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April 2, 2013

Ms. Barcy F. McNeal, Secretary
Public Utilities Commission of Ohio
180 E. Broad St., 11th Floor
Columbus, OH 43215

Re: Case No. 13-794-EL-ACP
Hess Corporation

Dear Ms. McNeal:

Please find enclosed a copy of the redacted public Alternative Energy Annual Status Report for Calendar Year 2012 from Hess Corporation. Certain information contained in this filing is of a confidential and proprietary nature and has been redacted from the public filing. The request for waiver which was filed earlier today is also attached to this public filing. A motion for protective order will also be filed and three copies of a confidential version will be submitted under seal as prescribed by Rule 4901-1-24(D) of the Ohio Administrative Code.

Thank you in advance for your cooperation.

Sincerely yours,

Stephen M. Howard
Attorney for Hess Corporation

SMH/jaw

COMPETITIVE RETAIL ELECTRIC SERVICE PROVIDER
ALTERNATIVE ENERGY ANNUAL STATUS REPORT FOR CALENDAR YEAR 2012

HESS Corporation (hereinafter "**HESS**") in accordance with Sections 4928.64 and 4928.65, Ohio Revised Code and Commission Rules 4901:1-40-03 and 4901:1-40-05 hereby submits this Alternative Energy Annual Status Report ("AER") detailing compliance with the Ohio Alternative Energy Portfolio Standards.

1. Determination that an Alternative Energy Resource Report is Required (check one)

- ☒ During calendar year 2012 the CRES states that it conducted retail sales of generation to customers who utilized the generation in a load center located within the state of Ohio.
- ☐ During calendar year 2012 the CRES states that it did not conduct retail sales of generation to customers who utilized the generation in a load center located within the state of Ohio.

2. Determination of the sales baseline for 2012

- a. During the past three calendar years the CRES made retail sales of generation in the amounts shown below:

2009 MWh	0
2010 MWh	0
2011 MWh	0

- b. The average annual sales of the active years listed above (sum of the active years' MWh / number of active years hereinafter "Baseline Sales")

0

- c. If conditions exist that merit an adjustment to the Baseline Sales please list the adjusted Baseline Sales and attach as an exhibit to this AER a full explanation of the reason(s) for the adjustment(s).

3,419

HESS Corporation did not begin serving retail customers in Ohio until July 2012. Please refer to the attached Request for Waiver. HESS believes that reporting actual retail sales is consistent with Section 4928.64 (B), Revised Code. As such, the value reported in 2(c) above represents actual retail sales volumes and is the basis from which this report is derived.

- d. If the CRES was not active during calendar years 2009, 2010 and 2011 but did make sales during calendar year 2012, please project the amount of retail electric generation sales anticipated for the whole of calendar year 2012 as would have been projected on the first day retail generation sales were made in Ohio.

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3. Determination of the number of Solar and Total Renewable Energy Credits (RECs) Required and Statement of the Number of RECs Claimed

RENEWABLE ENERGY CREDITS REQUIRED AND OBTAINED FOR 2012				
Types	(A) No. of RECs Required	(B) No. of RECs Obtained	(C) Registry	(D) No. of RECs Sited in OH
Solar				
Non Solar				
Total				

- a. Column A above lists the unadjusted number of Solar and Total RECs Required for the CRES in 2012. The determinations were calculated by multiplying the:

<input type="checkbox"/>	Baseline Sales
<input checked="" type="checkbox"/>	Adjusted Baseline Sales
<input type="checkbox"/>	Projected Sales

by 6 hundredths of one per cent (.06%) for Solar RECs, by one and 44 hundredths percent (1.44%) for Non-Solar RECs, and one and a half percent (1.5%) for total RECS. Total RECs include both Solar and Non Solar RECs.

- b. The CRES states that it has obtained in accordance with the Commission's Rules the number of Solar and Non Solar RECs listed in column B above for 2012.

Approved registry being used by the CRES: **GATS**

- c. The CRES states that of the RECs it has obtained for 2012 the number listed in column D represents the RECs with generation facilities sited within the state of Ohio.

CRES states that it has

<input type="checkbox"/>	Received a force majeure determination for solar RECs
<input type="checkbox"/>	Sought but has yet to receive a ruling on a force majeure determination for Solar RECs

<input checked="" type="checkbox"/>	Did not seek and did not receive a force majeure determination for solar RECs
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4. Compliance (check one)

<input checked="" type="checkbox"/>	CRES states that it has obtained the required number of Solar RECs and total RECs without adjustments permitted pursuant to Rule 4901:1-40-05(A)(3).
<input type="checkbox"/>	CRES states that it has obtained the required number of Solar RECs and total RECs after adjustments permitted pursuant to Rule 4901:1-40-05(A)(3).
<input type="checkbox"/>	CRES states that it is not in compliance with number of Solar RECs or total RECs required for 2012.

5. Ten Year Forecast

a. Ten Year Forecast of Solar and Non-Solar RECs

In accordance with Rule 4901:1-40-03(C) the CRES hereby provides a projection for the next 10 years for RECs and Solar RECs.

10 Year Forecast of Solar and Non-Solar RECs				
Year	Estimated Sales	Estimated Solar	Estimated Non-Solar	Estimated Total RECs
2013				
2014				
2015				
2016				
2017				
2018				
2019				
2020				
2021				
2022				

- b. Supply Portfolio projection Based on the following load growth trajectory: **150% in 2013, 100% in 2014, 50% in 2015, 25% in 2016-17, 10% 2018-19, and 5% 2020-22.**
- c. Methodology used to evaluate compliance **Estimated sales volumes times Renewable and Solar Benchmarks as defined at time of annual report submission.**

- d. Comments on any perceived impediment(s) to achieving compliance with the solar and non-solar REC requirements, as well as any discussion addressing such impediments. **No perceived impediments**

I, Jay Kooper, am the duly authorized representative of Hess Corporation, and state, to the best of my knowledge and ability, all the information contained in the foregoing Competitive Retail Electric Service Provider Alternative Energy Annual Status Report for Calendar Year 2012, including any exhibits and attachments, are true, accurate and complete.

Jay Kooper
Signature

Name Jay Kooper
Title Director of Regulatory Affairs
Company Hess Corporation



Hess Corporation - My RPS Compliance - OH - Jan 2012-Dec 2012

Subaccount Name	Zone Name	GATS Load	RPS Load	Total Generation for Subaccount	Solar Renewable Energy Source	Renewable Energy Source	S2 ClassII Renewable	Total Certificates Used for RPS
Default								
Default								
Reserve								
Subaccount								
Total								



Hess Corporation - Reserve Subaccount Details - OH - Jan 2012-Dec 2012

Month/ Year	Unit ID	Facility Name	State Fuel Type	Certificate Serial Numbers	Quantity	State Certification Number
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Hess Corporation - Reserve Subaccount Details - OH - Jan 2012-Dec 2012

Month/ Year	Unit ID	Facility Name	Certificate Serial Numbers	Solar Renewable Energy Source	Renewable Energy Source
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Hess Corporation - Reserve Subaccount Details - OH - Jan 2012-Dec 2012

Month/ Year	Unit ID	Facility Name	Certificate Serial Numbers	RPS	RPS Retail LSE Price Subaccount	RPS Period	Deposit Date
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**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Annual Alternative)
Energy Portfolio Status Report for the) Case No. 13-794-EL-ACP
Calendar Year 2012 from Hess Corporation)

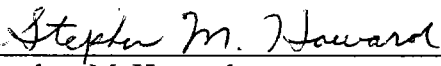
REQUEST FOR WAIVER

Pursuant to Rule 4901:1-40-02(B) of the Ohio Administrative Code, Hess Corporation ("Hess") respectfully requests a waiver from Rule 4901 :1-40-03(B)(2)(b) of the Ohio Administrative Code. Specifically, Hess requests that it be permitted to calculate as its initial base line the actual retail electric sales made for 2012 instead of a reasonable projection. No statute requires the use of a reasonable projection for this purpose; in fact, the use of actual data in calculating the baseline is consistent with Section 4928.64(B), Revised Code.

The reasons supporting this requested waiver are set forth in the accompanying memorandum in support. Hess submits that good cause exists for granting the requested waiver.

WHEREFORE, Hess Corporation respectfully requests that the Commission grant its waiver and permit it to use the actual retail electric sales for the 2012 calendar year in lieu of a projection in calculating its initial baseline for purposes of preparing its alternative energy portfolio status report.

Respectfully submitted,



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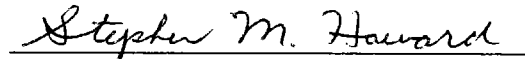
In the Matter of the Annual Alternative)
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Calendar Year 2012 from Hess Corporation)
)

Hess had no retail electric sales in Ohio during the preceding three calendar years. Instead of using a projection of retail electric sales for 2012, Hess Corporation is requesting a waiver from Rule 4901: 1-40-03(B)(2)(b) to allow it to use actual retail sales for 2012 instead of a projection. Subsection (b)(2) of the same Rule allows electric service companies to compute the baseline based on an average of the three preceding calendar years of the total number of kilowatt hours of electricity actually sold. Such an approach is also contained in Section 4928.64(B), Revised Code.

Because Rule 4901:1-40-03(B) (2) contemplates the use of an average of three years of actual sales data and because Hess has available to it the actual sales data for 2012, good cause exists for granting the waiver and allowing Hess to use the 2012 actual sales data instead of a reasonable projection. No statute requires the use of a reasonable projection for calculating the initial baseline.

Hess Corporation respectfully requests that the Commission find that good cause exists for granting the waiver and that the Commission or its Attorney Examiner issue an Entry granting the requested waiver and allowing Hess Corporation to compute its initial baseline using the actual 2012 sales data instead of a projection.

Respectfully submitted,



Stephen M. Howard

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Attorneys for Hess Corporation

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in

Case No(s). 13-0794-EL-ACP

Summary: Report Alternative Energy Annual Status Report for Calendar Year 2012
electronically filed by Mr. Stephen M Howard on behalf of Hess Corporation