

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the MidAmerican	)	
Energy Company 2015 Renewable	)	Case No. 16-0538-EL-ACP
Portfolio Standard Status Report	)	

In the Matter of the MidAmerican	)	
Energy Company 2016 Renewable	)	Case No. 17-0922-EL-ACP
Portfolio Standard Status Report	)	

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**Staff Findings and Recommendations**

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**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 **2015** and **2016** 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 Filings Summarized**

### **2015**

MidAmerican Energy Company (MEC or Company) filed its RPS compliance status report for the 2015 compliance year on March 10, 2016. In its compliance filing, MEC proposed a baseline of 458,807 megawatt-hours (MWHs) which it indicated was an average of its actual retail electric sales for 2012, 2013, and 2014. Applying the statutory benchmarks to its proposed baseline, MEC calculated its 2015 compliance obligations to be as follows:

- 551 Solar MWHs
- 10,920 Non-Solar MWHs

The Company indicated that it had obtained the necessary renewable energy credits (RECs) and solar RECs (S-RECs), combined with the application of previous over-retirements, to satisfy its 2015 compliance obligations.<sup>1</sup> The Company further indicated that it had transferred RECs and S-RECs to its PJM EIS Generation Attributes Tracking System (GATS) reserve subaccount for Ohio compliance purposes.

### **2016**

MEC filed its RPS compliance status report for the 2016 compliance year on April 5, 2017. In its compliance filing, MEC indicated that it did not have any Ohio retail electric sales during 2016.<sup>2</sup>

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<sup>1</sup> The Company has proposed to apply a total of 48 S-RECs and 1,747 RECs from previous over-retirements. See PUCO Case No. 14-0538-EL-ACP.

<sup>2</sup> Effective January 1, 2016, all MidAmerican Energy Company customers were transferred to MidAmerican Energy Services, LLC. See PUCO Case No. 00-1786-EL-CRS.

With no Ohio electric sales activity in 2016, the Company asserted that it did not have any renewable compliance obligations for 2016.

### **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) MEC was 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.<sup>3,4</sup>
- (2) The 2015 baseline proposed by the Company is reasonable, and given the proposed baseline and the applicable statutory benchmarks, MEC accurately calculated its 2015 RPS compliance obligations.
- (3) The Company transferred 9,173 RECs and 503 S-RECs to its GATS reserve subaccount for 2015 Ohio compliance purposes. In addition, the Company applied 1,747 RECs and 48 S-RECs from a previous over-retirement, for a total of 10,920 RECs and 551 S-RECs. 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.
- (4) In its 2016 compliance report, the Company asserted that it had zero Ohio retail electric sales in 2016, a claim verified by Staff through independent review.
- (5) Ohio Adm.Code 4901:1-40-02, Purpose and Scope, indicates the following:

Parties affected by these alternative energy portfolio standard rules include all Ohio electric utilities and all electric services companies serving retail electric customers in Ohio. Any entities that do not serve Ohio retail electric customers shall not be required to comply with the terms of the alternative energy portfolio standard.

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<sup>3</sup> MEC was certified to provide retail generation and power marketer services in Ohio in 2015; see PUCO Case No. 00-1786-EL-CRS.

<sup>4</sup> In August 2016, MEC filed a notice of cancellation for its CRES certificate. See PUCO Case No. 00-1786-EL-CRS.

- (6) As MEC did not serve Ohio retail electric customers in 2016, the Company did not have an RPS compliance obligation in 2016.

## **V. Staff Recommendations**

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

- (1) MEC is found to have satisfied its 2015 RPS compliance obligations.
- (2) MEC is found not to have had an RPS compliance obligation for 2016.

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Summary: Staff Review and Recommendation for the 2015 and 2016 RPS Compliance Years  
electronically filed by Mr. Stuart M Siegfried on behalf of PUCO Staff