



13-1100-EL-ACP

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April 29, 2013

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VIA FEDERAL EXPRESS

Ms. Barcy F. McNeal, Secretary Public Utilities Commission of Ohio 180 E. Broad St., 11th Floor Columbus, OH 43215-3793

> Re: TERM Power & Gas, LLC d/b/a ENCOA

> > Annual Alternative Energy Portfolio Status Report and Plan for Compliance with Future Annual Advanced and Renewable Energy Benchmarks for 2012

Dear Ms. McNeal:

Enclosed please find TERM Power & Gas, LLC d/b/a ENCOA ("ENCOA")'s Annual Alternative Energy Portfolio Status Report and Plan for Compliance with Future Annual Advanced and Renewable Energy Benchmarks for 2012. This report is redacted because it contains certain confidential and proprietary information. Pursuant to Rule 4901-1-24(D) of the Ohio Administrative Code, a motion for protective order and a memorandum in support of that motion is also enclosed. Additionally enclosed, under seal, are the original plus three copies of the confidential version of this report.

Also enclosed is one extra copy of each of the above-mentioned documents. Please filestamp these extra copies and return them to me at your convenience in the enclosed Federal Express envelope.

If you have any questions regarding the enclosed, please feel free to contact me.

Respectfully submitted,

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document delivered in the regular course of business James E. Guy

Date Processed APR 3 0 2013 Attorney for TERM Power & Gas, LLC d/b/a ENCOA

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AUSTIN

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NEW YORK

SACRAMENTO

WASHINGTON DC

Case No. 13-1100-EL-ACP

BEFORE THE PUBLIC UTILITY COMMISSION OF OHIO

IN THE MATTER OF TERM	§
POWER & GAS, LLC D/B/A	§
ENCOA'S ANNUAL	§
ALTERNATIVE ENERGY	§
PORTFOLIO STATUS REPORT	§
AND PLAN FOR COMPLIANCE	§
WITH FUTURE ANNUAL	§
ADVANCED AND RENEWABLE	§
ENERGY BENCHMARKS	§

TERM POWER & GAS, LLC D/B/A ENCOA'S ANNUAL ALTERNATIVE ENERGY PORTFOLIO STATUS REPORT AND PLAN FOR COMPLIANCE WITH FUTURE ANNUAL ADVANCED AND RENEWABLE ENERGY BENCHMARKS

I. INTRODUCTION

TERM Power & Gas, LLC, d/b/a ENCOA ("ENCOA") is an electric services company as defined by Section 4928.01(A)(9), Revised Code, having been issued Certificate No. 09-166E by the Public Utilities Commission of Ohio ("Commission"). ENCOA hereby submits its annual alternative energy portfolio status report for the 2012 calendar year, as required by Rule 4901:1-40-05, Ohio Administrative Code ("O.A.C."), and its plan for compliance with future annual advanced and renewable energy benchmarks, as required by Rule 4901:1-40-03(C), O.A.C.

II. ANNUAL ALTERNATIVE ENERGY PORTFOLIO STATUS REPORT

Pursuant to Section 4928.64(B)(2), Revised Code, and Rule 4901:1-40-03(A)(2), O.A.C., for the year 2012, electric service companies must demonstrate that at least 1.5% of retail electricity supplied was derived from renewable energy resources, including 0.060% from solar energy resources. At least half of the renewable energy resources, including solar energy resources, used to meet these benchmarks must have been generated by facilities located in Ohio. The level of these benchmark requirements is determined by first calculating a baseline number of kilowatt-hours sold and then applying the benchmark percentages to that baseline.

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A. Baseline Calculation

Ordinarily, an electric services company's baseline is to be computed by averaging the number of kilowatt-hours sold during the preceding three calendar years. ENCOA, however, did not have electric sales in Ohio during 2009, 2010 and 2011. In such a case, Rule 4901:1-40-03(B)(2)(b), O.A.C., provides that "the initial baseline shall consist of a reasonable projection of [an electric service company's] retail electric sales in the state for the full calendar year." ENCOA did not anticipate having any retail sales in Ohio in 2012 and, in fact, did not have any. Therefore, ENCOA's baseline for 2012 is zero MWh.

B. 2012 Renewable and Solar Energy Resource Benchmarks and Demonstration of Compliance with 2012 Benchmarks

Because ENCOA did not have any retail electric sales in Ohio during 2012, it therefore did not acquire solar or renewable energy credits.

III. PLAN FOR COMPLIANCE WITH FUTURE ANNUAL ADVANCED AND RENEWABLE ENERGY BENCHMARKS

Rule 4901:1-40-03(C), O.A.C., requires that each electric services company file an annual plan for compliance with future annual advanced and renewable energy benchmarks, including solar, utilizing at least a ten-year planning horizon. The plan shall include the following items: (1) baseline for current and future calendar years; (2) supply portfolio projection, including both generation fleet and power purchases; (3) description of the methodology used by the company to evaluate its compliance options; and (4) a discussion of any perceived impediments to achieving compliance with required benchmarks, as well as suggestions for addressing any such impediments.

A. Baseline for Current and Future Calendar Years

With respect to its baseline in future calendar years, ENCOA cannot forecast its baselines for the next ten years with confidence because it is a new entrant in the Ohio retail electric

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market and only began to provide electric supply to customers in 2013. ENCOA continues to establish new customer contracts, and customer load is not guaranteed to be renewed on a year-to-year basis. In turn, ENCOA provides in Exhibit A hereto its baseline for 2013 and projected baselines for 2014 and 2015. ENCOA has based these baselines on actual sales in 2013 and contracted load.

B. Supply Portfolio Projection, Including Both Generation Fleet and Power Purchases

ENCOA has no plan to construct or purchase any electric generation facilities. Therefore ENCOA will continue to supply power to its customers by purchasing power through the wholesale market.

C. Description of Methodology Used to Evaluate Compliance Options

As noted above, ENCOA does not own or anticipate owning any generation facilities. ENCOA plans to meet its alternative energy benchmarks through the purchase of RECs, though it will consider alternative and more economical options for compliance as they are available.

D. Perceived Impediments to Achieving Compliance with Required Benchmarks

Aside from the potential for supply and pricing constraints in the market for RECs, ENCOA does not anticipate significant impediments to achieving compliance with its required benchmarks.

IV. CONCLUSION

ENCOA respectfully requests that the Commission find that ENCOA has complied with the applicable renewable energy resource benchmarks for 2012 and its associated reporting requirements.

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Respectfully submitted,

Stephen T. Tsai

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April 29, 2013

PUBLIC VERSION

Exhibit A

Year	Projected Baseline (MWh)	Annual Benchmarks (percentage)		Proje	Projected Annual Benchmarks (MWh)	
		Renewable	Solar	Total Renewable	Solar	Total Renewable Less Solar
2013		2.0%	0.09%			
2014		2.5%	0.12%			
2015		3.5%	0.15%			