THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE RENEWABLE PORTFOLIO STANDARD COMPLIANCE STATUS REPORT FOR 2014 OF DIRECT ENERGY SERVICES, LLC.

CASE NO. 15-729-EL-ACP

IN THE MATTER OF THE RENEWABLE PORTFOLIO STANDARD COMPLIANCE STATUS REPORT FOR 2015 OF DIRECT ENERGY SERVICES, LLC.

CASE NO. 16-763-EL-ACP

FINDING AND ORDER

Entered in the Journal on January 25, 2017

I. SUMMARY

{¶ 1} The Commission approves the 2014 and 2015 renewable portfolio standard compliance status reports of Direct Energy Services, Inc.

II. DISCUSSION

'A. Applicable Law

- $\{\P\ 2\}$ Direct Energy Services, Inc. (DES) is an electric services company as defined in R.C. 4928.01(A)(9) and, as such, is subject to the jurisdiction of this Commission.
- {¶ 3} R.C. 4928.64(B)(2) establishes benchmarks for electric services companies to acquire a portion of their electricity supply for retail customers in Ohio from renewable energy resources. R.C. 4928.645 provides that an electric utility or electric services company may use renewable energy credits (RECs) and solar energy credits (SRECs) to meet its respective renewable energy and solar benchmarks. Ohio Adm.Code 4901:1-40-01(BB) defines a REC as the environmental attributes associated with one megawatt hour (MWH) of electricity generated by a renewable energy resource, except for electricity generated by facilities as described in Ohio Adm.Code 4901:1-40-04(E).
- {¶ 4} Ohio Adm.Code 4901:1-40-05(A) requires each electric services company to annually file by April 15 a renewable portfolio standard compliance status report (RPS

report), unless otherwise ordered by the Commission. The RPS report must analyze all activities the company undertook in the previous year in order to demonstrate how pertinent alternative energy portfolio benchmarks have been met. Staff then conducts an annual compliance review of the company's filing and the records of the applicable attribute tracking system to ensure that RECs were sourced from generating facilities certified by the Commission and were appropriately associated with electricity generated for the compliance period.

B. Procedural History

- {¶ 5} On April 15, 2015, DES filed its 2014 RPS report, proposing to use a compliance baseline of 350,091 MWH, which it indicated was an average of its actual Ohio retail electric sales for 2011, 2012, and 2013. DES reported that it satisfied its 2014 compliance obligations.
- {¶ 6} On April 12, 2016, DES filed its 2015 RPS report, proposing to use a compliance baseline of 537,934 MWH, which it indicated was an average of its actual Ohio retail electric sales for 2012, 2013, and 2014. DES reported that it satisfied its 2015 compliance obligations.
- {¶ 7} On August 1, 2016 Staff filed a report of its Review and Recommendations for DES's 2014 and 2015 RPS reports. Staff reports that DES is an electric services company in the state of Ohio and, therefore, had an RPS obligation for 2014 and 2015. Staff reviewed DES's attribute tracking system record to verify compliance, and determined that DES satisfied its 2014 and 2015 compliance obligations. Further, Staff recommends that, for future compliance years, DES initiate the transfer of the appropriate RECs and SRECs to its attribute tracking system reserve subaccount between March 1 and April 15 so as to precede the filing of its annual RPS report with the Commission.

C. Conclusion

{¶ 8} Upon review of DES's 2014 and 2015 RPS reports, and the records of these proceedings, we adopt Staff's recommendations. We find that DES's 2014 and 2015 proposed compliance baselines are reasonable, and that DES has met its 2014 and 2015 compliance

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obligations. Finally, DES is directed to comply with Staff's recommendations for future compliance years.

III. ORDER

 $\{\P 9\}$ It is, therefore,

{¶ 10} ORDERED, That DES's 2014 and 2015 RPS reports are accepted as filed, as DES has met its RPS compliance obligations for 2014 and 2015. It is, further,

{¶ 11} ORDERED, That DES complies with Staff's recommendations adopted herein. It is, further,

{¶ 12} ORDERED, That a copy of this Finding and Order be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

Asim Z. Haque, Chairman

Lynn Slaby

Thomas W. Johnson

JML/sc

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JAN 2 5 2017

Barcy F. McNeal

Secretary