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March 31, 2021

VIA EMAIL: PSCED@ky.gov

Ms. Linda Bridwell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602-0615

RECEIVED

MAR 31 2021

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. Bridwell:

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 2020.

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 Sunderman
Sr. Paralegal

EMS
Attachment

cc: John G. Horne, II (w/enclosure)

COMMONWEALTH OF KENTUCKY
BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION

DUKE ENERGY KENTUCKY, INC
GOGREEN POWER
ANNUAL INFORMATIONAL FILING
CALENDAR YEAR 2020

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 CO₂ 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 2020 calendar year.

II. 2020 Annual Report

A. Go Green

1. Number of active GoGreen Residential customers by month:

2020	Total Customers
January	229
February	230
March	231
April	229
May	229
June	230
July	248
August	250
September	253
October	255
November	258
December	258

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

2020	Monthly Blocks	Total Cumulative Blocks
January	1,008	1,008
February	1,013	2,021
March	1,023	3,044
April	1,017	4,061
May	1,017	5,078
June	1,026	6,104
July	1,100	7,204
August	1,112	8,316
September	1,154	9,470
October	1,162	10,632
November	1,170	11,802
December	1,170	12,972

*Note: One Block = 100 kWh

3. GoGreen revenues billed: \$11,124

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

4. REC expense:

2020: REC Acquisition Cost of \$2,158 for 1,300 Wind RECs (includes \$.06 per REC brokerage fee).

5. GoGreen Marketing Costs by major category:

Campaign Promotion & Distribution Costs: \$ \$12,339

- Customer Thank You letter - subscriber update
- Email campaign and cross promotion

Administrative costs: Labor and call center costs: \$12,700

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

In 2020, year-end participation was 258 active customers compared 226 customers in the previous year. On average, customers support 4 blocks or 400 kWh per month, which equates to 2 blocks over the minimum purchase

required. Net revenues billed were \$11,124 which includes adjustments for cancellations and arrears.

Duke Energy's GoGreen Kentucky utilized email marketing to reach new customers and cross-promoted GoGreen in the Duke Energy My Home Energy (MyHER) report distributed to residential customers. Information about GoGreen Kentucky was displayed on the Duke Energy website and customers had the option to enroll either online or by calling an 800 number. In addition, FAQs were prominently shown.

New customers received welcome letter packets. Current customers received an update on the program via semi-annual Thank You cards. Planned 2021 marketing includes: the creation of a short-clip video on the GoGreen webpage providing customers an overview of how the program works; email and other cost-effective marketing channels, such the residential and non-residential newsletters, and program awareness on duke-energy.com 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 2020.

8. Green Power generated and delivered as of December 31, 2020:

From January through December 31, 2020, approximately 1.297 million kWh of Green Power was supported and delivered as a result of cumulative blocks purchased through RECs.

Since the Program began in 2010, 7.600 million kWh have been supported.

9. Calculation of CO₂ offsets from blocks of Green Power as of December 31, 2020:

Since the Program began in July 2010, the Company estimates the program has led to CO₂ offsets of 8,201 tons.

10. Suppliers of REC purchase:

Green-e certified wind RECs from Oak Tree wind project in Clark, South Dakota.

11. Quantity of REC purchase:

1,300

12. Actual total costs of GoGreen RECs for reporting period:

\$1.66 per REC (includes \$0.06 per REC brokerage fee).

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

2020 Estimates: 10,000 total blocks

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

REC Cost: Senior Emissions Trader opines that Indiana in-state wind Green-e Certified RECs are \$10.63/REC for 2020-2021 vintage RECs while in-state solar is \$11.13/REC. Current estimate for IL-sited wind is \$4.20/REC. TX Green-e wind is approximately \$1.80/REC. These quotes are indicative at this point based on broker quotes, but do not represent actual trade prices. The remainder of the current inventory was purchased at \$1.60/wind REC, plus \$.06 broker fee per REC.

Respectfully submitted,

DUKE ENERGY KENTUCKY, INC.

/s/Rocco D'Ascenzo

Rocco D'Ascenzo (92796)

Deputy General Counsel

Duke Energy Business Services LLC

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the GoGreen Rider Annual Informational

Filing was delivered electronically this 31st day of March 2021, to the following:

John G. Horne, II
The Office of the Attorney General
Utility Intervention and Rate Division
700 Capital Avenue, Ste 118
Frankfort, Kentucky 40601

/s/Rocco D'Ascenzo _____
Rocco D'Ascenzo