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VIA OVERNIGHT MAIL

November 5, 2004

Public Utilities Commission of Ohio
PUCO Docketing
180 E. Broad Street, 10th Floor
Columbus, Ohio 43215


In re: Case No. 03-93-EL-ATA, 03-2079-EL-AAM, 03-2081-EL-AAM, 03-2080-EL-ATA

Dear Sir/Madam:

Please find enclosed an original and twenty (10) copies of the Kroger Co.'s Memorandum in Support of the Cincinnati Gas & Electric Company's Application for Rehearing filed in the above-referenced matter.

Copies have been served on all parties on the attached certificate of service. Please place this document of file.

Respectfully yours,



Michael L. Kurtz, Esq.
BOEHM, KURTZ & LOWRY

MLKkw
Encl.

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CERTIFICATE OF SERVICE

I hereby certify that true copy of the foregoing was served by regular U.S. mail, unless otherwise noted, this 5th day of November, 2004 to the following:

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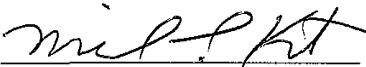
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BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

RECEIVED-BOOKETING DIV
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In the Matter of the Application of The Cincinnati)
Gas & Electric Company to Modify its Non-)
Residential Generation Rates to Provide for)
Market-Based Standard Service Offer) Case No. 03-93-EL-ATA
Pricin and to Establish a Pilot Alternative)
Competitively-Bid Service Rate Option)
Subsequent to Market Development Period)

In the Matter of the Application of The Cincinnati)
Gas & Electric Company for Authority to Modify)
Current Accounting Procedures for Certain Costs)
Associated With The Midwest Independent) Case No. 03-2079-EL-AAM
Transmission System Operator)

In the Matter of the Application of The)
Cincinnati Gas & Electric Company for)
Authority to Modify Current Accounting)
Procedures for Capital Investment in its) Case No. 03-2081-EL-AAM
Electric Transmission And Distribution) Case No. 03-2080-EL-ATA
System And to Establish a Capital)
Investment Reliability Rider to be)
Effective After the Market Development Period)

THE KROGER CO.
MEMORANDUM IN SUPPORT OF
THE CINCINNATI GAS & ELECTRIC COMPANY'S
APPLICATION FOR REHEARING

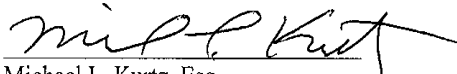
The Kroger Co. (Kroger) files this Memorandum in Support of the Application for Rehearing filed October 29, 2004 by The Cincinnati Gas & Electric Company (CG&E). Kroger was a signatory to the Stipulation and Recommendation filed earlier in this proceeding. That Stipulation was modified by the Opinion and Order of the Commission issued September 29, 2004. CG&E, in its rehearing application, has formally presented an Alternative Proposal for resolution of these cases which modifies the earlier Stipulation in several respects.

As a signatory to the earlier Stipulation, Kroger continues to believe that it presented an appropriate resolution to the issues in this case. We have reviewed the Alternative Proposal advanced by CG&E in its Application for Rehearing. After that review, we believe that this Alternative Proposal also provides an appropriate resolution of this case and should be accepted by the Commission.

Rate Stability and rate certainty are very important to Kroger. We are now less than two months away from the end of CG&E's Market Development Period (MDP). We fear that unless a Rate Stabilization Plan (RSP) acceptable to CG&E is approved, then 2005 will be a year of endless litigation, rate uncertainty and possible rate shock. CG&E's Alternative Proposal will result in significantly increased levels of shopping, will allow CG&E to remain financially healthy, and will phase-in rate increases to non-shoppers for legitimate cost items (such as environmental, fuel and reserve margin) subject to Commission oversight and control.

Finally, a flash cut to market coupled with the transfer of CG&E's power plants to a non-PUCO regulated Exempt Wholesale Generator (EWG) may be irreversible. The alternative Proposal is not permanent. It is at most a four year plan and any time during that four years the Commission may consider competitive bidding. We think the better, more prudent choice is clear.

Respectfully submitted,



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November 5th, 2004