BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Annual Alternative Energy Portfolio Status Report of Censtar Energy Corporation 14-0745-EL-ACP

APPLICATION FOR WAIVER OF ADMINISTRATIVE CODE 4901:1-40-03(B)(2)(b) REQUIREMENT

Pursuant to Ohio Administrative Code 4901:1-40-02(B), Censtar Energy Corporation ("Censtar") hereby respectfully requests a waiver of the requirement contained in Admin. Code 4901:1-40-3(B)(2)(b). Censtar requests that it be permitted to calculate its initial baseline for purposes of its 2013 Alternative Energy Portfolio Status Report by using its actual retail electric sales for 2013 instead of a reasonable projection. Censtar submits that good cause exists to grant this requested waiver. A Memorandum in Support of this Application for Waiver is attached hereto.

Respectfully submitted Margeaux Kimbrough (0085152) Andrew J. Sonderman (0008610) Kegler Brown Hill & Ritter Co., LPA Capitol Square, Suite 1800 65 East State Street Columbus, Ohio 43215 (614) 462-5400 (telephone) (614) 464-2634 (fax) mkimbrough@keglerbrown.com asonderman@keglerbrown.com Counsel for Censtar Energy Corporation

MEMORANDUM IN SUPPORT

As a competitive retail electric service provider and electric services company (as defined in Ohio Rev. Code 4928.01(A)(4) and 4928.01(A)(9), respectively) Censtar is required to file an annual alternative energy portfolio status report.¹ Pursuant to Admin. Code 4901:1-40-03-(B), any electric services company that has had no retail electric sales during the preceding three (3) calendar years is instructed to calculate its initial baseline using by using a reasonable projection of its retail electric sales for a full calendar year. Censtar did not begin operations until late 2013; thus, the company had no retail electric sales for the 2010, 2011, and 2012 calendar years.

Under Admin. Code 4901:1-40-02(B), "[t]he commission may, upon an application or a motion filed by a party, waive any requirement of this chapter, other than a requirement mandated by statute, for good cause shown." The requirement present in Admin. Code 4901:1-40-03(B)(2)(b) is not a requirement mandated by the corresponding Revised Code Section 4928.64. Accordingly, the Commission has discretion to waive the requirement to use a projected baseline and, instead, allow Censtar to calculate its initial baseline from its actual 2013 retail electric sales.

Good cause exists for the Commission to grant Censtar's application for waiver. Admin. Code 4901:1-40-03(B)(1) allows an electric services company to compute its initial baseline using an average of three (3) years *actual* sales data. Similarly, Rev. Code 4928.64(B) enumerates the same approach for calculation. For an electric services company with limited experience in the Ohio market, calculating the initial baseline by using actual sales for the 2013 calendar year is a more accurate and equitable approach than utilizing a projection. In the past, the Commission has granted such waivers of Admin. Code 4901:1-40-03(B)(2)(b) and allowed electric services companies to utilize actual sales data in lieu of projections when the company

¹ Admin. Code 4901:1-40-05(A).

had no sales for the preceding three (3) years. See *In the Matter of AEP Retail Energy's 2010 Annual Alternative Energy Portfolio Status Report*, Case No. 11-2453-EL-ACP, June 5, 2013 Finding and Order, Finding No. (7). Accordingly, good cause exists for granting Censtar's request.

For all of the foregoing reasons, Censtar Energy Corporation respectfully requests the Commission find good cause exists to waive the initial baseline projection requirement found in Admin. Code 4901:1-40-03(B)(2)(b) and allow Censtar to compute its initial baseline using its actual 2013 retail electric sales data.

Respectfully submitted,

Margeaux Kimbrough (0085152) Andrew J. Sonderman (0008610) Kegler Brown Hill & Ritter Co., LPA Capitol Square, Suite 1800 65 East State Street Columbus, Ohio 43215 (614) 462-5400 (telephone) (614) 464-2634 (fax) <u>mkimbrough@keglerbrown.com</u> <u>asonderman@keglerbrown.com</u> Counsel for Censtar Energy Corporation

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Summary: Application for Waiver of Admin. Code 4901:1-40-03(B)(2)(b) Requirement electronically filed by Ms. Margeaux Kimbrough on behalf of CENSTAR ENERGY CORPORATION