

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Star Energy)	
Partners, 2015 Renewable Portfolio)	Case No. 16-0800-EL-ACP
Standard Status Report)	

Staff Findings and Recommendations

I. Statutory Background

Amended Substitute Senate Bill 221, of the 127th General Assembly (2008 Ohio Laws S221, effective 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 Ohio Revised Code (R.C.) 4928.64, with relevant resource definitions also contained within R.C. 4928.01(A).

According to R.C. 4928.64(B)(2), the compliance obligations for **2015** are as follows:

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

The Public Utilities Commission of Ohio (PUCO or Commission) further developed rules to implement the Ohio RPS, contained within Ohio Administrative Code (Ohio Adm.Code) 4901:1-40.

Ohio Adm.Code 4901:1-40-05(A), states:

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.

Ohio Adm.Code 4901:1-40-05(C), states:

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

Star Energy Partners (Star Energy or Company) filed its RPS compliance status report for the 2015 compliance year on April 14, 2016. In its compliance filing, Star Energy indicated it did not have any Ohio retail electric sales during 2012. Therefore, the Company proposed a baseline of 42,472 megawatt-hours (MWHs) which it indicated was an average of its annual Ohio retail electric sales for 2013 and 2014. Applying the statutory benchmarks to its proposed baseline, Star Energy calculated its 2015 compliance obligations to be as follows:

- 51 Solar MWHs
- 1,011 Non-Solar MWHs

The Company indicated that it had obtained the necessary renewable energy credits (RECs) and solar RECs (S-RECs) to satisfy its 2015 compliance obligations. The Company further indicated that it had transferred the necessary RECs and S-RECs to its PJM EIS Generation Attributes Tracking System (GATS) reserve subaccount for Ohio compliance purposes.

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) Star Energy is an electric services company in Ohio with retail electric sales in the state of Ohio during 2015, and therefore the Company had an RPS obligation for 2015.¹

¹ Star Energy Partners, LLC was certified to provide retail generation, aggregation, and power marketer services in 2015 in Ohio; see PUCO Case No. 12-2983-EL-CRS

- (2) The baseline proposed by Star Energy has been calculated inaccurately as 42,472 MWHs. In what appears to be a typographical error, the Company reported its 2013 sales in this proceeding as 19.435 MWHs. However, in its 2013 CRES annual report and past ACP case filings, the Company has reported its 2013 sales as 19,435 MWHs.^{2,3} Using an average of its annual Ohio retail electric sale for 2013, as corrected by Staff, and 2014, Staff finds the Company's baseline to be 52,180 MWHs.⁴
- (3) Applying the statutory benchmarks to Star Energy's corrected baseline, Staff calculated the Company's 2015 compliance obligations to be as follows:
- 63 Solar MWHs
 - 1,242 Non-Solar MWHs
- (4) The Company has transferred 4,520 RECs and 228 S-RECs to its GATS reserve subaccount for 2015 Ohio compliance purposes.
- (5) Following a review of the Company's reserve subaccount data on GATS, Staff found that the Company satisfied its non-solar⁵ obligation for 2015. 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, 2015.
- (6) Following a review of the Company's reserve subaccount data on GATS, Staff found that the Company satisfied its solar obligation for 2015. 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, 2015.

² See PUCO Case No. 15-0782-EL-ACP.

³ See PUCO Case No. 15-0738-EL-ACP.

⁴ The Company reported zero Ohio retail electric sales for 2012.

⁵ 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.

- (7) Given the Company's 2015 compliance obligations as corrected by Staff and the Company's 2015 retirements, the Company retired an excess of 3,278 RECs and 165 S-RECs.

V. Staff Recommendations

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

- (1) Star Energy is found to have satisfied its 2015 RPS compliance obligations.
- (2) Because Star Energy retired more RECs and S-RECs than was necessary to satisfy its 2015 RPS compliance obligations, Staff recommends that the excess detailed above in Finding 7 be eligible to be applied administratively to a future compliance obligation provided such application is consistent with 4901:1-40-04(D)(3), Ohio Adm.Code.
- (2) 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 1st and April 15th 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 Adam Bargar on behalf of PUCO Staff.