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BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application for :
Certification as an Eligible Ohio : Case No. 10-313-EL-REN
Renewable Energy Resource Generating :
Facility. :

REVIEW AND RECOMMENDATIONS

SUBMITTED ON BEHALF OF THE STAFF OF
THE PUBLIC UTILITIES COMMISSION OF OHIO

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August 12, 2011

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The remaining statutory requirement pertains to deliverability of the facility's electrical output to the state of Ohio, consistent with Ohio Revised Code Section 4928.64(B)(3). According to the application, Discovery Solar Farm is located in

Cheriton, VA. Ohio Administrative Code Section 4901:1-40-01(I) defines “deliverable into this state” as follows:

(I) “Deliverable into this state” means that the electricity originates from a facility within a state contiguous to Ohio. It may also include electricity originating from other locations, pending a demonstration that the electricity could be physically delivered to the state.

This required demonstration of deliverability was further addressed in the Commission’s Finding and Order in Case No 09-555-EL-REN, when the Commission endorsed the following methodology for generating facilities that are located outside of Ohio and its contiguous state:

The Commission finds that Staff's proposed methodology and recommended definition of “significant impact” are reasonable and should be adopted. Accordingly, any applicant seeking to demonstrate the physical deliverability of energy into Ohio from a generating facility located outside of Ohio or a contiguous state may do so with a power flow study, performed by an RTO, offering evidence of a significant impact on power flows over transmission lines located in the state of Ohio. The transmission lines must serve loads connected to distribution lines located in Ohio. If the study shows an impact on a transmission line in Ohio that is greater than five percent and greater than one megawatt, the electricity produced by the renewable generating facility would be deemed to have a significant impact, thereby satisfying the statutory criteria that the electricity is physically deliverable into Ohio.¹

¹ *In the Matter of the Application for Koda Energy LLC to Receive Ohio RPS Generator Status*, Case No. 09-555-EL-REN (Finding and Order at 4, ¶ 8) (March 23, 2011).

Because Discovery Solar Farm is not located within Ohio or a contiguous state, it is required to submit documentation with its application that demonstrates physical deliverability.

Concerning the deliverability of power from the facility into Ohio the applicant stated:

Subsequent to conversations with PJM it has been determined that power produced by any generator on the PJM transmission grid is deliverable into Ohio. Further, we learned that PJM has provided a Distribution Factor Analysis (DFAX) to the Ohio Public Utilities Commission (PUC) that proves the deliverability of power into Ohio from Virginia.

Staff disagrees that power produced anywhere on the PJM transmission grid is necessarily to be considered deliverable into Ohio. The issue of deliverability was ruled on by the commission in Case No. 09-555-EL-REN and staff recommends the methodology accepted by the Commission in that case.

Staff believes that the submittal of the requisite power flow study is the responsibility of the applicant. However, during the development of its proposed methodology for determining deliverability, Staff requested in early 2010 that PJM and MISO provide the staff with *distribution factor (dfax)* or power flow studies for all generating facilities connected to their systems and their impact on the power flows on transmission lines located in Ohio. Discovery Solar Farm was one of the generating facilities modeled in the PJM dfax studies. The study conducted by PJM assumed a 50/50 peak load forecast for 2014. The studies included all existing generating units and all units that have signed an Interconnection Service Agreement and are expected to be

in-service by 2014. PJM evaluated the impacts of power flows on 10 electric transmission lines in Ohio. Based on the PJM study results for Discovery Solar Farm, the highest dfax value that Discovery Solar Farm had on a transmission line was 4.59 %. Applying this dfax value to the facility's capacity used in the dfax study results in a figure of 0.92 MW.² The applicant, Lincoln Renewable Energy, LLC, has two cases whose facilities are located in Virginia. The cases are 10-322-EL-REN and 10-313-EL-REN. Both facilities will have a nameplate capacity of 20 MW. The two facilities will be located approximately 30 miles apart. Because the nameplate capacities are the same and due to facilities' proximity to each other the dfax study results are the same for the two facilities.

STAFF RECOMMENDATION

In reaching its recommendation, the Staff relied on the Commission's decision in Case No. 09-555-EL-REN and specifically the following language:

If the study shows an impact on a transmission line in Ohio that is greater than five percent and greater than one megawatt, the electricity produced by the renewable generating facility would be deemed to have a significant impact, thereby satisfying the statutory criteria that the electricity is physically deliverable into Ohio.

Following its review of the information submitted by the applicant, as well as the dfax study conducted by PJM, Staff recommends that Discovery Solar Farm be denied certification as an eligible Ohio renewable energy resource generating facility on the

² 0.92 MW = 4.59% * 20 MW.

basis that its application fails to demonstrate that the electricity generated from the Discovery Solar Farm facility is physically deliverable to the state of Ohio. As modeled, the facility failed to achieve greater than a 5% impact on transmission lines in Ohio, and it also failed to satisfy the greater than 1 MW criteria endorsed by the Commission in Case No. 09-555-EL-REN.

Respectfully submitted,

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PROOF OF SERVICE

I hereby certify that a true copy of the foregoing **Staff Review and Recommendations** submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served by regular U.S. mail, postage prepaid, or hand-delivered, upon Joseph D. Jordan, Lincoln Renewable Energy, One North Wacker Drive, Suite 4800, Chicago, IL, 60606, this 12th day of August, 2011.



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