# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Reliant Energy	)	
Northeast, LLC 2014 Renewable Portfolio	)	Case No. 15-0739-EL-ACP
Standard Status Report	)	
In the Matter of the Reliant Energy	)	
Northeast, LLC 2015 Renewable Portfolio	)	Case No. 16-0780-EL-ACP
Standard Status Report	)	

## Staff Findings and Recommendations

## I. Statutory Background

Amended Substitute Senate Bill 221, of the 127<sup>th</sup> 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 2014 and 2015 are as follows:

Compliance Year	Renewable Resources (including solar)	Solar Resources
2014	2.5%	0.12%
2015	2.5%	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 Filings Summarized

#### 2014

Reliant Energy Northeast, LLC (Reliant or Company) filed its RPS compliance status report for the 2014 compliance year on April 15, 2015. In its compliance filing, Reliant proposed a baseline of 310,885 megawatt-hours (MWHs) which it characterized as its actual annual sales for 2014. Applying the statutory benchmarks to its proposed baseline, Reliant calculated its 2014 compliance obligations to be as follows:

- 373 Solar MWHs
- 7,399 Non-Solar MWHs

The Company indicated that it had obtained the necessary renewable energy credits (RECs) and solar RECs (S-RECs) to satisfy its 2014 compliance obligations. The Company further indicated that it had retired RECs and S-RECs via its PJM EIS Generation Attribute Tracking System (GATS) reserve subaccount and Midwest Renewable Energy Tracking System (M-RETS) account for Ohio compliance purposes.

### **2015**

Reliant filed its RPS compliance status report for the 2015 compliance year on April 12, 2016. The Company subsequently filed a revised compliance status report on February 13, 2017. In its revised compliance filing, Reliant proposed a baseline of 258,729 MWHs which it characterized as its actual sales for 2015. Applying the statutory benchmarks to its proposed baseline, Reliant calculated its 2015 compliance obligations to be as follows:

- 310 Solar MWHs
- 6,158 Non-Solar MWHs

The Company indicated that it had obtained the necessary RECs and S-RECs to satisfy its 2015 compliance obligations. The Company further indicated that it had transferred RECs and S-RECs to its GATS reserve subaccount for Ohio compliance purposes.

#### III. Filed Comments

No persons filed comments in these proceedings.

## IV. Staff Findings

Following its review of the annual status reports and any timely comments submitted in these proceedings, Staff makes the following findings:

- (1) Reliant was an electric services company in Ohio with retail electric sales in the state of Ohio during 2014 and 2015, and therefore the Company had an RPS obligation for 2014 and 2015.<sup>1</sup>
- (2) The baselines proposed by Reliant are reasonable, and given the proposed baselines and the statutory benchmarks, Reliant accurately calculated its 2014 and 2015 RPS compliance obligations.
- (3) The Company transferred 4,899 RECs and 373 S-RECs to its GATS reserve subaccount for 2014 Ohio compliance purposes. In addition, the Company retired 2,500 RECs via M-RETS. These RECs and S-RECs were all sourced from renewable facilities certified by the Commission. These retirements were sufficient to address the Company's 2014 compliance obligation.
- (4) The Company transferred 6,158 RECs and 310 S-RECs to its GATS reserve subaccount for 2015 Ohio compliance purposes. These RECs and S-RECs were all sourced from renewable facilities certified by the Commission. These retirements were sufficient to address the Company's 2015 compliance obligation.

<sup>&</sup>lt;sup>1</sup> Reliant was certified to provide power marketer services in Ohio during 2014 and 2015; see PUCO Case No. 11-5191-EL-CRS.

## V. Staff Recommendations

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

- (1) Reliant is found to have satisfied its 2014 and 2015 RPS compliance obligations.
- (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 for the 2014 and 2015 RPS Compliance Years electronically filed by Mr. Stuart M Siegfried on behalf of PUCO Staff