

Annual Alternative Energy Portfolio Status Report - Calendar Year 2014

In the Matter of the Alternative Energy
Portfolio Status Report of Santanna
Natural Gas Corporation d.b.a Santanna Energy
Services

Case No. 15-0710-EL-ACP

I. Introduction

Santanna Natural Gas Corporation d.b.a Santanna Energy Services ("Santanna"), a Competitive Retail Electric Service ("CRES") provider is an electric services company as defined in Section 4928.01(A)(9), Ohio Revised Code, and is subject to Rule 4901:1-40-05(A)(1), Ohio Administrative code ("OAC"), which requires electric service companies to submit an Annual Alternative Energy Portfolio Status Report detailing their compliance with the advanced and renewable energy benchmarks specified in Section 4928.64(B), Revised Codes, and Rule 4901:1-40-03(A), OAC for the preceding calendar year. Santanna hereby submits its alternative energy portfolio status for calendar year 2014.

II. Determination of Retail Sales in Calendar Year 2014

- ☒ During calendar year 2014, the CRES states that it conducted retail sales of generation to customers who utilized the generation in a load center located within the state of Ohio.
- ☐ During calendar year 2014, the CRES states that it did not conduct retail sales of generation to customers who utilized the generation in a load center located within the state of Ohio.

III. 2014 Benchmarks

Section 4928.64(B)(2), Ohio Revised Code and Rule 4901:1-40-03(A), OAC, specifies that electric services companies are required to supply 2.5% of the electricity delivered to their Ohio customers from renewable energy resources, with 0.12% of the total 2.5% requirement delivered from solar energy resources. The 2014 benchmarks are as follows:

| Renewable Type | Requirement |
|--------------------------|-------------|
| Solar Renewables | 0.12% |
| Other Renewables | 2.38% |
| Total Requirement | 2.5% |

IV. 2014 Baseline and Compliance Status

Ordinarily, an electric service company's baseline is to be computed by averaging the total number of kilowatt-hours sold during the three preceding calendar years. As previously reported to the commission in our 2012 Alternative Energy Portfolio Status Report, Santanna began serving customers in Ohio in November of 2012. As a result, three full years of historical retail load to calculate the 2014 baseline does not exist. Santanna will use its 2013 and 2014 actual retail sales for calendar year 2014 as its baseline per Section 4901:1-40-03(B) of the OAC, **Exhibit B**. Santanna's 2013 sales were 7,074 MWh, and 2014 sales were 11,283 MWh.

| Renewable Type | Baseline MWh | Requirement | MWh Benchmark |
|------------------|--------------|-------------|---------------|
| Solar Renewables | 9,179 | 0.12% | 11 |
| Other Renewables | 9,179 | 2.38% | 218 |

In accordance with Rule 4901:1-40-08(A), OAC, the renewables and compliance payment applicable to Santanna shall be rounded up to the next MWh. As a result, the applicable 2014 MWh benchmark in the table above has been rounded to a total of 11 MWh for Solar and 218 MWh for Other Renewables. Pursuant to Section 4928.65, Ohio Revised Code, electric service companies may meet their renewable energy benchmarks through the use of renewable energy credits ("RECs") and solar renewable energy credits ("SRECs"). Santanna has successfully met its renewable energy benchmarks for 2014 using RECs and SRECs. To demonstrate compliance, Santanna is submitting **Exhibit A**, PJM GATS System data, and **Exhibit B**, the 2014 Compliance Summary Sheet.

V. Baseline for Future Calendar Years

When filing for calendar year 2015 and into the future, Santanna will defer to the general baseline computation methodology by using the average of its actual retail sales from the three preceding years.

VI. Ten Year Forecast

In accordance with Rule 4901:1-40-03(C), Santanna hereby provides a projection for the next 10 years for RECs and SRECs.

| Year | Solar RECs | Non-Solar RECs | Total |
|------|------------|----------------|-------|
| 2015 | 11 | 237 | 248 |
| 2016 | 13 | 306 | 319 |
| 2017 | 16 | 374 | 390 |
| 2018 | 19 | 442 | 461 |
| 2019 | 22 | 510 | 532 |
| 2020 | 25 | 578 | 603 |
| 2021 | 27 | 646 | 673 |
| 2022 | 30 | 714 | 744 |
| 2023 | 33 | 781 | 814 |
| 2024 | 36 | 849 | 885 |
| 2025 | 38 | 917 | 956 |

VII. Supply Portfolio Projection, Including both generation Fleet and Power Purchases

Santanna does not intend to construct or purchase any electric generation facilities. Therefore, Santanna will continue to supply power to its customers by purchasing power through the wholesale market.

Premium Service and Competitive Prices

VIII. Description of Methodology Used to Evaluate Compliance Options

Santanna does not own or anticipate ownership of any electric generation facilities in the future. As a result, Santanna's future renewable energy source compliance strategy is to purchase the required RECs and SRECs through market brokers.

IX. Perceived Impediments to Achieving Compliance with Required Benchmarks

Santanna does not have any comments at this time.

X. Conclusion

Santanna respectfully requests that the Commission find that Santanna has complied with the applicable renewable energy resource benchmarks for 2014 and its associated reporting requirements.

I, Gregory F. Rabaey, am a duly authorized representative and officer of Santanna Natural Gas Corporation d.b.a Santanna Energy Services, and state to the best of my knowledge and ability, all the information contained in the foregoing Annual Alternative Energy Portfolio Status Report for Calendar Year 2014, including any exhibits, are true, accurate and complete.

X


Gregory F. Rabaey

Vice President and Chief Operating Office

EXHIBIT A

| PJM GATS Data | | | | | | | | |
|---|-----------|----------------------------|----------|----------------------------|-------|-----------|-----|------------|
| Santanna Natural Gas dba Santanna Energy Services | | | | | | | | |
| Month/ Yea State | Fuel Type | Certificate Serial Numbers | Quantity | State Certification Number | Solar | Renewable | RPS | RPS Period |
| Jan-14 OH | SUN | 1043372 - 1 to 1 | 1 | 13-SPV-OH-GATS-0173 | Yes | | Yes | 2014 |
| Apr-14 KY | BLQ | 999032 - 2818 to 2823 | 6 | 10-BIO-KY-GATS-0072 | | Yes | Yes | 2014 |
| Apr-14 PA | SUN | 1008793 - 1 to 1 | 1 | 10-SPV-PA-GATS-0394 | Yes | | Yes | 2014 |
| May-14 PA | SUN | 1027138 - 1 to 2 | 2 | 10-SPV-PA-GATS-0394 | Yes | | Yes | 2014 |
| Mar-14 PA | SUN | 1007428 - 1 to 1 | 1 | 10-SPV-PA-GATS-0394 | Yes | | Yes | 2014 |
| Jan-14 PA | SUN | 902161 - 1 to 2 | 2 | 11-SPV-PA-GATS-1330 | Yes | | Yes | 2014 |
| Aug-14 OH | SUN | 1144360 - 1 to 1 | 1 | 12-SPV-OH-GATS-0289 | Yes | | Yes | 2014 |
| Jan-14 OH | SUN | 904345 - 1 to 1 | 1 | 12-SPV-OH-GATS-1303 | Yes | | Yes | 2014 |
| Sep-14 OH | SUN | 1179431 - 1 to 4 | 4 | 13-SPV-OH-GATS-0125 | Yes | | Yes | 2014 |
| Mar-14 PA | SUN | 943040 - 381 to 381 | 1 | 13-SPV-PA-GATS-0681 | Yes | | Yes | 2014 |
| Feb-14 KY | BLQ | 932117 - 8642 to 8748 | 107 | 10-BIO-KY-GATS-0072 | | Yes | Yes | 2014 |
| Apr-14 KY | BLQ | 999032 - 2732 to 2817 | 86 | 10-BIO-KY-GATS-0072 | | Yes | Yes | 2014 |
| Jun-14 OH | WDS | 1057966 - 1 to 16 | 16 | 11-BIO-OH-GATS-0187 | | Yes | Yes | 2014 |
| Oct-14 OH | WDS | 1211175 - 1 to 20 | 20 | 11-BIO-OH-GATS-0187 | | Yes | Yes | 2014 |
| Feb-14 PA | WAT | 923503 - 1180 to 1199 | 20 | 13-HYD-PA-GATS-0402 | | Yes | Yes | 2014 |
| Oct-14 OH | WH | 1263195 - 1 to 6 | 6 | 14-WER-OH-GATS-0612 | | Yes | Yes | 2014 |

EXHIBIT B

Compliance Plan Status Report for Compliance Year 2014 Summary Sheet

| | Sales Unadjusted (MWHs) | Proposed Adjustments (MWHs) | Sales Adjusted (MWHs) | Source of Sales Volume Data | |
|------|----------------------------|--------------------------------|--------------------------|--------------------------------|-----|
| 2011 | | 0 | 0 | | (A) |
| 2012 | 7,074 | 0 | 7,074 | | (B) |
| 2013 | 11,283 | 0 | 11,283 | | (C) |

Baseline for 2014 Compliance Obligation (MWHs)

9,179

(D) = AvgABC

(Note: If using 2014 sales as your baseline, insert that figure in cell I14 and indicate in box to right if 2014 sales are adjusted or **i.e., Not Adjusted**)

| | | | | |
|-------|--|-------------|--|-----------------|
| 2.50% | 2014 Statutory Compliance Obligation | | | |
| | 2014 Non-Solar Renewable Benchmark | 2.38% | | (E) |
| | 2014 Solar Renewable Benchmark | 0.12% | | (F) |
| | Per ORC, 4928.64(B)(2) | | | |
| | 2014 Compliance Obligation | | | |
| | Non-Solar RECs Needed for Compliance | 218 | | (G) = (D) * (E) |
| | Solar RECs Needed for Compliance | 11 | | (H) = (D) * (F) |
| | Carry-Over from Previous Year(s), if applicable | | | |
| | Non-Solar (RECs) | 0 | | (I) |
| | Solar (S-RECs) | 0 | | (J) |
| | Total 2014 Compliance Obligations | | | |
| | Non-Solar RECs Needed for Compliance | 218 | | (K) = (G) + (I) |
| | Solar RECs Needed for Compliance | 11 | | (L) = (H) + (J) |
| | 2014 Performance (Per GATS or MRETS Data) | | | |
| | Non-Solar (RECs) | 261 | | (M) |
| | Solar (S-RECs) | 14 | | (N) |
| | Under Compliance in 2014, if applicable | | | |
| | Non-Solar (RECs) | -43 | | (O) = (K) - (M) |
| | Solar (S-RECs) | -3 | | (P) = (L) - (N) |
| | 2014 Alternative Compliance Payments | | | |
| | Non-Solar, per REC (Refer to Case 14-0746-EL-ACP) | \$49.22 | | (Q) |
| | Solar, per S-REC - per 4928.64(C)(2)(a) | \$300.00 | | (R) |
| | 2014 Payments, if applicable | | | |
| | Non-Solar Total | -\$2,116.46 | | (S) = (O) * (Q) |
| | Solar Total | -\$900.00 | | (T) = (P) * (R) |
| | TOTAL | -\$3,016.46 | | (U) = (S) + (T) |

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Summary: Annual Report electronically filed by Mrs. Manivone B Vorabouth on behalf of Santanna Natural Gas Corporation dba Santanna Energy Services and Mrs. Manivone Bae Vorabouth