BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Energy.me	**)**	
Annual Alternative Energy Portfolio	**)**	**Case No. 13-0831-EL-ACP**
Status Report for 2012	**)**	

Findings and Recommendations of the PUCO Staff

I.   Statutory Background

Senate Bill 221, with an effective date of July 31, 2008, established Ohio's alternative energy portfolio standard (AEPS) applicable to electric distribution utilities and electric service companies. The AEPS is addressed principally in sections 4928.64 and 4928.65, Ohio Revised Code (ORC), with relevant resource definitions contained within 4928.01(A), ORC.

According to 4928.64(B)(2), ORC, the specific compliance obligations for **2012** are as follows:

- Renewable Energy Resources = **1.50%** (includes solar requirement)
- Solar Energy Resources = **0.06%**

In addition, there is a requirement that at least half of the renewable energy resources, including the solar energy resources, shall be met through facilities located in this state.

The PUCO further developed rules to implement the Ohio AEPS, with those rules contained within Ohio Administrative Code (OAC) 4901:1-40.

4901:1-40-05(A), OAC:

> Unless otherwise ordered by the commission, each electric utility and electric services company shall file by April fifteenth of each year, on such forms as may be published by the commission, 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. Staff shall conduct annual compliance reviews with regard to the benchmarks under the alternative energy portfolio standard.

4901:1-40-05(C), OAC:

> Staff shall review each electric utility's or electric services company's alternative energy portfolio status report and any timely filed comments, and file its findings and recommendations and any proposed modifications thereto.

The findings and recommendations in this document pertain to the company's compliance status. This document does not address such matters as cost recovery or status relative to the statutory 3% cost provision.

II.   Company Filing Summarized

Energy.me midwest llc dba energy.me (Company) filed its AEPS compliance status report for the 2012 compliance year on April 5, 2013. In addition, the Company filed a motion for waiver seeking authorization to use its actual 2012 sales, rather than a projection of calendar year sales, as its compliance baseline for the 2012 compliance year.

In its filing, the Company indicated that it had no Ohio retail electric sales in 2009, 2010, or 2011. The Company further indicated that its actual sales for 2012 were 84 megawatt-hours (MWHs). Using a baseline of 84 MWHs and the statutory benchmarks for 2012, the Company calculated its compliance obligations to be the following:

- 0.05 solar MWHs
- 1.21 Non-solar MWHs

Rather than obtaining and retiring renewable energy credits, the Company has proposed to pay the alternative compliance payment to address its 2012 compliance obligations. The Company calculated a total payment due of $75.05.[1]

III.   Filed Comments

No persons filed comments in this proceeding.

IV.   Staff Findings

Following its review of the annual status report and any timely comments submitted in this proceeding, Staff makes the following findings:

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[1] $75.05 = (0.05 * $350) + (1.21 * $47.56)

(1)   That the Company is an electric services company with retail electric sales in the state of Ohio, and therefore the Company had an AEPS compliance obligation for 2012.

(2)   That the Company filed its AEPS compliance report on April 5, 2013.

(3)   That the Company proposed a baseline comprised of its actual 2012 sales. The use of such baseline was the subject of a waiver request that is currently pending before the Commission. The Staff filed a recommendation in this case in which it did not contest the waiver request.[2]

(4)   That the Company accurately calculated its 2012 compliance obligations, given its proposed baseline.

(5)   That the Company erroneously calculated the payment required based on its compliance deficiency. 4901:1-40-08, OAC, addresses compliance payments, and this rule requires that, in the event of a compliance payment, the amount of noncompliance should be rounded up to the next MWH. As a result, Staff calculates a payment due of $445.12.[3]

V.   Staff Recommendations

Following its review of the information submitted in this proceeding and other relevant data, Staff recommends the following:

(1)   That the Company be found to have not satisfied its 2012 AEPS compliance obligations.

(2)   That the Company should remit payment to the Commission in the amount of $445.12 consistent with the requirements in 4901:1-40-08(B), OAC.

        The payment should be directed to the PUCO's Fiscal Department, and made out to "Treasurer State of Ohio". A letter should also be attached to the check stating that it is a compliance payment required by Ohio Revised Code Section 4928.64 for deposit to the credit of the Advanced Energy Fund, under the control of the Ohio Department of Development and created under section 4928.61 of the

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[2] Staff Review and Recommendation filed on April 15, 2013

[3] $445.12 = (1* $350) + (2 * $47.56)

Revised Code. The letter should also cite the Commission case ordering the payment.

(3)   That the Company should submit an attestation in this docket consistent with the requirements in 4901:1-40-08(D), OAC.

(4)   That for future compliance years in which the Company is utilizing GATS to demonstrate its Ohio compliance efforts, the Company initiates the transfer of the appropriate RECs and S-RECs to its GATS reserve subaccount between March 1st and April 15th so as to precede the filing of their Ohio annual compliance status report with the Commission.

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Summary: Staff Review and Recommendation electronically filed by Mr. Stuart M Siegfried on behalf of PUCO Staff