

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

**In the Matter of the Energy.me )  
Midwest, LLC dba Energy.me )  
Annual Alternative Energy Portfolio )  
Status Report for 2013 )**

**Case No. 14-0471-EL-ACP**

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Findings and Recommendations of the PUCO Staff

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**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 **2013** are as follows:

- Renewable Energy Resources = **2.00%** (includes solar requirement)
- Solar Energy Resources = **0.09%**

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 (Energy.me or Company) filed its AEPS compliance status report for the 2013 compliance year on March 24, 2014. Staff determined that the initial filing was not clear with respect to the Company's sales history and 2013 compliance obligation, thus Staff requested that the Company file a revised status report to clarify these items.

The Company filed its amended 2013 compliance status report on February 2, 2015. In its revised filing, the Company indicated that it had no Ohio retail electric sales during 2010-2011 and that the proposed baseline is 16.109 megawatt-hours (MWH) which was the Company's actual Ohio retail electric sales for 2012.<sup>1</sup> With its proposed baseline and the 2013 statutory benchmarks, the Company calculated its 2013 compliance obligations to be as follows:

**Table 1**

<b>Benchmark Category</b>	<b>Compliance Required <sup>2</sup> (MWH)</b>
Solar	0
Non-solar <sup>3</sup>	0

The Company indicated that it had obtained the necessary renewable energy credits (RECs) and solar RECs (S-RECs) to satisfy its 2013 compliance obligations.

## **III. Filed Comments**

No persons filed comments in this proceeding.

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<sup>1</sup> Company amended status report, p.2 of pdf

<sup>2</sup> Company amended status report, p.3 of pdf

<sup>3</sup> 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 Company's 2013 annual status report and the record of RECs and S-RECs retired in the Company's GATS reserve subaccount for compliance year 2013, Staff makes the following findings:

- (1) That the Company is a competitive retail electric services (CRES) provider in Ohio with retail electric sales in the state of Ohio, and therefore the Company had an AEPS obligation for 2013.
- (2) That the Company initially filed its 2013 AEPS status report on March 24, 2014. The Company subsequently filed a revised compliance status report on February 2, 2015.
- (3) That the Company's initial compliance status report contained inconsistent information with respect to its Ohio retail electric sales during 2012. The initial report indicated that the Company's 2012 retail sales number was 84 MWH while the Company's 2012 CRES annual report indicated that it had Ohio retail electric sales of 16.109 MWH.
- (4) That during subsequent communications with Company representatives, they confirmed that the Company had Ohio retail electric sales of 16.109 MWH in 2012. Energy.me filed its revised compliance status report to clarify this point.
- (5) That the amended baseline proposed by the Company is reasonable, and given the proposed baseline and the 2013 statutory benchmarks, the Company has accurately calculated its AEPS compliance obligations<sup>4</sup>.
- (6) That for Ohio compliance purposes, the Company has transferred RECs and S-RECs to its 2013 GATS reserve subaccount in the following quantities (1 REC = 1 MWH):

**Table 2**

REC category	Quantity
Ohio S-RECs	0
Other S-RECs	0
Ohio RECs	1
Other RECs	0

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<sup>4</sup> Solar obligation: 16.109 MWH \* 0.09% = 0.0145 MWH, which Staff rounds to 0 MWH

Non-solar obligation: 16.109 MWH \* 1.91% = 0.3076 MWH, which Staff rounds to 0 MWH

- (7) That following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its total solar obligation, as well as the specific minimum in-state solar requirement, for 2013.
- (8) That following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its total non-solar obligation, as well as the specific minimum in-state non-solar requirement, for 2013. Staff finds that the Company has retired one excess Ohio REC to apply towards its minimum in-state non-solar requirement, but has erroneously indicated in its amended report that it has obtained zero non-solar RECs.  
The 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, 2013.

## **V. Staff Recommendations**

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

- (1) That Energy.me is found to have satisfied its 2013 AEPS compliance obligations.
- (2) That the excess REC retirement detailed above in Finding 8 be applied towards a future compliance obligation of the Company, provided that the timing of such application does not conflict with Rule 4901:1-40-04(D)(3), OAC.
- (3) 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 1<sup>st</sup> and April 15<sup>th</sup> 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 Ms. Mahila Christopher  
on behalf of PUCO Staff