitive retail electric service provider certified by the Public Utilities Commission of Ohio and receive a shopping credit from The Cincinnati Gas & Electric Company if it completes arrangements to purchase competitive retail electric generation service from a competitive retail electric service provider certified by the Public Utilities Commission of Ohio such that The Cincinnati Gas & Electric Company receives and accepts, on or before December 30, 2004, enrollment for each eligible consumer account from the applicable certified competitive retail electric service provider.
- Non-residential consumers who have been awarded shopping credits on or before December 30, 2004, and who continue to purchase competitive retail electric generation service from a certified competitive retail electric service provider may choose to continue receiving these shopping credits during 2005 and will receive a waiver of Riders RSC, AAC, and SRT.
- Non-residential consumers who make the above arrangements and subsequently return to The Cincinnati Gas & Electric Company's Market-Based Standard Service Offer generation service prior to December 31, 2008, will pay The Cincinnati Gas & Electric Company the highest hourly cost of power that The Cincinnati Gas & Electric Company

incurs for that hour of service for any consumer that it serves, but in no instance will such a non-residential consumer pay less than the applicable price to compare component of The Cincinnati Gas & Electric Company's Market-Based Standard Service Offer generation price. The highest cost of power incurred by The Cincinnati Gas & Electric Company will be the highest cost of purchased power or the highest cost of power generated by CG&E, whichever is higher.

Riders RSC and AAC may be avoided by any non-residential consumer beginning January 1, 2005, and ending December 31, 2008, by meeting the following conditions:

- The non-residential consumer must provide The Cincinnati Gas & Electric Company notice of their intent to avoid Riders RSC and AAC.
- At the time notice is given, the load of the non-residential consumer must fall within the first 50% of load for the non-residential consumer's class (commercial, industrial, or other public authority) established by adding the load of shopping credit consumers to the load of non-shopping credit consumers who provide this notice to The Cincinnati Gas & Electric Company. If the load of the non-residential consumer's account does not fall into the first 50% of applicable load, the non-residential consumer's account number and load will be placed into a queue awaiting the return of load to The Cincinnati Gas & Electric Company of accounts currently in the first 50% of applicable load. As load returns to The Cincinnati Gas & Electric Company the first properly noticed load in the queue will be moved into the first 50% of applicable load until the void in the first 50% is filled. Accounts will be ordered in the queue chronologically, based on the date and time of notification. The earliest notifications are the first to be moved into the first 50% as appropriate.
- Within 30-days of providing notice, the non-residential consumer must sign a contract with The Cincinnati Gas & Electric Company agreeing not to be served by CG&E at its Market-Based Standard Service Offer generation price through December 31, 2008, or the non-residential consumer may provide The Cincinnati Gas & Electric Company with a copy of its full requirements competitive retail electric generation service contract with a certified competitive retail electric service provider ending no earlier than December 31, 2008.
- The non-residential consumer must begin receiving competitive retail electric generation service from a competitive retail electric service provider as of the date specified in said contract with CG&E and shall begin avoiding Rate Stabilization Charges and Annually Adjusted Component charges on the first billing cycle after that date as practicable.
- Non-residential consumers who make the above arrangements and subsequently return to The Cincinnati Gas & Electric Company's Market-Based Standard Service Offer generation service prior to December 31, 2008 will pay The Cincinnati Gas & Electric Company the highest hourly cost of power that The Cincinnati Gas & Electric Company incurs for that hour of service for any consumer that it serves, but in no instance will such a non-residential consumer pay less than the applicable price to compare component of The Cincinnati Gas & Electric Company's Market-Based Standard Service Offer generation price. The highest cost of power incurred by The Cincinnati Gas & Electric Company will be the highest cost of purchased power or the highest cost of power generated by CG&E, whichever is higher.



Non-residential consumers may provide CG&E notice of their intent to avoid Riders RSC and AAC by submitting a notice form at [Cinergy.com](http://Cinergy.com). Submitting the form provides The Cincinnati Gas & Electric Company with the appropriate account number and contact information. As an alternative, non-residential consumers may call either The Cincinnati Gas & Electric Company's Certified Supplier Business Center at (513) 287-2322 or The Cincinnati Gas & Electric Company's Business Service Center at 1-800-774-1202 for assistance in submitting the notice form.

After submission of the notice form, CG&E's Certified Supplier Business Center will send an e-mail to the non-residential consumer confirming that the notice has been received and indicating whether the notice falls within the first 50% of load for the non-residential consumer's class. The non-residential consumer has seven days from the date it receives the confirmation e-mail to rescind their notice. The confirmation e-mail will also contain instructions for the non-residential consumer regarding the contract they must sign with The Cincinnati Gas & Electric Company or the contract with their competitive retail electric service provider, the non-residential consumer must provide to The Cincinnati Gas & Electric Company within 30 days of their notice submission.

The Cincinnati Gas & Electric Company must receive notice at least sixty days prior to the avoidance of the Rate Stabilization Charge and the Annually Adjusted Component charge. Through December 15, 2004, The Cincinnati Gas & Electric Company shall waive the sixty-day notice requirement. Non residential consumers providing notice by 5:00 pm on December 15, 2004, may avoid Riders RSC and AAC effective with bills rendered for their accounts on and after January 3, 2005, provided that they meet all conditions for receiving this waiver.

After December 15, 2004, the 60-day notice requirement will remain in effect. Non-residential consumers providing notice after 5:00 pm on December 15, 2004, will be eligible to receive this waiver effective with service rendered on their scheduled monthly meter reading date beginning no sooner than February 14, 2005.