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John J. Finnigan, Jr.
Senior Counsel

RECEIVED

DEC 28 2005

PUBLIC SERVICE
COMMISSION

VIA OVERNIGHT MAIL

December 27, 2005

Ms. Elizabeth O'Donnell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P.O. Box 615
Frankfort, Kentucky 40602-0615

Re: The Annual Cost Recovery Filing for Demand Side Management by The Union
Light, Heat and Power Company Case No. 2005-00402

Dear Ms. O'Donnell:

Enclosed please find an original and twelve copies of Appendices G through I, which were inadvertently omitted from the Addendum to the Filing of the Annual Status Report, Application for Continuation and Adjustment of the 2005 DSM Cost Recovery Mechanism, which was docketed on December 22, 2005, in the above-referenced case.

Please file stamp and return the two extra copies to me in the enclosed envelope.

Thank you.

Sincerely,

John J. Finnigan, Jr.
Senior Counsel

JJF/sew

cc: All counsel of record (w/enclosure)

Appendix G

ULH&P Personalized Energy Report Pilot Program

Brief Description: The Personalized Energy Report (PER) is a concept which will provide the ULH&P customer with customized energy report aimed at helping them better manage their energy costs. With rising energy costs in all aspects of daily life, the customer is searching for information they can use and ideas they can implement which will impact their monthly energy bill. The PER program also includes the “*Energy Efficiency Starter Kit*” which is nine easily installed measures which demonstrate how easy it is to move towards improved home energy efficiency. For purposes of this pilot program, ULH&P has agreed to test the efficacy of the kit by sending it to 25% of the survey respondents.

Target Market: The program will target single family residential customers in the ULH&P market

Technology Categories: Program targets the entire home from an energy usage standpoint. The customer will be provided energy tips and information regarding how they use energy and what simple, low cost/no cost measures can be undertaken to lower their energy bill.

Market Barriers: Lack of consumer education on how they individually consume energy in their home and the steps which can be taken to lower energy bills are the major hurdles to overcome. This program is meant to educate the customer and put at their disposal, information, customized tips and simple to install measures which can all lower their energy costs.

Components of Delivery:

Education/Instructions: Both the energy survey which is completed by the customer and generates the personalized energy report and the report itself are excellent educational tools. They will stimulate the customer to think about how they use energy

Appendix G

and then will provide them with tools and information to lower their energy costs. Additionally, the instructions on how to install the energy measures will demonstrate to the customer how easy it is to improve their efficiency.

Marketing: The PER program commences with a letter to the customer, offering the Personalized Energy Report if they would return a short, 14 question survey about their home. The survey asks very simple questions such as age of home, number of occupants, types of fuel used to heat, cool and cook. Once returned, the survey is used to generate a customized energy report.

Delivery: The program is delivered completely through ULH&P

Quality Control/Monitoring: ULH&P will complete a follow-up survey with a sub-segment of the customers who received the offer and those who also responded to determine what drove their responses. An additional sub-segment of customers who received the “*Energy Efficiency Starter Kit*” will receive the survey and include questions regarding installation of the measures found in the kit.

Materials:

Personalized energy report: The report will contain the following information:

- Month-to Month Comparisons of 2005 for electric and/or gas usage including the amount of the bill
- Predictions of customer’s usage based on 95th percentile weather conditions (extremely hot summer/extremely cold winter) and 5th percentile weather conditions (extremely mild summer/extremely mild winter). Also includes bill amounts based on 2006 tariffs.
- Trend chart showing usage of electric and/or gas by kWh/CF by month and amount of monthly bill
- Bill comparison of ULH&P vs. the average national electric and/or gas rate
- A disaggregation of how the customer uses electricity and/or gas
- Description of Budget Bill

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- Customized energy tips

Customized tips will be based upon the customer's specific answers to questions in the survey. As an example

- If the age of the home is over 30 years, plastic window kits would be a recommended measure
- If over 50% of the ducts are in the attic, adding duct insulation would also be a measure.

“Energy Efficiency Starter Kit”: For the 25% of customers who will be receiving The ***“Energy Efficiency Starter Kit”***, the kit contains the following items:

- 2 each 1.5 GPM showerheads
- 1 each Kitchen Swivel Aerator 2.2 GPM
- 1 each Bathroom Aerator 1.0 GPM
- 1 each Bath Aerator 1.5GPM
- 1 each Small Roll Teflon Tape
- 1 each 15 Watt CFL Mini Spiral
- 1 each 20 Watt CFL Mini Spiral
- 2 each 17' Roll Door Weatherstrip
- 1 each Combination Pack Switch/Outlet Gasket Insulators
- Installation instructions for all measures

Cinergy is using a similar kit in the Home Energy House Call and NEED programs with great success. In those programs, the average participant is saving between 240 and 360 kwh and between 10 and 16 therms per year.

October 24, 2005

<<Mr. John Q. Sample>>
<<0000 Street Address>>
<<City, State 00000-0000>>

Dear <<customer name>>:

At Cinergy/ULH&P, we understand your concern about higher energy bills, as fuel costs are on the rise across the nation and here in Kentucky. That's why Cinergy/ULH&P is working to keep your energy costs manageable during this time of higher fuel prices. For a limited time, we are offering a free **Personalized Energy Report** to help customers save more of your energy dollars.

This detailed report will provide you a better understanding of your energy usage and provide customized ideas to help save money on your monthly bill. We all have different home appliances and use energy in different ways. By understanding your individual home energy usage, you can determine where and how to use less energy. Here is what your **Personalized Energy Report** will provide you:

- A breakdown of how you use electricity and gas
- Month-to-month comparisons of your electric and gas usage
- Your electric and gas costs and usage trends
- Customized energy saving tips for your home

To receive your free Personalized Energy Report, please take a few minutes to complete the attached questionnaire and return it in the postage-paid envelope by **November 15, 2005**. Your information is confidential and will only be used to create your Personalized Energy Report. Your report will be mailed to your home within three weeks from the date we receive the completed questionnaire.

With Cinergy/ULH&P's **Personalized Energy Report**, you can get a head start on energy savings before winter arrives. For more tips and tools on how you can save energy and money, visit us online at www.cinergycomfort.com or call 1-888-BEWARM2 (1.888.239.2762).

We look forward to helping you take control of your monthly energy bills.



Gregory C. Ficke
President, CGE/ULH&P

RECEIVE YOUR FREE, PERSONALIZED ENERGY REPORT

KyPSC Case No. 2005-00402
Addendum to Annual Status Report
Appendix I
Page 1 of 1

PLEASE ANSWER THE QUESTIONS BELOW RELATED TO YOUR HOME AND ENERGY USAGE.
FILL IN THE CIRCLES COMPLETELY USING BLUE OR BLACK INK.

GENERAL INFORMATION ABOUT YOUR HOME

1. TYPE OF HOME?

- Detached single-family
 Mobile home
 Condominium
 Duplex/2-family
 Multi-family (3 or more units)

2. YEAR HOME WAS BUILT?

- Before 1959 1960-1979
 1980-1989 1990-1997
 1998-2000 2001-2005

3. NUMBER OF ROOMS IN YOUR HOME (EXCLUDING BATHROOMS BUT INCLUDING FINISHED BASEMENT)?

- 1-3 4
 5 6
 7 8
 9 >9

4. NUMBER OF PEOPLE IN YOUR HOME?

- 1 2
 3 4
 5 6
 7 >7

INFORMATION ABOUT YOUR HEATING AND COOLING SYSTEM

1. FUEL USED IN HEATING SYSTEM?

- Electricity
 Natural gas Other

2. TYPE OF HEATING SYSTEM?

- Central furnace (any fuel)
 Electric baseboard
 Other

3. IF YOU HAVE A CENTRAL FURNACE SYSTEM, HOW OLD IS IT (YEARS)?

- 0-4 5-9
 10-14 >14

4. TYPE OF COOLING SYSTEM?

- Central air conditioner
 Room/window air conditioner(s)
 Heat pump (for cooling)
 No cooling system

5. IF YOU HAVE A COOLING SYSTEM, HOW OLD IS IT (YEARS)?

- 0-4 5-9
 10-14 >14

INFORMATION ABOUT YOUR WATER HEATING, KITCHEN & LAUNDRY SYSTEMS

1. FUEL USED BY WATER HEATER?

- Electricity
 Natural gas Other

2. AGE OF WATER HEATER?

- 0-4 5-9
 10-14 >14

3. FUEL USED FOR INDOOR COOKING?

- Electricity
 Natural gas Other

4. FUEL USED FOR CLOTHES DRYING?

- Electricity
 Natural gas
 No clothes dryer

FOR CONTACT PURPOSES ONLY, PLEASE PROVIDE YOUR E-MAIL ADDRESS BELOW:

CINERGY
ULH&P



139 East Fourth Street • Cincinnati, OH 45202

Other Energy Saving Tips For Your Home

- Lower your thermostat temperature to the lowest temperature that is comfortable for your family. You may save as much as 3% on your energy bill for each degree you lower your thermostat. Reduce your thermostat setting at night and/or when you are away. A 5-degree setback for 8 to 10 hours each day could save up to 5%.
- Keep your fireplace damper closed tightly when not in use. Consider installing doors over the fireplace opening to cut down on drafts and to reduce the heat that is lost up your fireplace chimney. Do not use a fireplace during periods of extreme cold. Most fireplaces that are open to the living space will increase winter heating costs.
- Keep draperies and shades open on sunny days but close them on cloudy or cold, windy days.
- If your water heater is located in a cold area like the garage, install a water heater insulation wrap. Be sure to follow manufacturer's directions on your water heater unit. New high efficiency water heaters that feature a thick foam insulation in their design do not benefit as much from an added wrap.
- Energy-saving compact fluorescent light bulbs use up to 75% less energy than standard bulbs and last up to 10 times longer.
- Wash your clothes in cold water using cold water detergents whenever possible. It's your laundry detergent not the water temperature that whitens your clothes.

**Billing
and
Payment
Options**

Cinergy/ULH&P's Budget Billing program is one of several bill payment options designed to make doing business with us easy and convenient. If you are looking for a way to manage your heating and cooling bills, this FREE program can help.

For your convenience we offer two plans - Quarterly and Annual. You decide which one is right for you. By signing up for one of our Budget Billing plans, you pay a consistent amount on your bill each month. To enroll, go to www.cinergy.com and follow the prompts to register with Online Services or call 1.800.544.6900.

*****3-DIGIT 410

TI F1 10
 CUSTOMER NAME
 STREET ADDRESS
 CITY, STATE ZIP
 |||||

November 30, 2005

Dear Customer:

Thank you for your interest in Cinergy/ULH&P's *Personalized Energy Report*. This report provides a detailed breakdown of your energy usage based on the information you provided to us. You'll also find customized recommendations to help you use less energy and save money on your monthly bill.

We hope you find your *Personalized Energy Report* to be a valuable tool for helping you take control of your energy spending this winter. If you would like more tips on how you can save energy and money, visit us online at www.cinergy.com/fort.com or call 1-888-DEWARM2 (1.888.239.2762).

Sincerely,

Gregory C. Ficke
 Gregory C. Ficke
 President, CG&E/ULH&P

Personalized Energy Report

Prepared for	CUSTOMER NAME
For the Home at	3613 LIPSCOMB RD LATONIA, KY 41015-2483
Cinergy Account #	07
Date Prepared	DECEMBER 1, 2005



139 East Fourth Street • Cincinnati, OH 45202
 1.800.544.6900 • www.cinergyulh.com

2004 ELECTRIC USAGE

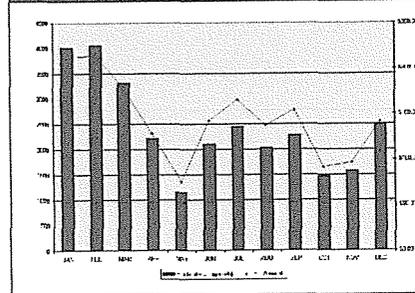
Name Home Profile			
Type of Home	Detached single-family	Number of Occupants	2
Number of Rooms	9	Water Heating Fuel	Electricity
Heating Fuel	Natural Gas and Electric		
Year Home Built	1960-1979		

What Your Bill Would Be Like During Different Weather Conditions:

Bill Month	Very Mild Summer / Very Mild Winter (1999)		Very Hot Summer / Very Cold Winter (2000)	
	Usage (kWh)	Bill Amount	Usage (kWh)	Bill Amount
January	4022	\$212.82	2162	\$126.39
February	4058	\$214.56	1320	\$84.49
March	3327	\$179.29	1366	\$86.75
April	2225	\$128.70	1033	\$70.19
May	1152	\$75.68	981	\$67.34
June	2106	\$142.88	1388	\$94.88
July	2445	\$165.79	2073	\$141.46
August	2024	\$137.35	1734	\$118.39
September	2282	\$154.78	1558	\$106.46
October	1472	\$91.49	1225	\$79.73
November	1574	\$96.54	1573	\$97.08
December	2483	\$141.45	2104	\$123.52
TOTAL		\$1741.33		\$1196.68

Weather plays an important factor on how much energy you use, which directly impacts your bill amount. During very cold winters, and very hot summers, you could use 10 to 50% more energy than average. Also, during mild winters and mild summers, you will consume less energy, because your appliances won't have to work as hard to keep your home cool or warm. Based on your specific energy usage patterns, you can see from the above tables what you might spend during very cold/very hot time periods, and what your bill may look like during mild weather years.

Your 2004 Bill Amount & Electric Usage Trends



2004 was considered to have milder than average weather during July and August and colder than average weather during the winter months (December through February).

You can see how weather drives energy usage which impacts your bill amount.

Bill Amount Comparison Using the Average U.S. Electric Rate

Cinergy's electric rates are well below the average electric rate for the U.S.¹

Your 2004 Cinergy bill amount² \$1741.33

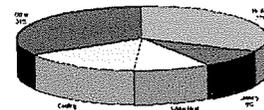
Your 2004 bill amount using the average U.S. electric rate³ \$2655.80

As a Cinergy customer, you paid \$986.47 less than the national average

¹Source: Energy Information Administration
²Bill amount includes metered electric charges and may not include charges for other services or taxes

How You Use Electricity

The percentages within the pie chart are estimates based on the data you provided and the results of Cinergy's load monitoring studies.



Cooling: \$261.43 Other: \$587.56 Heat: \$59.32 Water Heat: \$173.48 Laundry: \$155.60

Your Customized Energy Tips

Window Treatment for Air Infiltration
 If you have windows that leak cold winter air, it's time to seal them for the winter with a layer of plastic on the inside. Buy the new window kits that include a special plastic. A hair dryer is used to stretch the plastic, and it becomes very tight and very clear. This product seals the air leaks, cannot be seen from the outside and is so clear you may forget it is even there. If you're not convinced, buy the smallest kit first for a mere two dollars, and try it on one window. If leaky windows are the reason for your drafty home and high energy bills, this product could save you as much as 20 to 30 percent on your heating costs. If you have other doors you can see, don't forget to seal up the leaky sliding glass door, even if it's just for the coldest winter months. Payback on this measure is almost immediate since the kits are so inexpensive and the savings are so great.

Wall Insulation
 If your home is over 40 years old, it is possible that the walls have never been insulated. It should be easy to check your attic for insulation, but sometimes the walls are more difficult. If your walls feel cold on the inside surface on a cold day, have an insulation contractor inspect your home. For any un-insulated wall or ceiling that is exposed to the cold outside air, the first level of insulation is almost always worth the expense. Having a well insulated home is an important investment in your home's value, an important measure to lower your energy bills and will significantly help the comfort in both summer and winter.

Ductwork Insulation
 Your central heating system likely uses a network of air ducts to distribute the heated air to all the rooms of your home. But where are those ducts? They are usually hidden out of site. Look in your attic to see if any of the supply or return air ducts are located there. This could be causing high heating and cooling bills. The temperature in the attic in the winter is zero degrees and in the summer it's 120 degrees! If your ducts are located

in this extreme temperature environment and they are not insulated or poorly insulated, you could be adding as much as 50% to your heating and cooling costs. Insulate any heating and/or cooling ducts in an attic to at least an insulation R value of 19. If the duct is already made with a thin R-4.2 jacket, another 3.5 inch layer of fiberglass insulation should be laid over the top of those ducts. While you're at it, check for any ducts that have become disconnected. Depending on the amount of duct exposure, you could save up to 10% to 40% of your heating and cooling costs by insulating your ducts.

Furnace Filter
 Don't forget to check your furnace filter once per month. If it has been a cold month or if you run your furnace fan all the time, it is not uncommon for furnace filters to need cleaned or replaced every four to six weeks. The goal is to allow your furnace to efficiently deliver all the heat and airflow your home needs, without the burden of a clogged air filter in its way.

Heat Pumps For More Efficient Heating
 Your present baseboard or ceiling cable heat is not as efficient as a new heat pump system. However, you may not have a system of air ducts in your home to accommodate a heat pump. If you have been thinking about purchasing a central air conditioner and ductwork for a new central heating and cooling system, consider buying a heat pump instead of an air conditioner. Today's high efficiency heat pumps are well over twice as efficient as an electric furnace, baseboard or ceiling cable heat. If you already have a central air conditioner and it is over 15 years old, consider replacing it with a new heat pump system. The heat pump will be a new air conditioner for more efficient summer cooling and will also cut your heating bills. A new high efficiency central heating and cooling system not only cuts your heating and cooling costs, it is a wise investment for your home.