



139 East Fourth Street, 1303-Main  
Cincinnati, OH 45202

Telephone: (513) 287-4356  
Facsimile: (513) 287-4385

*Minna Rolfes-Adkins*  
Sr. Paralegal  
*Minna.Rolfes-Adkins@duke-energy.com*

March 29, 2019

**VIA OVERNIGHT DELIVERY**

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

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APR 01 2019

PUBLIC SERVICE  
COMMISSION

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

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 2018.

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,

Minna Rolfes-Adkins  
Sr. Paralegal

ERA  
Enclosure

cc: Rebecca Goodman (w/enclosure)

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APR 01 2019

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 2018**

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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 2018 calendar year.

II. 2018 Annual Report

A. Go Green

1. Number of active GoGreen Residential customers by month:

2018	Total Customers
January	185
February	185
March	183
April	185
May	186
June	185
July	185
August	185
September	183
October	181
November	182
December	179

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

2018	Monthly Blocks	Total Cumulative Blocks
January	690	690
February	692	1,382
March	688	2,070
April	694	2,764
May	706	3,470
June	708	4,178
July	712	4,890
August	714	5,604
September	707	6,311
October	700	7,011
November	730	7,741
December	718	8,459

\*Note: One Block = 100 kWh

3. GoGreen revenues billed: \$6,771

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

4. REC expense:

2018: REC Acquisition Cost of \$950 for 1,000 Wind RECs

5. GoGreen Marketing Costs by major category:

Campaign Promotion & Distribution Costs: \$359

- Customer Thank You letter - subscriber update twice a year
- Welcome kits and decals – for new subscribers

Administrative costs: Labor and call center costs: \$841

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

In 2018, year end participation remained nearly flat to 2017 with new enrollments offsetting attrition. On average, customers support 3.9 blocks or 390 kWh per month, which equates to 1.9 blocks over the minimum purchase required. Net revenues billed were \$6,771, 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 may enroll either 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. Planned 2019 marketing includes the use of email for acquiring new program customers.

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

There were no contractual arrangements with large customers in 2018.

8. Green Power generated and delivered as of December 31, 2018:

From January through December 31, 2018, approximately 845,900 kWh of Green Power was supported and delivered as a result of cumulative blocks purchased through RECs. Since the Program began in 2010, 10.238 million kWh have been supported.

9. Calculation of CO<sub>2</sub> offsets from blocks of Green Power as of December 31, 2018:

Since the Program began in July 2010, the Company estimates the program has led to CO<sub>2</sub> offsets of 11,048 tons.

10. Suppliers of REC purchase: Regional Green-e certified wind RECs from Story County Wind in Iowa.

11. Quantity of REC purchase: 1,000

12. Actual total costs of GoGreen RECs for reporting period: \$.95 per REC

13. Estimated sales in the future period, in kWh for Go Green:

2019 Estimates: 8,500 total blocks.

14. Forecasted costs of RECs per kWh, including those in inventory:

REC cost: Recent broker quoted \$5.75 for Green-e Certified regional wind for 2018-2019 Indiana in-state wind RECs. Current estimate for IL-sited wind is \$1.40/REC, which is lower than the 2017 estimate. Senior Emission trader opines that IL wind market was elevated last year because ComEd had just completed an RFP. TX Green-e wind is approximately \$.80/REC and priced lower than the remainder of our current inventory purchased at \$.95/REC. These quotes are indicative at this point based on broker quotes, but do not represent actual trade prices.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.



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Rocco D'Ascenzo  
Deputy General Counsel  
Duke Energy Kentucky, Inc.  
139 East Fourth Street, 1303-Main  
Cincinnati, Ohio 45202  
Phone: (513) 287-4320  
Fax: (513) 287-4385  
Email: rocco.d'ascenzo@duke-energy.com

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that copies of the GoGreen Rider Annual Informational

Filing was served via electronic mail this 24~~th~~ day of March 2019, to the following:

Rebecca Goodman  
The Office of the Attorney General  
Utility Intervention and Rate Division  
700 Capital Avenue, Suite 20  
Frankfort, Kentucky 40601-8204



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Rocco D'Ascenzo