

**BEFORE**

**THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Annual Alternative	)	Case No. 15-0705-EL-ACP
Energy Portfolio Status Report of North	)	
American Power and Gas, LLC	)	
	)	
In the Matter of the Report of North	)	
American Power and Gas, LLC	)	
Concerning its Plan for Compliance	)	
with Advanced and Renewable Energy	)	
Benchmarks		

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**NORTH AMERICAN POWER AND GAS, LLC  
ANNUAL ALTERNATIVE ENERGY PORTFOLIO STATUS REPORT  
AND  
PLAN FOR COMPLIANCE WITH ADVANCED AND  
RENEWABLE ENERGY BENCHMARKS**

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**I. INTRODUCTION**

North American Power and Gas, LLC (“North American”) is a competitive retail electric service (“CRES”) provider, as defined in Ohio Revised Code (O.R.C.) § 495.28.01(A)(4), and an electric service company, as defined in O.R.C. § 4928.01(A)(9), having been issued Certificate No. 11-410(E)(2) by the Public Utilities Commission of Ohio (“Commission”). North American provides electric supply to residential, commercial, mercantile and industrial consumers throughout the state of Ohio.

Pursuant to O.R.C. § 4928.64 and Ohio Administrative Code (O.A.C.) Rule 4901:1-40-05, all Ohio electric service companies are required to file, by April 15<sup>th</sup> of each year, an annual alternative energy portfolio status report. In this report, electric service companies are required to analyze “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.”<sup>1</sup> To meet these requirements for 2014, North American submits the following report which (a) identifies its 2014 baseline; and (b) identifies its 2014 renewable energy and solar energy benchmarks and demonstrates compliance with those benchmarks. Finally, North American submits its plan for compliance with future annual advanced and renewable energy benchmarks, as required by O.A.C. Rule 4901:1-40-03(C).

## **II. ANNUAL ALTERNATIVE ENERGY PORTFOLIO STATUS REPORT**

For calendar year 2014, Rev. Code §4928.64(B)(2) and Admin. Code 4901:1-40-03(A)(2) require electric service companies to demonstrate that 2.5% of the retail electricity sold was derived from renewable energy resources. Additionally, 0.12% of the electricity sold by electric service companies must have been generated by solar energy resources, which portion may also be counted toward the renewable energy resources target. The level of these benchmark requirements is determined by first establishing a baseline number of kilowatt hours and then applying the benchmark percentages to that baseline.

If an electric service company has not been continuously supply Ohio retail electric customers during the preceding three (3) calendar years, the baseline may be computed as an average of annual sales data for all calendar years during the preceding three years in which the electric services company has been selling electricity in Ohio. Admin. Code 4901:1-40-03(B)(2)(a).

### **A. Baseline Determination**

North American commenced sales in Ohio in 2012. Hence, its baseline for 2014 is established pursuant to O.A.C. Rule 4901:1-40-03 (B) (2) (a):

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<sup>1</sup> O.A.C. Rule 4901:1-40-05(A).

(a) if an electric services company has not been continuously supplying Ohio retail electric customers during the preceding three calendar years, the baseline shall be computed as an average of annual sales data for all calendar years during the preceding three years in which the electric service company was serving retail customers.

North American's sales were 29,395 MWh for 2012 and 76,723 MWh for 2013. Accordingly, North American's baseline for 2014 is the average of sales for those two years: 53,059 MWh.

#### **B. 2014 Renewable Energy and Solar Energy Benchmarks and Compliance**

The Renewable Solar and Non-Solar Benchmark were calculated based on the 2014 baseline multiplied against the percentage benchmarks set forth in Ohio Rev. Code § 4928.64 and Ohio Admin. Code 4901:1-40-03. North American's 2014 benchmark compliance is provided in Table 1, below:

<b>Types</b>	<b>No. of REC's required (a)</b>	<b>No. of REC's obtained (b)</b>	<b>Registry (ISO) (c)</b>
Solar	64	64	PJM GATS
Non-Solar	1263	1263	PJM GATS
Total	1327	1327	PJM GATS

### **III. PLAN FOR COMPLIANCE WITH FUTURE ANNUAL ADVANCED AND RENEWABLE ENERGY BENCHMARKS**

#### **A. Baseline for Future Years**

O.A.C. Rule 4901:1-40-03(C) requires each electric services company to file an annual plan for compliance with future annual advanced and renewable energy benchmarks, including solar, utilizing at least a ten-year planning horizon. Such plan must at a minimum include: (i) a baseline for current and future calendar years; (ii) a supply portfolio projection, including both generation fleet and power purchases; (iii) a description of the methodology used by the company to evaluate its compliance options; and (iv) a discussion of perceived impediments to achieving

compliance with required benchmarks, as well as suggestions for addressing any such impediments.

North American respectfully submits a redacted version of Table 2, below—its projected baselines for 2015 through 2024:

Table 2

<u>Year</u>	<u>Baseline</u>	<u>Solar RECs</u>	<u>Non-Solar RECs</u>	<u>Total RECs</u>
2015	REDACTED	REDACTED	REDACTED	REDACTED
2016	REDACTED	REDACTED	REDACTED	REDACTED
2017	REDACTED	REDACTED	REDACTED	REDACTED
2018	REDACTED	REDACTED	REDACTED	REDACTED
2019	REDACTED	REDACTED	REDACTED	REDACTED
2020	REDACTED	REDACTED	REDACTED	REDACTED
2021	REDACTED	REDACTED	REDACTED	REDACTED
2022	REDACTED	REDACTED	REDACTED	REDACTED
2023	REDACTED	REDACTED	REDACTED	REDACTED
2024	REDACTED	REDACTED	REDACTED	REDACTED

An unredacted version of Table 2 will be submitted under seal along with a Motion for Protective Order.

**B. Supply Portfolio Projection, Including both Generation Fleet and Power Purchases**

North American neither owns nor has plans to construct or purchase electric generation assets. It is North American's plan to continue to supply power to its customers by purchasing power through market brokers, RFPs and third party contracts in some combination.

### **C. Description of Methodology Used to Evaluate Compliance Options**

North American generally utilizes REC broker markets for procurement options and will continue to use REC broker markets to evaluate compliance options. North American maintains such RECs and SRECs in its GATS reserve subaccount and retires them as appropriate.

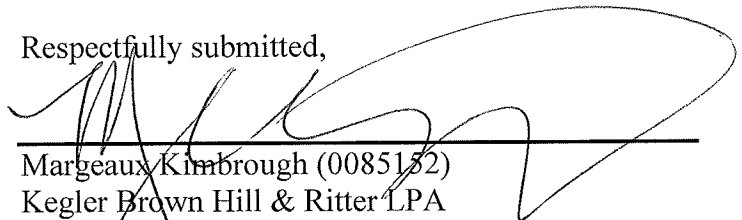
### **D. Uncertainties Regarding Achievement of Benchmarks**

North American has no comments at this time.

## **IV. CONCLUSION**

Based on the matters discussed herein and the Tables submitted herewith, North American Power and Gas, LLC respectfully requests that this Commission find that it has satisfied its compliance obligations with respect to the 2014 Renewable Energy and Solar Renewable Energy benchmarks applicable thereto.

Respectfully submitted,



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Summary: Report Annual Alternative Energy Portfolio Status Report and Plan for Compliance electronically filed by Ms. Margeaux Kimbrough on behalf of North American Power and Gas, LLC