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BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO00 AFR. 18 PH 4: 00

In the Matter of the Application of The Cincinnati Gas & Electric Company for Approval of an Electric Transition Plan and for Authorization to Collect Transition Revenues)))	Case No. 99-1658-EL-ETP
In the Matter of the Application of The Cincinnati Gas & Electric Company for Approval of Tariff Changes Required to Implement Retail Electric Competition)))	Case No. 99-1659-EL-ATA
In the Matter of the Application of The Cincinnati Gas & Electric Company for Approval of its New Tariffs)))	Case No. 99-1660-EL-ATA
In the Matter of the Application of The Cincinnati Gas & Electric Company for Authority to Modify Current Accounting Procedures to Defer Costs Incurred Arising From the Implementation of its Electric Transition Plan)) ,	Case No. 99-1661-EL-AAM
In the Matter of the Application of The Cincinnati Gas & Electric Company for Authority to Modify Current Accounting Procedures to Continue to Defer the Unrecovered Balance of Regulatory Assets))))	Case No. 99-1662-EL-AAM
In the Matter of the Application of The Cincinnati Gas & Electric Company for Approval to Transfer Its Generating Assets to an Exempt Wholesale Generator)))	Case No. 99-1663-EL-UNC

MOTION TO INTERVENE BY DYNEGY INC.

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Now comes, Dynegy Inc. ("Dynegy"), one of the country's leading energy service providers and wholesale marketer of electric power, natural gas and natural gas liquids. Dynegy is also an independent power producer with more than 14,000 MW of generating capacity and power marketer in the business of selling power, and moves for intervention to be a party of record pursuant to Section 4903.221 Revised Code and Rule 4901-1-11 of the Ohio Administrative Code.

MEMORANDUM IN SUPPORT

On December 23, 1999 the Cincinnati Gas & Electric Company ("CG&E") filed its transition plan, as called for in Chapter 4928 of the Revised Code. The filed transition plan contains unbundled tariffs for all classes of services, as well as a request for authorization to collect transition revenues and seeks approval for certain accounting changes. Dynegy is an independent power producer and power marketer currently in the business of selling electric power on the retail and wholesale level in states that have already opened their power markets to competition.

One of the expressed purposes of the deregulation bill was to:

Ensure diversity of electricity supplies and suppliers, by giving consumers effective choices over the selection of those supplies and suppliers and by encouraging the development of distributed and small generation facilities.

Section 4928.02 (C), Revised Code.

To bring about such a robust, and functioning market for power by the close of the transition period, the recently passed statutes which made up Amended Substitute Senate Bill 3 requires all Ohio investor owned utilities, including CG&E, to file detailed transition plans. In

turn the plans must include a method for unbundling the generation portion of rates, establish a corporate separation and provide a code of conduct when dealing with affiliated entities. Further, the applicant's transmission facilities have to be integrated into a regional transmission entity and provide reasonable access so that unaffiliated power can be brought in to the end use customers.

As of this writing, Dynegy is considering marketing power in Ohio upon deregulation, and file for a certificate as an Electric Services Company as defined in Section 4928.01(A)(9), Revised Code. Dynegy will likely provide wholesale power to retail marketers and aggregators. Although this proceeding will principally effect the retail market, the Commission's ultimate determination will undoubtedly have a significant impact on the wholesale market and Dynegy's ability to serve this critical segment of the industry.

Section 4903.221(B), Revised Code requires the Commission to consider the following criteria in ruling upon motions to intervene:

- (1) The nature and extent of the prospective intervenor's interest;
- (2) The legal position advanced by the prospective intervenor and its probable relation to the merits of the case;
- (3) Whether the intervention by the prospective intervenor will unduly prolong or delay the proceedings;
- (4) Whether the prospective intervenor will significantly contribute to full development and equitable resolution of the factual issues.

As to the criteria in subsections (1), (2) and (4), Dynegy has a direct and substantial interest in this application. Dynegy is directly affected by the qualifications and registration fees for marketers to participate on the CG&E system and the provisions covering aggregation of customers. Their interest also extends to the distribution rates and the costs and penalties

associated with the balancing of power brought on the system to meet aggregated demand. The application in the matter at bar, in accordance with Section 4928.17, Revised Code, contains a separation plan and a code of conduct, the purpose of which in part, is to protect the class of independent marketers to whom Dynegy belongs. Dynegy also has a direct interest in the adequacy of transmission access, the sufficiency of the operational support programs, and adequacy of the shopping credit.

In sum, if the Commission is going to meet the State Policy goal of a diverse set of suppliers, offering meaningful choices to consumers, the views of power marketers such as Dynegy must be heard in these proceedings.

Criteria (3) asks whether the intervention will delay or unduly prolong the proceeding.

Dynegy believes that its intervention will not delay discovery or hearing dates. This proceeding has not yet gone to hearing. Dynegy will also accept the pleadings and discovery which have been filed thus far in this proceeding. Consequently, Dynegy believes that its intervention will not delay or unduly prolong the proceeding.

/WHEREFORE, in light of its substantial interest, Dynegy requests admission as a full

of record in the above styled proceedings.

Respectfully submitted,

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that on April 18, 2000 a copy of the foregoing Motion to Intervene by Dynegy Inc. was served by first class U.S. mail, postage prepaid, e-mail, facsimile transmission, or hand delivery for all parties of record in this case.

Joseph C. Blasko