

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

**In the Matter of the Ohio Power)
Company's 2010 Annual Alternative)
Energy Portfolio Status Report)**

Case No. 11-2417-EL-ACP

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 **2010** are as follows:

- Renewable Energy Resources = **0.50%** (includes solar requirement)
- Solar Energy Resources = **0.01%**

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

The filing of Ohio Power Company (the Company) includes its annual alternative energy status report.

The Company proposed a baseline of 24,858,867 megawatt-hours (MWHs), which it indicated is the average of its Ohio standard service offer sales for the 2007, 2008, and 2009 calendar years. In subsequent discussions with Staff the Company revised its Ohio standard service offer sales numbers and has proposed an adjusted baseline of 24,859,041 based on more accurate sales data. Staff believes that that this revised amount more accurately reflects the correct sales numbers.

With its initial proposed baseline, the 2010 statutory benchmarks, a 2009 over-compliance of non-solar RECs and the addition of solar RECs rolled forward due to an adjustment granted in the Company's *force majeure* application, the Company computed its aggregate 2010 compliance obligations as follows:

- 1,708 Ohio Solar MWHs
- 1,709 Non-Ohio Solar MWHs
- 60,838 Ohio Non-Solar¹ Renewable MWHs
- 60,838 Non-Ohio Non-Solar Renewable MWHs

The Company asserted in its annual compliance status report filing that it fully satisfied its 2010 compliance obligations.

III. Filed Comments

No persons filed comments in this proceeding.

¹ Staff uses "non-solar" in this context to refer to the total renewable requirement net of the specific solar carve-out. Staff acknowledges that there is not a specific "non-solar" requirement in the applicable statute

IV. Staff Findings

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

- (1) That the Company is an electric distribution utility in Ohio with retail electric sales in the state of Ohio, and therefore the Company had an AEPS compliance obligation for 2010.
- (2) That the Company submitted its annual compliance status report for 2010 AEPS compliance activities on April 15, 2011.
- (3) That the Company's proposed baseline includes adjustments for economic development.
- (4) That the adjustments for economic development were approved in the 8/21/13 Opinion and Order in Case 10-487-EL-ACP.
- (5) That the Company's reserve subaccount data on the PJM EIS Generation Attribute Tracking System (GATS) showed the following for 2010:
 - 60,838 Ohio Non-solar RECs
 - 60,838 Non-Ohio Non-solar RECs
 - 3,417 Ohio S-RECs
 - 0 Non-Ohio S-RECs
- (6) That following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied based on the revised baseline, its total non-solar obligation, as well as the specific minimum in-state non-solar requirement for 2010. The specific RECs that the Company transferred to its GATS reserve subaccount were sourced from generating facilities certified by the Commission and were appropriately associated with electricity generated between August 1, 2008, and December 31, 2010.
- (7) That following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied, based on the revised baseline, its total solar obligation for 2010, as well as both the specific minimum in-state solar requirement and the 2009 shortfall that was rolled over into 2010 by a force majeure ruling². The specific S-RECs that the Company transferred to its GATS

² Case 09-987-EL-EEC; Entry dated January 7, 2010

reserve subaccount were sourced from generating facilities certified by the Commission and were appropriately associated with electricity generated between August 1, 2008, and December 31, 2010.

V. Staff Recommendations

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

- (1) That the Ohio Power Company be found to have satisfied its 2010 AEPS compliance obligations.
- (2) 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. Mark C Bellamy on behalf of PUCO Staff