

APRIL 20, 2017

INDIANA UTILITY

REGULATORY COMMISSION

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

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

GOGREEN 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, LLC (“Duke Energy Indiana”) makes its annual informational filing for the 2016 calendar year in this proceeding.

A. *GoGreen***1. Number of Active *GoGreen* Residential Customers by Month:**

2016	Total Customers
January	1,314
February	1,312
March	1,304
April	1,304
May	1,264
June	1,308
July	1,368
August	1,374
September	1,380
October	1,378
November	1,374
December	1,374

2. **Number of Residential Blocks of *GoGreen* Sold per Month:**

2016	Monthly Blocks	Total Cumulative Blocks
January	8,066	8,066
February	8,058	16,124
March	8,039	24,163
April	8,015	32,178
May	7,702	39,880
June	7,883	47,763
July	8,126	55,889
August	8,139	64,028
September	8,176	72,204
October	8,149	80,353
November	8,131	88,484
December	8,128	96,612

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

3. ***GoGreen* Revenues Billed:** \$81,768

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

4. **REC Expense:**

2016: REC Acquisition Cost of \$24,700 for 10,000 Wind RECs and \$5,538 for 650 solar RECs

5. ***GoGreen* Marketing Costs by Major Category:**

Marketing Costs: \$13,769

Breakdown by Category:

- Direct Mail (May): \$6,460
- Semi-Annual Thank You Letters: \$959
- Marketing Development & Campaign Costs: \$6,351

Administrative Costs Including Labor and Call Center: \$9,017

***Note:** *GoGreen* is not subsidized by non-participating customers.

6. ***GoGreen* Summary of Program Activities, Results and Observations:**

In 2016, there were 227 new customer enrollments compared to 154 in 2015, a 47% increase. On average, customers support 6 blocks per month, which equates to 4 blocks over the minimum purchase required. This indicates participants are more influenced by the environmental benefits than the block price in terms of participation. Monthly participation averaged 1,338 customers per month for the year. The retention rate in 2016 was 87% compared to 88% in 2015.

In the campaigns, effective low cost channels were leveraged to promote the program. Marketing activities included online banner ads, direct mail and emails to customers in Duke Energy Indiana service territory. The Spring enrollment campaign in May reached at least 150 new subscribers from May to August with targeted email and direct mail.

For current subscribers, an online customer satisfaction survey was issued in January 2017 to better understand drivers and opportunities for the Program. Subscribers also received semi-annual Thank You Letters describing the program generation and benefits.

7. **Description of Contractual Arrangements with Large Commercial and Industrial Green Power Customers:**

There were no large contractual arrangements during 2016.

8. **Green Power Generated and Delivered as of December 31, 2016:**

From January 1, 2016 through December 31, 2016, approximately 9,702,900 kWh of Green Power associated with *GoGreen's* purchased RECs was generated and transmitted to the public.

Since 2006, 66,687,000 kWh of Green Power associated with *GoGreen's* total purchased RECs was generated and transmitted to the public.

9. **Calculation of CO₂ Offsets from Blocks of Green Power as of December 31, 2016:**

From January 1, 2016 through December 31, 2016, the Company estimates the program led to CO₂ offsets of 9,329 tons of CO₂.

10. **Green Power Generation Location:**

Benton County Wind Farm in Indiana

City of Toledo Water Treatment Plant Solar RECs in Ohio

11. **Suppliers of REC Purchase:**

Indiana sited Green E certified RECs from 3Degrees

Ohio sited Green E certifiable Solar RECs from IPS Energy Ventures, LLC

12. **Quantity of REC Purchase:**

10,000 Green-e Wind RECs

Date Purchased: December 16, 2016

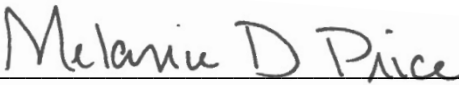
Copies of Green-E Attestation documentation available upon request.

650 Green-e Solar RECs

Date Purchased: December 16, 2016

Copies of Green-E Attestation documentation available upon request.

13. **Estimated Sales in the Future Period, in kWh for GoGreen:**
2017 Estimates: 8,100 blocks per month or 97,200 blocks per year
14. **Forecasted Costs of RECs per kWh, Including Those in Inventory:**
REC Cost: Recent quotes indicate \$2.50 for regional wind RECs.
15. **2017 Marketing Plans and 2016 Collateral:**
See Attachment A.
16. **Average Green Power Program Costs:**
As shown on the most recent National Renewable Energy Lab 2015 report, the national average Green Power premium was \$1-\$2 per 100 kWh for residential customers. (NREL's report "Status and Trends in the U.S. Voluntary Green Power Market" (2015 Data))


Counsel for Duke Energy Indiana, LLC

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing *GoGreen* Annual Informational Filing was electronically delivered this 20th day of April, 2017 to the following:

Jeff Reed
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A handwritten signature in black ink that reads "Melanie D Price". The signature is written in a cursive style and is positioned above a horizontal line.

Counsel for Duke Energy Indiana, LLC

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2017 Marketing Plan | 2016 Results
GoGreen Indiana



- Allows customers to support “green” energy in their region (\$.90 per 100 kWh)
- 2017 Participation Goal = 137 New Enrollments, 10% increase
- Marketing Goals
 1. Increase participation with creative that is informative and compelling
 - Provide detailed information on how contributions are used and statistics on program performance
 2. Improve customer experience
 - Revise enrollment process for ease of use (QR Code)
 3. Increase participation with non-residential customers
 - Accommodating large volume orders for commercial customers
 4. Integrating DEI solar RECs when available (if pricing is competitive)

- **Program Marketing Materials**

- Website: duke-energy.com/GoGreenIN
- Digital Media (Program Video, HERO Banners, OLS Promos)
- Enrollment Creative (Direct Mail/Email)
- Welcome Packet & Decal
- Thank You Letters (Direct Mail/Email)

- **Opportunity**

- Reduce attrition and recapture lost enrollments
 - Community involvement
 - Consumer engagement
 - Commercial participation

- **Regulatory Filings**

- GoGreen Indiana Program Renewed through December 31st, 2017

- **Participation Criteria**

- Duke Energy electric customer with active and current account

- **Current Participant Profile**

- Middle-age and mature families
- Strong green affinity + Accumulated/New Wealth
- Receptive to newspaper, internet and outdoor advertising
- Most likely to shop online, via mail or phone

- **New Channels to be considered:**

- Search Engine Placement
- Gas Station TV
- Duke Energy Residential Newsletter (content marketing)

- **Next Steps:**

Evaluate opportunities presented:

- Raise the profile of Green Power across all jurisdictions
- Engage with current customers (in person and online)
- Recapture lost enrollments

GoGreen Power

2016 Marketing Results

Marketing Calendar

ATTACHMENT A


DETAIL	2016											
	JAN	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC
DIRECT MAIL/EMAIL (ENROLLMENT CAMPAIGN)					X							
HERO BANNER	X	X	X	X	X	X	X	X				
ONLINE SERVICES PROMO	X	X	X	X	X	X	X	X				
BILL MESSAGE	X											
MY HOME ENERGY REPORT							X					
DIRECT MAIL/EMAIL (THANK YOU LETTER)	X						X					


Direct Mail	Email	Results*	
Quantity	Quantity	Enrollments (Total)	Response Rate
25,000	25,000	198	.40%

GoGreen	Current Participants	Retention Rate	2016 New Enrollments Goal	2016 New Enrollments	% Goal	% Increase
Indiana	1,374	87%	126	227	60%	12%

**For direct mail and email combined.*

Energize your home with Green Power. Trouble viewing? [View in browser.](#)

 DUKE ENERGY.

 **ENERGIZE YOUR HOME WITH GREEN POWER**

For just pennies a day, you can join your community in building the regional economy and conserving natural resources.

[ENROLL IN GREEN ENERGY](#)

When you sign up for Duke Energy's GoGreen Indiana program, you will:

- Reduce the amount of CO2 in the air
- Support the development of new renewable energy sources
- Help sustain regional, independent clean-energy producers and create jobs

Enrolling costs as little as \$1.80 more a month.

Here's how it works:

For every block of green energy that you purchase, Duke Energy will purchase 100 kWh of renewable energy from independent producers on your behalf (two block minimum monthly purchase required). About \$9 (or 10 blocks) added to your monthly utility bill will buy enough renewable energy to match 100 percent of your home's electricity use.*






Every dollar you contribute goes back into the program to support the development of 100 percent renewable energy.

Partner with Duke Energy in becoming a part of Indiana's clean energy future.

Sincerely,

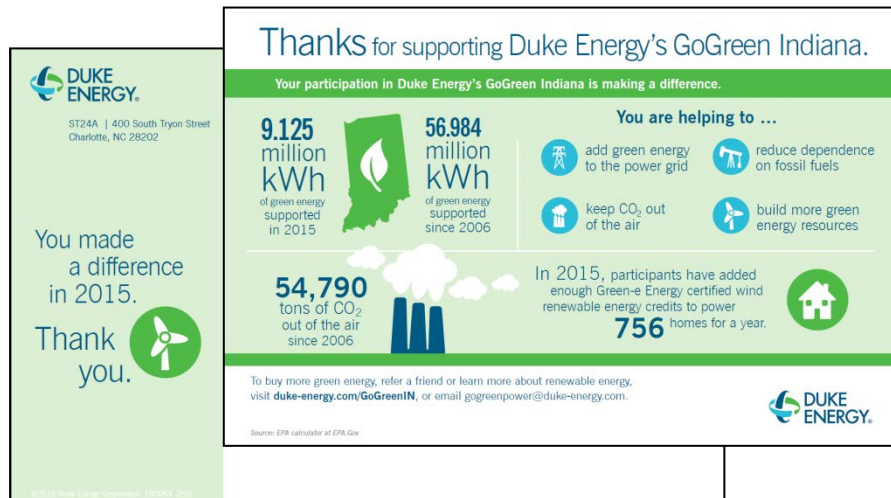
Duke Energy GoGreen Indiana

*Assuming a monthly electricity use of 1,000 kWh.

Creative | 2016 Customer Thank You Letter

ATTACHMENT A



July 2016

← January 2016

