

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

VERIFIED PETITION OF DUKE ENERGY INDIANA,)
INC. FOR APPROVAL OF A VOLUNTARY GREEN)
POWER AND CARBON CREDIT RIDER, INCLUDING) CAUSE NO. 44283
ALTERNATIVE REGULATORY PLAN PURSUANT TO)
IND. CODE§ 8-1-2.5-1, ET SEQ.)

GOGREEN AND CARBON OFFSET
ANNUAL INFORMATIONAL FILING

Pursuant to the Settlement Agreement filed in Cause No. 44283 and approved by Commission Order dated July 3, 2013, Duke Energy Indiana, Inc. (“Duke Energy Indiana”) makes its annual informational filing for the 2013 calendar year in this proceeding.

A. GoGreen

1. Number of active GoGreen Residential customers by month:

2013	Total Customers
January	1,309
February	1,304
March	1,310
April	1,322
May	1,341
June	1,359
July	1,370
August	1,370
September	1,381
October	1,386
November	1,401
December	1,411

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

2013	Monthly Blocks	Total Cumulative Blocks
January	4,065	4,065
February	7,967 ¹	12,032
March	7,993	20,025
April	8,039	28,064
May	8,090	36,154
June	8,128	44,282
July	8,159	52,441
August	8,313	60,754
September	8,337	69,091
October	8,368	77,459

¹ The February price reduction from \$2 to \$1 per block effectively doubled the blocks supported for most current subscribers that opted to keep their same billing rate.

November	8,414	85,873
December	8,441	94,314

***Note:** One Block = 100 kWh or one tenth of a REC.

3. **GoGreen revenues billed:** \$90,750
***Note:** Year end net revenues includes arrears and cancelation adjustments.
4. **REC expense:**
2013: REC Acquisition Cost of \$1.50 per REC for 11,500 Wind RECs
5. **GoGreen Marketing Costs by major category:**
Marketing Costs: \$18,596
Administrative costs including labor and call center: \$5,223
***Note:** *GoGreen* is not subsidized by non-participating customers. The 2014 Rate change from \$1.00 to \$0.90 per block will require additional costs including IT labor costs estimated at 70 hours and marketing costs to update collateral
6. **GoGreen Summary of program activities, results and observations:**
In 2013, new enrollments increased 11% over 2012, with 226 new customer enrollments compared to 203 in 2012. In February 2013, the Program price for green power was reduced by fifty percent from \$2 to \$1 per block which effectively doubled the value of blocks supported by most current subscribers since they opted to stay with their current billing amounts. While this almost doubled the RECs supported by current subscribers, the price reduction did not attract a significant number of new enrollments compared to the previous year. Overall, there was a positive growth trend in net month end participation for the year. Monthly participation showed a net increase of 8% for the year which is higher than the 1% increase in 2012. The positive trends can be attributed to the price reduction combined with marketing activities that effectively built loyalty with current subscribers and reached new subscribers.

For current subscribers, a quarterly e-newsletter was distributed to highlight topics on renewable energy, share program updates, and gather customer feedback. A customer satisfaction survey was issued in the last quarterly e-newsletter. Subscribers also received semi-annual Thank you letters describing the program generation and benefits.

To reach new subscribers, Duke Energy's green power educational video was promoted via YouTube advertisements. YouTube ads over five weeks generated 8,647 views of the video and over 175 clicks from the video to the *GoGreen* Web pages. In the spring and fall campaigns, effective low cost channels were leveraged to promote the program at the new lower rate. Marketing activities included bill inserts, online banner ads, and emails to customers in Duke territory.

7. **Description of contractual arrangements with large commercial and industrial Green Power customers:**
There were no large contractual arrangements during 2013.
9. **Green Power generated and delivered as of Dec. 31 2013:**
From January 1st through December 31, 2013, approximately 9,431,400 kWh of Green Power associated with *GoGreen*'s purchased RECs was generated and transmitted to the public.

Since 2006, 38,601,200 kWh of Green Power associated with *GoGreen*'s total purchased RECs was generated and transmitted to the public.
10. **Calculation of CO₂ offsets from blocks of Green Power as of Dec. 31, 2013:**
From January 1st through Dec. 31, 2013, the Company estimates the program led to CO₂ offsets of 8,874.95 tons of CO₂.
11. **Green Power generation location:**
Rail Splitter Wind Farm, LLC located in Hopedale, IL
12. **Suppliers of REC purchase:**
Rail Splitter Wind Farm LLC
13. **Quantity of REC purchase:**
11,500 National Wind RECs
REC Acquisition Cost - \$17,250 plus commission
Price per REC: \$1.50
Copies of Green-E Attestation documentation available upon request.
14. **Estimated sales in the future period, in kWh for *GoGreen*:**
2014 Estimates: 8,500 blocks per month or 102,000 blocks per year
15. **Forecasted costs of RECs per kWh, including those in inventory:**
REC cost: Recent quotes indicate \$1.50 for regional wind RECs and \$8.00 for Indiana wind RECs, which was significantly more expensive.
**Note REC costs increased from \$0.80 to \$1.50 from 2012 to 2013.*
16. **Marketing Plans:** see Attachment A.
17. **Average Green Power program costs:** NREL no longer provides this data but the national average for the most recent data available was \$1.67 per 100 kWh with a range for utility programs of \$0.14 to \$6.50 per 100 kWh (NREL's report "Green Power Marketing in the United States: A Status Report (2010 data) P. 28.)

B. Carbon Offset Program

This program terminated in September 2013 pursuant to the Order in Cause No.44283 with *Carbon Offset* customers being folded into *GoGreen*.

1. Number of active Residential Carbon Offset customers by month:

The customers participated through closing of program in August and those customers were then transferred to *GoGreen*.

2013	Total Customers
January	24
February	24
March	24
April	25
May	25
June	25
July	25
August	25
September	0
October	0
November	0
December	0

2. Number of blocks of Residential Carbon Credits sold per month:

2013	Monthly Blocks	Total Cumulative Blocks
January	67	67
February	67	134
March	67	201
April	69	270
May	69	339
June	69	408
July	69	477
August	69	546
September	0	0
October	0	0
November	0	0
December	0	0

***Note:** One Block = 500 lbs of carbon

3. Carbon Offset contributions billed for 2013: \$2,184

4. Marketing Costs by major category

Marketing and campaign costs: \$368

Administrative costs including labor and call center: \$623

5. **Summary of *Carbon Offset* program activities & results:**
Duke Energy Indiana has maintained and supported the *Carbon Offsets* program with low cost channels until the closing of the program in August 2013 due to low participation. The program was merged into *GoGreen* Indiana.
6. **Description of contractual arrangements with large commercial and industrial Green Power and Carbon Credit customers:**
There were no contractual arrangements with large customers in 2013.
7. **Carbon offset project location:** Midwest region landfill gas.
8. **Suppliers and costs of Carbon Credits purchase:** Supplier is Element Markets LLC, Houston, Texas. A reserve account is held with the Climate Action Reserve. No new inventory was required in 2013.
9. **Estimated sales in the future period, pounds of carbon:**
Carbon Offsets program closed in 2013.
10. **Forecasted costs of Carbon Offsets per 500 pound carbon offset block:**
Carbon Offsets program closed in 2013.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that copies of the *GoGreen Power* and Carbon Offset Annual Informational Filing was electronically delivered or mailed, postage prepaid, in the United States Mail, this 17th day of March, 2014 to the following:

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Indianapolis, Indiana 46204

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Counsel for Duke Energy Indiana, Inc.

GoGreen Indiana Marketing Plan 2013-2014

Attachment A



- Program overview
- 2013 Review
 - Sample Thank you letters
 - Sample E-Newsletters
- 2014 Objectives



- **How it works**
 - Customers can purchase renewable energy credits on their monthly bill
 - Green block purchases are aggregated and used to purchase clean renewable energy from wind power generators in the region
- **Benefits**
 - Helps offset traditional energy you use by adding the equivalent amount of clean energy to the power grid
- **Target Audience**
 - Residential Customers in Duke Energy Indiana territory



- ## Customer Profile

Traditionally, the largest responders have been:

- Financially Secure Homeowners (16% DE customer base)
- Financially Secure Traditionalists (12% DE customer base)
- Mid-aged homeowners between 35 and 55
- Most have at least some college education
- Most hold management and white collar professions
- Majority own a home in suburban area

■ 2013 marketing

■ Current Subscribers

- Thank you letters- 2/year
- E-Newsletters- Quarterly
- Survey- one time

■ New Prospects

- Online Services Promo
- State Landing Page ads
- Bill Inserts- Sept, Nov
- YouTube Advertising for Green Power video

■ Results

- 226 new enrollments , achieved 150% of goal
- 11% increase in new enrollments from 2012
- 8% net increase in overall customer participation
- 105% increase in RECs supported



Find out how at duke-energy.com/GoGreenIN.



<<Current Date>>

<<First Name>> <<Last Name>>
<<Street Address>>
<<City>>, <<State>> <<Zip Code>>

Thank you for your contribution to the solution! Since Duke Energy's GoGreen Indiana program launched in 2006, you and other GoGreen customers in Indiana have collectively offset over 31,615 tons of carbon dioxide emissions – that's equivalent to taking 7,904 cars off the road.

Since the program was implemented, GoGreen Indiana participants have supported approximately 33,598,050 kilowatt hours (kWh) of green energy through Green-e-certified wind and renewable energy credits (RECs). In 2013, participants have continued to support wind RECs in the region, making a positive impact on the environment and economy and furthering our commitment to renewable energy.

Your support of Duke Energy's GoGreen Indiana benefits our environment in several ways:

- Advances the development of sustainable, environmentally friendly energy sources;
- Reduces carbon dioxide emissions in the atmosphere;
- Diversifies the energy supply and reduces the demand for fossil fuel generation.

Duke Energy's GoGreen Indiana program now offers rates of \$1 per 100 kWh block, making it more convenient and affordable than ever for you to support renewable energy and a better environment. Call us at 800-673-5481 to discuss increasing your block purchases today. And be sure to visit duke-energy.com/GoGreenIN to read more about the program.

Here are some other ways you can help Duke Energy's GoGreen Indiana program grow:

- Refer a friend – Use the enclosed enrollment card to share our program with friends and family.
- Opt in for green email – To receive this communication by email, sign up for Online Services. Simply visit duke-energy.com and click the "Need to Register?" link on the "Sign In" box.
- Green up more of your energy by adding additional blocks to your monthly purchase.

We appreciate your continued support of renewable energy. Please do not hesitate to contact me at gristepower@duke-energy.com if you have questions or comments regarding the GoGreen program.

Sincerely,

Christie Smith

Christie Smith, GoGreen Program Manager

Video: How does green power work?



Duke Energy
1000 East Main Street
Plainfield, IN 46168

<<Current Date>>

<<First Name>> <<Last Name>>

<<Street Address>>

<<City>>. <<State>> <<Zip Code>>

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Your support of Duke Energy's **GoGreen Indiana** benefits our environment in several ways:

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Duke Energy's **GoGreen Indiana** program now offers rates of **\$1 per 100-kWh block**, making it more convenient and affordable than ever for you to support renewable energy and a better environment. **Call us at 800.423.5401** to discuss increasing your block purchases today. And be sure to **visit duke-energy.com/GoGreenIN** to read more about the program.

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- **Refer a friend** – Use the enclosed enrollment card to share our program with friends and family!
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We appreciate your continued support of renewable energy. Please do not hesitate to contact me at gogreenpower@duke-energy.com if you have questions or comments regarding the GoGreen program.

Sincerely,

Christy Smith

Christine Smith, GoGreen Program Manager

www.duke-energy.com

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This message contains graphics. If you do not see the graphics, [click here to view](#).

Green Power and the fifth fuel



The Green Power program allows Duke Energy customers to contribute toward renewable energy generation that, in turn, puts cleaner, more renewable energy on the power grid. It's a convenient and affordable way to participate through your monthly bill. But why not make the most of this green power and its value for everyone?

Energy efficiency, of course, is a crucial part of the equation as well. We think of energy efficiency as the fifth fuel, joining coal, natural gas, nuclear and renewables as a critical resource needed to serve the growing energy needs of the communities we serve.

That's why Duke Energy is committed to efficiency through a host of local initiatives, and leading the national effort as well. In fact we're proud to say that we helped pioneer the National Action Plan for Energy Efficiency, joining forces with the U.S. Department of Energy, U.S. Environmental Protection Agency, state regulators and other utilities.

Do you know about the ultra-energy efficient subdivision in Bloomington, Indiana, made possible in part by Duke Energy's support? EverGreen Village is a 12-unit subdivision developed by the City of Bloomington's Housing and Neighborhood Development Department. It's a green-built pilot project for the LEED program, which stands for Leadership in Energy and Environmental Design.

Find out more about the efficiency improvements you can make in your own home or business. We'll be happy to help you get the most out of the "fifth fuel."

Sincerely,

The Duke Energy Green Power Team



Want to expand your contribution?
Increase your purchase in 100-kWh increments for only
\$1 more per month.

[Make more green power](#)



Efficiency at your fingertips.



By ordering from the Duke Energy Savings Store, customers can save big on CFLs and LEDs – up to 92 percent off. Order now to get \$5 flat-rate shipping on all orders through Dec. 31.

So what do you think?

We want your opinion! Please take a moment to complete our customer satisfaction survey. You'll be shedding valuable light on how people see our services and helping us improve future offerings.

[Take the poll](#)

Save trees (and money). Go paperless.

Now you can get all the info your paper bill provides without all the paper. View and pay your bill online – through our site or your bank.

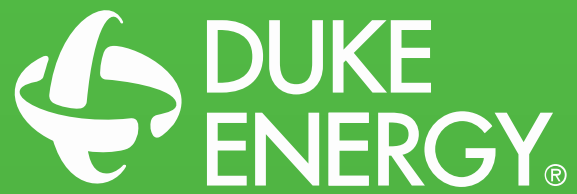
Save your stamps and enroll today.



2014 Objectives:

- Increase green power support for RECs
- Integrate key messages:
 - Collective contributions make a difference
 - Reduced pricing of monthly blocks
- Build customer loyalty
- Explore new channels such as social media
- New marketing campaign with new designs to enhance customer experience







Duke Energy
1000 East Main Street
Plainfield, IN 46168

<<Current Date>>

<<First Name>> <<Last Name>>

<<Street Address>>

<<City>>, <<State>> <<Zip Code>>

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Sincerely,

Christine Smith, GoGreen Program Manager

www.duke-energy.com

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1000 East Main Street
Plainfield, IN 46168-1765

Dec. 5, 2012

[firstname] [lastname]
[address1]
[address2]
[city], [ST] [ZIP]

Thank you for your contribution to the solution! Since Duke Energy's **GoGreen Indiana** program launched in 2006, we are happy to say our customers in Indiana have collectively supported approximately 29,169,800 kilowatt-hours (kWh) of green energy through Green-e®-certified wind renewable energy credits (RECs). In 2012, participants continue to support wind RECs in the region, making a positive impact on the environment and economy and furthering our commitment to renewable energy generation.

Since implementing Duke Energy's **GoGreen Indiana** program, the actions of all Indiana participants have offset approximately 27,449 tons of carbon dioxide emissions. According to the Environmental Protection Agency, that's equivalent to the CO₂ emissions resulting from consuming 2,791,627 gallons of gasoline.

We are pleased to inform you that, effective Feb. 23, 2013, the rate for Duke Energy's **GoGreen Indiana** program will be reduced from \$2 per 100-kWh block to \$1 per block. (The two-block minimum requirement remains in effect.) We will continue your current monthly dollar contribution – with no change to your Duke Energy bill – and double the number of blocks you purchase monthly. **That doubles your impact in creating more renewable energy and a better environment at no additional cost to you!** Or, you may opt to keep your current number of purchased blocks at the new reduced monthly rate of \$1 per block by contacting us at 800-423-5401 by Jan. 31, 2013.*

We appreciate your continued support of renewable energy. Please do not hesitate to contact me at **GoGreenPower@duke-energy.com** if you have questions or comments regarding the program.

Sincerely,

Christy Smith
GoGreen Program Manager

*You MUST contact us by Jan. 31, 2013, if you do not want to automatically continue your current monthly contribution and double the number of blocks you purchase, effective Feb. 23, 2013.

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