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AMERICAN° ELECTRIC POWER American Electric Power 1 Riverside Plaza Columbus. OH 43215-2373 AEP.com

April 15, 2011

Ms Renee J. Jenkins Secretary of the Commission Public Utilities Commission of Ohio 180 East Broad Street Columbus, Ohio 43215-3793

Matthew J. Satterwhite Senior Counsel – Regulatory Services (614) 716-1915 (P) (614) 716-2014 (F) mjsatterwhite@aep.com **RE:** In the Matter of the Annual Alternative Energy Status & Compliance Report Under Rule 4901_1-40-05, Ohio Administrative Code, for Ohio Power Company, Case No. 11-2417-EL-ACP

Dear Ms Jenkins:

I am submitting the enclosed 2010 Alternative Energy Status & Compliance Report on behalf of Ohio Power Company, pursuant to Rule 4901:1-40-05, Ohio Administrative Code

The document filed is the public version of the report. As indicated in the motion for a protective order filed on this day in this docket the report contains certain confidential information. The public version has been redacted accordingly. A confidential copy of the report was filed with the motion for protective order according to Commission rules.

Thank you for your attention to this matter

Respectfully Submitted,

/s/ Matthew J. Satterwhite Matthew J. Satterwhite

Annual Compliance Plan Status Report

Introduction

In Case No. 08-888-EL-ORD, the Public Utilities Commission of Ohio (Commission) approved Rules for the Alternative Energy Portfolio Standard for electric utilities (Rules). The Rule became effective on December 10, 2009. Applying Senate Bill 221 (S.B. 221), the Rules require that each electric utility within the jurisdiction of the Commission adhere to specific advanced and renewable energy benchmark percentages. Each electric utility and electric services company is required to file an annual status and compliance report. This report is to be filed by April fifteenth of each year. Per Ohio Administrative Code (OAC) 4901:1-40-05(A), the report shall include the following items:

- The annual review will include compliance with the most recent applicable renewable- and solar-energy resource benchmark.
- The annual compliance reviews shall consider any under-compliance an electric utility or electric services company asserts is outside its control.

Ohio Power Company (OPCo) submits this Compliance Plan Status Report for Compliance Year 2010.

OPCo has achieved compliance in meeting the 2010 Benchmarks for the Ohio Alternative Energy Portfolio Standard. OPCo achieved the Benchmarks for both Non-Solar and Solar Renewables, as shown in the Summary Sheet.

Non-Solar Overview

Non-Solar achievement was met through REC purchases for the In-State Benchmark, while the additional non-Solar Benchmark was achieved through a renewable energy purchase agreement with wind as the renewable energy resource. Additional details around the Non-Solar Benchmark are shown in the REC Details Sheet.

Note that the RECs from the Belleville - 1 facility are recorded as In-State Non-Solar RECs. OPCo discussed with Staff this facility (Case No. 09-1054-EL-REN), to affirm that it would be recognized as In-State RECs. That decision was reached on rule language in 4901:1-40-03(A)(2)(a), OAC, which indicates the following:

(a) At least half of the annual renewable energy resources, including solar energy resources, shall be met through electricity generated by facilities located in this state. Facilities located in the state shall include a hydroelectric generating facility that is located on a river that is within or bordering this state, and wind turbines located in the state's territorial waters of Lake Erie.

As Belleville - 1 is on a river "bordering this state;" its qualified generation is recognized as In-State. Belleville - 1 was assigned an Ohio certification number of 10-HYD-WV-GATS-0040. So while the "WV" in the certification number reflects the facility's physical location, Staff has informed GATS that they would recognize this as In-State.

Solar Overview

AEP Ohio filed *force majeure* in October of 2009, Case No 09-0987-EL-EEC, in regards to meeting the Solar Benchmark for 2009. On January 7, 2010, the Commission ruled that AEP-Ohio had adequate reason to invoke *force majeure* and revised the 2009 Solar Benchmark. The Summary Sheet includes the additional 2009 Solar Benchmark from the approved *force majeure* filing, which was added to the 2010 obligation.

Solar achievement was met through an OPCo facility and an In-State renewable energy purchase agreement that fulfilled both the In-State Benchmark and the additional Solar Benchmark. Additional details around the Solar Benchmark are shown in the REC Details Sheet.

Adjustments

OPCo made adjustments for Economic Growth and Customer Choice. These adjustments are stated in the Summary Sheet.

When OPCo determined the 2009 Benchmarks OPCo inadvertently carried forward the use of the Normalized Retail Sales as is permitted for the Energy Efficiency and Peak Demand Reduction Benchmarks. As a result, OPCo exceeded the 2009 Non-Solar Benchmark and the 2009 Solar Benchmark carry-over was less than originally indicated. The respective 2009 Benchmark adjustments are reported on the Summary Sheet.

Conclusion

Ohio Power is compliant with the 2010 Non-Solar and Solar Benchmarks based on the actual RECs achieved in Non-Solar as well as the actual RECs achieved in Solar, including the approved carry-over of the 2009 Solar Benchmark. Also, OPCo requests that the Commission confirm compliance was achieved and notify OPCo when the RECs for 2009 and 2010 compliance are to be retired towards OPCo's compliance.

| | (A) | (B) | (C) = (A) - (B) | |
|----------|--------------------------------------|---------------|-----------------|-----------------------|
| | MWH Sales | Proposed | MWH Sales | |
| | Unadjusted* | Adjustments** | Adjusted | |
| 2007 | 27,727,743 | 1,492,228 | 26,235,515 | |
| 2008 | 27,871,540 | 2,405,028 | 25,466,512 | |
| 2009 | 24,936,379 | 2,061,805 | 22,874,574 | |
| eline fo | r 2010 Compliance Obligation | | 24,858,867.00 | (D) = (C)/3 |
| | 2010 Statutory Compliance Oblig | ation | | |
| | 2010 Non-Solar Renewable Bench | | 0.49% | (E) |
| | 2010 Solar Renewable Benchmarl | < c | 0.01% | (F) |
| | Per ORC, 4928.64(B)(2) | | | () |
| | | | | |
| | 2010 Compliance Obligation | | | |
| | Non-Solar RECs Needed for Comp | | 121,808 | (G) = (D) * (E) |
| | Minimum Required from Ohio | Facilities | 60,904 | (H) = (G) * 0.5 |
| | Solar RECs Needed for Complianc | e | 2,486 | (I) = (D) * (F) |
| | Minimum Required from Ohio | | 1,243 | (J) = (I) * 0.5 |
| | | | | |
| | Force Majeure Carry-Over from 2 | 009 | | |
| | Non-Ohio Solar - MWHs | | 0 | (К) |
| | Ohio Solar - MWHs | | 933 | (L) |
| | 2009 Adjustments Correction | | | |
| | Non-Solar RECs Needed | | -132 | (M) |
| | Required from Ohio Facilities | | -66 | (N) |
| | | | | |
| | Solar RECs Needed | | -2 | (O) |
| | Required from Ohio Facilities | | -1 | (P) |
| | 2010 Net Compliance Obligation | | | |
| | Non-Solar RECs Needed for Comp | liance | 121,676 | (Q) = (G) + (K) + N |
| | Minimum Required from Ohio | | 60,838 | (R) = (Q) * 0.5 |
| | | | | |
| | Solar RECs Needed for Complianc | | 3,417 | (S) = (I) + (L) + (O) |
| | Minimum Required from Ohio | Facilities | 1,708 | (T) = (S) * 0.5 |
| | Under Compliance in 2010 (if app | licable) | | |
| | Non-Solar MWHS | - , | 0 | (U) |
| | Solar MWHS | | 0 | (V) |
| | | | | |
| | 2010 Alternative Compliance Pay | ments | ± | ()() |
| | Non-Solar, per MWH | | \$45.00 | (W) |
| | Solar, per MWH - per 4928.64(C)(| 2)(a) | \$400.00 | (X) |
| | 2010 Payments (if applicable) | | | |
| | Non-Solar Total | | \$0.00 | (Y) = (U) * (W) |
| | Solar Total | | \$0.00 | (Z) = (V) * (X) |
| | TOTAL | | \$0.00 | (AA) = (Y) + (Z) |
| | | | | |

| OPCo Compliance Plan Status Report for 2010 REC Details Sheet | | | | | |
|--|-------|---------------|----------------------------|--------------------------------|---------|
| 1. OHIO NON-SOLAR Renewable Energy Credits | | | | | |
| Year/Month | State | Facility Name | Certificate Serial Numbers | Quantity OH Certificate Number | Retired |
| 2008/08 | он | | | | No |
| 2008/09 | он | | | | No |
| 2008/10 | он | | | | No |
| 2008/10 | он | | | | No |
| 2008/11 | он | | | | No |
| 2008/11 | он | | | | No |
| 2008/12 | он | | | | No |
| 2008/12 | он | | | | No |
| 2009/01 | он | | | | No |
| 2009/02 | он | | | | No |
| 2009/03 | он | | | | No |
| 2009/04 | он | | | | No |
| 2009/04 | он | | | | No |
| 2009/05 | он | | | | No |
| 2009/05 | он | | | | No |
| 2009/06 | он | | | | No |
| 2009/06 | он | | | | No |
| 2009/07 | он | | | | No |
| 2009/08 | он | | | | No |
| 2009/09 | он | | | | No |
| 2009/10 | он | | | | No |
| 2009/11 | он | | | | No |
| 2009/11 | он | | | | No |
| 2009/12 | он | | | | No |
| 2009/12 | он | | | | No |
| 2010/01 | ОН | | | | No |

| OPCo Compliance Plan Status Report for 2010 REC Details Sheet | | | | |
|--|----|----|--|--|
| 2010/01 | он | No | | |
| 2010/02 | ОН | No | | |
| 2010/02 | он | No | | |
| 2010/03 | он | No | | |
| 2010/03 | он | No | | |
| 2010/04 | он | No | | |
| 2010/04 | он | No | | |
| 2010/05 | он | No | | |
| 2010/05 | он | No | | |
| 2010/05 | он | No | | |
| 2010/05 | он | No | | |
| 2010/06 | он | No | | |
| 2010/06 | он | No | | |
| 2010/06 | он | No | | |
| 2010/06 | он | No | | |
| 2010/06 | ОН | No | | |
| 2010/07 | ОН | No | | |
| 2010/07 | ОН | No | | |
| 2010/07 | он | No | | |
| 2010/07 | ОН | No | | |
| 2010/08 | ОН | No | | |
| 2010/08 | ОН | No | | |
| 2010/08 | ОН | No | | |
| 2010/09 | ОН | No | | |
| 2010/09 | ОН | No | | |
| 2010/09 | ОН | No | | |
| 2010/09 | ОН | No | | |
| 2010/09 | ОН | No | | |

| OPCo Compliance Plan Status Report for 2010 REC Details Sheet | | | | |
|--|----|--|----|--|
| 2009/08 | он | | No | |
| 2009/08 | он | | No | |
| 2009/08 | ОН | | No | |
| 2009/09 | ОН | | No | |
| 2009/09 | ОН | | No | |
| 2009/09 | ОН | | No | |
| 2009/10 | ОН | | No | |
| 2009/10 | ОН | | No | |
| 2009/10 | ОН | | No | |
| 2009/11 | ОН | | No | |
| 2010/09 | он | | No | |
| 2009/12 | он | | No | |
| 2010/05 | ОН | | No | |
| 2010/06 | ОН | | No | |
| 2010/08 | ОН | | No | |
| 2010/09 | он | | No | |
| 2010/10 | ОН | | No | |
| 2010/11 | он | | No | |
| 2010/11 | ОН | | No | |
| 2008/08 | wv | | No | |
| 2008/09 | wv | | No | |
| 2008/10 | wv | | No | |
| 2008/11 | wv | | No | |
| 2008/12 | wv | | No | |
| 2008/12 | он | | No | |
| 2009/01 | он | | No | |
| 2009/03 | он | | No | |
| 2009/04 | он | | No | |

| OPCo Compliance Plan Status Report for 2010 REC Details Sheet | | | |
|--|--------------|---|--|
| 2009/07 | ОН | No | |
| 2009/09 | он | No | |
| 2009/10 | он | No | |
| 2009/11 | он | No | |
| 2009/12 | он | No | |
| 2009/12 | ОН | No | |
| 2010/01 | он | No | |
| 2010/02 | он | No | |
| 2010/02 | он | No | |
| 2010/02 | он | No | |
| 2010/03 | он | No | |
| 2010/03 | он | No | |
| 2010/03 | он | No | |
| 2010/04 | он | No | |
| 2010/05 | он | No | |
| 2010/08 | он | No | |
| 2010/03 | он | No | |
| 2010/04 | ОН | No | |
| 2010/05 | он | No | |
| 2010/06 TOTAL | OH Ohio N | No Non-Solar Renewable Energy Credits 60,838 | |
| IUIAL | | In the new able Ellergy Credits 00,030 | |

| OPCo Compliance Plan Status Report for 2010 REC Details Sheet | | | | | | |
|--|---------|---------------------------------------|----------------------------|--------------------------------|---------|--|
| 2. NON-OHIO NON-SOLAR Renewable Energy Credits | | | | | | |
| Year/Month | State | Facility Name | Certificate Serial Numbers | Quantity OH Certificate Number | Retired | |
| 2010/01 | IN | | | | No | |
| 2010/02 | IN | | | | No | |
| 2010/03 | IN | | | | No | |
| 2010/04 | IN | | | | No | |
| 2010/05 | IN | | | | No | |
| 2010/06 | IN | | | | No | |
| TOTALS | Non-O | hio Non-Solar Renewable Energy Credit | 5 | 60,838 | | |
| 3. OHIO SOLA | AR Rene | ewable Energy Credits | | | | |
| Year/Month | State | Facility Name | Certificate Serial Numbers | Quantity OH Certificate Number | Retired | |
| 2010/01 | он | | | | No | |
| 2010/02 | он | | | | No | |
| 2010/03 | он | | | | No | |
| 2010/04 | он | | | | No | |
| 2010/05 | он | | | | No | |
| 2010/06 | он | | | | No | |
| 2010/07 | он | | | | No | |
| 2010/08 | он | | | | No | |
| 2010/09 | он | | | | No | |
| 2010/10 | он | | | | No | |
| 2010/11 | он | | | | No | |
| 2010/12 | он | | | | No | |
| 2010/05 | он | | | | No | |
| 2010/06 | он | | | | No | |
| 2010/07 | он | | | | No | |
| 2010/08 | он | | | | No | |
| 2010/09 | ОН | | | | No | |
| TOTAL | Ohio S | olar Renewable Energy Credits | | 3,417 | | |

| | OPCo Compliance Plan Status Report for 2010 REC Details Sheet | | | | | | | |
|-------------|--|-----------------------------------|----------------------------|----------|-----------------------|---------|--|--|
| 4. NON-OHIO | O SOLAF | Renewable Energy Credits | | | | | | |
| Year/Month | State | Facility Name | Certificate Serial Numbers | Quantity | OH Certificate Number | Retired | | |
| TOTAL | Non-C |) hio Solar Renewable Energy (| Credits | 0 | | | | |

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4/15/2011 5:01:57 PM

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Case No(s). 11-2417-EL-ACP

Summary: Annual Report -- Annual Alternative Energy Status & Compliance Report electronically filed by Mr. Matthew J Satterwhite on behalf of Ohio Power Company