

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Application of)	
FirstEnergy Solutions Corp. For)	
Approval of its 2010 Alternative Energy)	Case No. 11-1344-EL-ACP
Annual Status Report)	

I. INTRODUCTION

Pursuant to Rule 4901:1-40-05 of the Ohio Administrative Code (“O.A.C.”), FirstEnergy Solutions (“FES”) submits its Annual Status Report (“Report”) for the period January 1, 2010 through December 31, 2010 (“Reporting Period”). This Report addresses FES’s compliance with its 2010 alternative energy portfolio benchmarks. FES is in compliance with its statutory non-solar and solar Alternative Energy Portfolio Standard (“AEPS”) requirements for 2010. FES achieved exactly half of its requirements from in-state facilities with the other half coming from facilities located in adjacent states. Further, in the Reporting Period, FES obtained the 58 Solar Renewable Energy Credits (“SRECs”) by which it fell short of its 2009 solar energy resource benchmarks. As demonstrated below and in the exhibits to this Report, FES met its requirements by obtaining Renewable Energy Credits (“RECs”).

II. COMPLIANCE WITH 2010 BENCHMARKS

O.A.C. 4901:1-40-05(A) requires that each electric utility and electric services company file “an annual alternative energy portfolio status report analyzing all activities undertaken in the previous calendar year to demonstrate how the applicable alternative energy portfolio benchmarks and planning requirements have or will be met.” O.A.C. 4901:1-40-05(A) also requires that the Commission Staff conduct an annual compliance review of the electric utility or

electric services company's compliance with benchmarks under the alternative energy portfolio standard.

R.C. 4928.64(B)(2) and O.A.C. 4901:1-40-03(A) contain the alternative energy benchmarks applicable to electric services companies such as FES. By 2025, FES must provide twenty-five percent of its electricity from alternative energy resources. R.C. § 4928.64(B). Half of the twenty-five percent must be supplied from renewable energy resources. R.C. § 4928.64(B)(2). The law further requires that at least one-half percent of the twenty-five percent must be supplied from solar energy resources by 2025. *Id.* The law sets annual benchmarks for both renewable energy and solar energy. *Id.* For 2010, FES was required to supply 0.50% of its electricity supply from renewable energy resources and 0.01% of its electricity supply from solar energy resources. *Id.* The Commission's rules require that at least one half of the renewable and solar energy resources implemented by FES must be met through facilities located in Ohio, while the remainder shall be met with resources that can be shown to be deliverable into Ohio. O.A.C. 4901:1-40-03(A)(2)(a).

The FES baseline, as defined in Section 4901:1-40-03(B)(2), and renewable requirements for the year 2010 under the Ohio AEPS are shown in the table immediately below. The Company's baseline is 6.76 million MWh based on the average of the Company's Retail Sales in the prior three years (2007-2009). The renewable requirements are based on the total Ohio AEPS 2010 renewable requirement equal to 0.50% of the baseline. The table below also demonstrates the number of RECs that FES needed to obtain to meet its benchmarks.

Baseline (million mwh)	6.76
REC Requirements (%)	
Non Solar:	
In-State	0.245%
Adj-State	0.245%
Solar:	
In-State	0.005%
Adj-State	0.005%
2010 REC Requirements (# RECs)	
Non Solar:	
In-State	16,556
Adj-State	16,556
Solar:	
In-State	338
Adj-State	338
Shortfall from 2009	
Non Solar:	
In-State	0
Adj-State	0
Solar:	
In-State	6
Adj-State	52
Adjusted 2010 REC Requirements (# RECs)	
Non Solar:	
In-State	16,556
Adj-State	16,556
Solar:	
In-State	344
Adj-State	390

A. Non-Solar Benchmark

FES was able to meet one hundred percent of its non-solar Ohio AEPS compliance obligations in 2010. The Company acted diligently and proactively to procure RECs from existing renewable resources located within the borders of the state of Ohio to demonstrate compliance with the in-state portion of the compliance obligation. RECs from the 277 MW of

Pennsylvania wind power that FES has under a long-term renewable power purchase agreement were used to demonstrate compliance with the adjacent state portion. Exhibit 1 (In State) and Exhibit 2 (Adjacent State) to this Report provide details on the specific RECs that were retired to demonstrate compliance.

B. Solar Benchmark

FES was able to meet one hundred percent of its solar Ohio AEPS compliance obligations in 2010. Additionally, it was able to obtain the 58 SRECs by which it fell short of its 2009 solar energy resources benchmark. The Company acted diligently and proactively to procure SRECs from solar resources located within the borders of the state of Ohio to demonstrate compliance with the in-state portion of the compliance obligation. SRECs from adjacent state solar resources were used to demonstrate compliance with the adjacent state portion. Exhibit 3 (In State) and Exhibit 4 (Adjacent State) to this Report provide details on the specific SRECs that were retired to demonstrate compliance.

IV. CONCLUSION

As demonstrated above, FES achieved full compliance with the 2010 renewable energy and solar energy benchmarks in R.C. § 4928.64(B)(2). Further, FES obtained and retired the number of SRECs by which it fell short of its 2009 solar energy resource benchmark.

Respectfully submitted,

/s/ Kevin P. Shannon

Mark A. Hayden (0081077) (Counsel of Record)
FIRSTENERGY SERVICE COMPANY
76 South Main Street
Akron, OH 44308
(330) 761-7735
(330) 384-3875 (fax)
haydenm@firstenergycorp.com

James F. Lang (0059668)
Kevin P. Shannon (0084095)
CALFEE, HALTER & GRISWOLD LLP
1400 KeyBank Center
800 Superior Ave.
Cleveland, OH 44114
(216) 622-8200
(216) 241-0816 (fax)
jlang@calfee.com
kshannon@calfee.com

ATTORNEYS FOR APPLICANT,
FIRSTENERGY SOLUTIONS CORP.

Exhibit 1

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Exhibit 2

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Exhibit 4

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Summary: Application of FirstEnergy Solutions Corp. for Approval of its 2010 Alternative Energy Annual Status Report electronically filed by Mr. Kevin P. Shannon on behalf of FirstEnergy Solutions Corp.