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March 29, 2018

**VIA OVERNIGHT DELIVERY**

Ms. Gwen R. Pinson  
Executive Director  
Kentucky Public Service Commission  
211 Sower Blvd  
Frankfort, KY 40602-0615

RECEIVED

MAR 30 2018

PUBLIC SERVICE  
COMMISSION

**RE: Application of Duke Energy Kentucky, Inc. for Approval of a New Green Power Pilot Program (Duke Energy's GoGreen Kentucky)  
Case No. 2009-00408**

Dear Ms. Pinson:

Pursuant to the Commission's February 5, 2010 Order, enclosed please find *Duke Energy Kentucky, Inc.'s GoGreen Power Annual Informational Filing* for the Calendar Year 2017.

Please date-stamp the extra two copies and return to me in the enclosed, self-addressed envelope.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,

E. Minna Rolfes-Adkins  
Sr. Paralegal

ERA  
Enclosure

cc: Rebecca Goodman (w/enclosure)

**RECEIVED**

**MAR 30 2018**

**PUBLIC SERVICE  
COMMISSION**

**COMMONWEALTH OF KENTUCKY**

**BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION**

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**DUKE ENERGY KENTUCKY, INC  
GOGREEN POWER  
ANNUAL INFORMATIONAL FILING  
CALENDAR YEAR 2017**

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## I. Introduction

On February 5, 2010, the Kentucky Public Service Commission (Commission) issued its Order in Case No. 2009-00408 approving the Application of Duke Energy Kentucky, Inc., (Duke Energy Kentucky) to implement a new Green Power Pilot Program, GoGreen Kentucky. GoGreen Kentucky is a voluntary program that enables customers to manage their own carbon footprints by being able to designate a monthly kilowatt-hour (kWh) purchase level for green power and/or carbon offsets. GoGreen Kentucky provides customers an opportunity to purchase 100 kWh blocks of green energy at \$2.00/ block, with a minimum of 2 blocks. Customers were also afforded an opportunity to purchase carbon offset blocks, representing a 500-pound reduction in CO<sub>2</sub> at a price of \$4.00 per block.

GoGreen Kentucky was approved as a pilot program for implementation through December 31, 2012 subject to several commitments. For example, Duke Energy Kentucky was required to seek Commission approval for any changes to the pricing and/or sizing of blocks of either the renewable energy credits (RECs) or carbon offsets.

On October 2, 2012, in Case No. 2012-00455, Duke Energy Kentucky filed its application to continue its GoGreen Kentucky Program as a permanent voluntary service offering to customers but with some program enhancements. On or about December 14, 2012, the Commission approved Duke Energy Kentucky's application, which reduced the price/block of green energy to \$1.00/block, permitted participation among non-residential customers, and discontinued the Carbon Offsets option in calendar year 2012.

As a further condition to approval, Duke Energy Kentucky committed to provide this Commission with an annual report relating to the GoGreen Kentucky program that will provide at a minimum: 1) the number of program participants; 2) the total number of RECs and Carbon Offsets subscribed; 3) the expenditures for education and promotion of the program; 4) the expenditures for research (customer satisfaction and experience); 5) the actual costs of the RECs and Carbon Credits; and 6) the administrative costs.

In accordance with the Commission's December 14, 2012 Order in Case No. 2012-00455, Duke Energy Kentucky respectfully submits its annual informational filing for the 2017 calendar year.

II. 2017 Annual Report:

A. Go Green

1. Number of active GoGreen Residential customers by month:

2017	Total Customers
January	181
February	185
March	185
April	186
May	182
June	188
July	188
August	189
September	188
October	187
November	185
December	185

2. Number of Residential blocks of GoGreen RECs sold per month:

2017	Monthly Blocks	Total Cumulative Blocks
January	673	673
February	686	1359
March	692	2051
April	697	2748
May	672	3420
June	706	4126
July	703	4829
August	706	5535
September	701	6236
October	696	6932
November	692	7624
December	690	8314

\*Note: One Block = 100 kWh

3. GoGreen revenues billed: \$6,800

*Note: Year end net revenues include arrears and cancellation adjustments.*

4. REC expense:

2017: REC Acquisition Cost of \$.969 per REC for 1,000 Wind RECs

5. GoGreen Marketing Costs by major category:

Campaign Promotion & Distribution Costs: \$976

- Duke Energy Kentucky Web Site
- Customer Thank You letter - subscriber update twice a year
- Welcome kits and decals – for new subscribers

Administrative costs: Labor and call center costs: \$1, 795

6. GoGreen Summary of program activities, results and observations:

In 2017, year-end participation remained nearly flat to 2016 levels, with new enrollments offsetting attrition. On average, customers support 3.7 blocks or 370 kWh per month, which equates to 1.7 blocks over the

minimum purchase required. Net revenues billed were \$6,800, which includes adjustments for cancellations and arrears.

Throughout the year, Duke Energy's GoGreen Kentucky utilized low cost online channels to reach new customers. Information about GoGreen Kentucky was displayed on the Duke Energy website and customers have the opportunity to either enroll online or by calling an 800 number. In addition, FAQs were prominently shown.

New customers received welcome letter packets that included recognition badge decals.

Current customers received an update on the program via semi-annual Thank You cards.

7. Description of contractual arrangements with large commercial and industrial Green Power:

There were no contractual arrangements with large customers in 2017.

8. Green Power generated and delivered as of December 31, 2017:

From January through December 31, 2017, approximately 831,000 kWh of Green Power was supported and delivered as a result of cumulative blocks purchased through RECs.

Since the Program began in 2010, 4.487 million kWh have been supported.

9. Calculation of CO<sub>2</sub> offsets from blocks of Green Power as of December 31, 2017:

Since the Program began in July 2010, the Company estimates the program has led to CO<sub>2</sub> offsets of 4,842 tons.

10. Suppliers of REC purchase: Regional Green-e certified wind RECs from Pocahontas Prairie Wind Farm in Iowa and Elk Wind Farm in Iowa
11. Quantity of REC purchase: 1,000
12. Actual total costs of GoGreen RECs for reporting period: \$.969 per REC
13. Estimated sales in the future period, in kWh for Go Green:  
2018 Estimates: 8,335 total blocks
14. Forecasted costs of RECs per kWh, including those in inventory:  
REC cost: a price range of \$6.55 for Green-e Certified regional wind. IL-sited wind is around \$5.25. Green-e PJM products from Arkansas or Georgia are at \$0.95, which is approximately the same price as the remainder of our current inventory.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.



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*Counsel for Duke Energy Kentucky, Inc.*

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that a copy of the GoGreen Rider Annual Informational Filing was delivered or mailed, postage prepaid, in the United States Mail, this 29<sup>TH</sup> day of March 2018, to the following:

Rebecca W. Goodman  
Executive Director  
The Office of the Attorney General  
Utility Intervention and Rate Division  
700 Capital Ave. Ste 20  
Frankfort, Kentucky 40601 (502)696-5453  
Rebecca.Goodman@ky.gov



Rocco D'Ascenzo