

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

**In the Matter of the Champion Energy     )  
Services, LLC Annual Renewable         )  
Portfolio Standard Status Report for 2014   )**

**Case No. 15-0750-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 renewable portfolio standard (RPS) applicable to electric distribution utilities and electric service companies. The RPS is addressed principally in section 4928.64, 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 **2014** are as follows:

- Renewable Energy Resources = **2.50%** (includes solar requirement)
- Solar Energy Resources = **0.12%**

The PUCO further developed rules to implement the Ohio RPS, 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**

Champion Energy Services, LLC (Champion or Company) filed its RPS compliance status report for the 2014 compliance year on April 15, 2015. In its compliance filing, Champion proposed a baseline of 2,030,423 megawatt-hours (MWHs) which it indicated was its actual Ohio retail electric sales for 2014. Applying the statutory benchmarks to its proposed baseline, Champion calculated its 2014 compliance obligations to be as follows:

- 2,437 Solar MWHs
- 48,324 Non-Solar MWHs

Champion asserted that it had a carry-over balance of 16,611 renewable energy credits (RECs) and 619 solar RECs (S-RECs) due to over-compliance in the 2011 and 2012 compliance years. The Company proposes to apply these previous excesses against its 2014 compliance obligations. Further, the Company indicated that it had obtained and retired the necessary RECs and S-RECs to satisfy its remaining 2014 compliance obligations.

## **III. Filed Comments**

No persons filed comments in this proceeding.

## **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 Champion was an electric services company in Ohio<sup>1</sup> with retail electric sales in the state of Ohio during 2014, and therefore the Company had an RPS obligation for 2014.

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<sup>1</sup> Champion Energy Services is certified to provide power marketer services in Ohio; Case No. 09-0766-EL-CRS

- (2) That the baseline proposed by Champion is reasonable. The Company used its compliance year sales to determine its baseline, which is an option available to companies beginning with the 2014 compliance year pursuant to 4928.643(B), ORC. Given the proposed baseline and the 2014 statutory benchmarks, Champion accurately calculated its RPS compliance obligations.
- (3) That the Company had over-complied in 2011 and 2012, with the excesses totaling 16,611 RECs and 619 S-RECs.<sup>2</sup> The Company's 2014 compliance obligations are reduced to 31,713 RECs<sup>3</sup> and 1,818 S-RECs<sup>4</sup> when the excesses from prior years are applied. The application of the excess amounts in such a manner is consistent with the Commission decision in Case 13-1017-EL-ACP.<sup>5</sup>
- (4) That the Company has transferred 31,713 RECs and 1,818 S-RECs to its PJM EIS Generation Attribute Tracking System (GATS) reserve subaccount for 2014 Ohio compliance purposes. These retirements fully address the Company's adjusted 2014 obligations, as detailed in Finding 3.
- (5) That following a review of the Company's reserve subaccount data on GATS, Staff confirmed that Champion satisfied its non-solar<sup>6</sup> obligation for 2014. 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, 2014.
- (6) That following a review of the Company's reserve subaccount data on GATS, Staff confirmed that Champion satisfied its solar obligation for 2014. The S-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, 2014.

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<sup>2</sup> Case 13-1017-EL-ACP; Staff Findings and Recommendation, p. 4

<sup>3</sup> 48,324 RECs – 16,611 RECs = 31,713 RECs

<sup>4</sup> 2,437 S-RECs – 619 S-RECs = 1,818 S-RECs

<sup>5</sup> Case 13-1017-EL-ACP; Finding and Order, p. 5

<sup>6</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.

## **V. Staff Recommendations**

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

- (1) That Champion is found to have satisfied its 2014 RPS 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 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 Mr. Stuart M Siegfried on behalf of PUCO Staff