

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of Champion Energy)
Services, LLC's Annual Alternative) Case No. 11-2799-EL-ACP
Energy Portfolio Status Report.)

FINDING AND ORDER

The Commission finds:

- (1) Champion Energy Services, LLC (Champion Energy) is an electric services company as defined in Section 4928.01(A)(9), Revised Code, and, as such, is subject to the jurisdiction of this Commission.
- (2) Section 4928.64(B), Revised Code, establishes benchmarks for electric services companies to acquire a portion of their electricity supply for retail customers in Ohio from renewable energy resources. Specifically, the statute requires that, for 2010, a portion of the electricity sold by means of retail electric sales in Ohio must come from alternative energy resources (overall renewable energy resources benchmark), half of which must be met with resources located within Ohio (in-state renewable energy resources benchmark), and including 0.010 percent from solar energy resources (overall solar energy resources (SER) benchmark), half of which must be met with resources located within Ohio (in-state SER benchmark).
- (3) Rule 4901:1-40-05(A), Ohio Administrative Code (O.A.C.), requires that, unless otherwise ordered by the Commission, each electric services company file by April 15 of each year an annual alternative energy portfolio status report. The report must analyze all activities the company undertook in the previous year in order to demonstrate how pertinent alternative energy portfolio benchmarks and planning requirements have been or will be met. Additionally, Commission Staff (Staff) must conduct an annual compliance review with regard to the benchmarks. Finally, Rule 4901:1-40-02(A), O.A.C., provides that electric services companies that do not serve Ohio retail electric customers are not

required to comply with the terms of the alternative energy portfolio benchmarks.

- (4) On May 2, 2011, Champion Energy filed its 2010 alternative energy portfolio status report, pursuant to Section 4928.64, Revised Code, and Rule 4901:1-40-05(A), O.A.C. In its report, Champion Energy states that it had no Ohio retail sales in 2007, 2008, or 2009, and, accordingly, proposes a baseline based on its projected Ohio retail sales in 2010. Using this baseline and the 2010 statutory benchmarks, Champion Energy reports that it met its overall renewable energy resources benchmark, its in-state renewable energy resources benchmark, its overall SER benchmark, and its in-state SER benchmark through the use of renewable energy credits (RECs) and solar RECs. Champion Energy also requested leave to file its report after the filing deadline.
- (5) On January 22, 2013, Staff filed findings and recommendations regarding Champion Energy's alternative energy portfolio status report. Initially, Staff finds that Champion Energy was required to comply with the terms of the alternative energy portfolio benchmarks for 2010, as it had retail electric sales in Ohio. Staff notes that Champion Energy's proposed baseline is reasonable.

Additionally, Staff states that it reviewed Champion Energy's Generation Attribute Tracking System (GATS) reserve subaccount data and confirms that, for 2010, Champion Energy satisfied its overall renewable energy resources benchmark, in-state renewable energy resources benchmark, overall SER benchmark, and in-state SER benchmark. Staff further indicates that it confirmed that the RECs and solar RECs originated from generating facilities certified by the Commission and were associated with electricity generated during the applicable timeframe. Staff notes that Champion Energy retired seven RECs and one solar REC in excess of its 2010 alternative energy compliance obligations.

Accordingly, Staff recommends that Champion Energy be found to be in compliance with its 2010 alternative energy compliance obligations. Staff further recommends that the seven RECs and one solar REC retired via Champion Energy's GATS reserve subaccount that exceeded the amount

necessary for compliance in 2010 be eligible to be applied against applicable future compliance obligations, provided that the timing does not conflict with Rule 4901:1-40-04(D)(3), O.A.C. Finally, Staff recommends that, for future compliance years in which Champion Energy utilizes GATS to demonstrate its Ohio compliance efforts, Champion Energy initiate the transfer of the appropriate RECs and solar RECs to its GATS reserve subaccount between March 1 and April 15 so as to precede the filing of its annual alternative energy portfolio status report with the Commission.

- (6) Upon review of Champion Energy's alternative energy portfolio status report and Staff's findings and recommendations, the Commission finds that Champion Energy's request for leave to file its status report past the filing deadline should be granted. Additionally, the Commission finds that Champion Energy is in compliance with its 2010 overall renewable energy resources benchmark, in-state renewable energy resources benchmark, overall SER benchmark, and in-state SER benchmark. Consequently, the Commission finds that Champion Energy's alternative energy portfolio status report for 2010 should be accepted.

The Commission further finds that, consistent with Staff's recommendation, the seven RECs and one solar REC retired via Champion Energy's GATS reserve subaccount that exceeded the amount necessary for compliance in 2010 may be applied against applicable future compliance obligations, provided that the timing does not conflict with Rule 4901:1-40-04(D)(3), O.A.C. Finally, with respect to future compliance years, the Commission directs Champion Energy to initiate the transfer of the appropriate RECs and solar RECs to its GATS reserve subaccount between March 1 and April 15, consistent with Staff's recommendation.

It is, therefore,

ORDERED, That Champion Energy's request for leave to file its alternative energy portfolio status report for 2010 out-of-time be granted. It is, further,


ORDERED, That Champion Energy's alternative energy portfolio status report for 2010 be accepted in accordance with finding (6). It is, further,


ORDERED, That a copy of this finding and order be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO


Todd A. Snitchler, Chairman

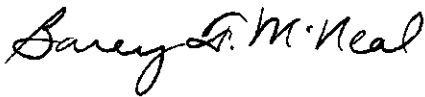

Steven D. Lesser


Lynn Slaby


M. Beth Trombold

SJP/sc

Entered in the Journal
JUN 05 2013



Barcy F. McNeal
Secretary