

## BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Alternative :  
Energy Portfolio Status Report of : Case No. 18-0662-EL-ACP  
Source Power & Gas LLC :

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### ANNUAL ALTERNATIVE ENERGY PORTFOLIO STATUS REPORT OF SOURCE POWER & GAS LLC FOR CALENDAR YEAR 2017

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#### I. INTRODUCTION

Pursuant to Rule 4901:1-40-5 of the Ohio Administrative Code ("OAC"), Source Power & Gas LLC ("Source"), a Commission-certified provider of competitive retail electric service (Certificate No. 13-753E) submits this Annual Alternative Energy Status Report detailing its compliance with the Ohio Alternative Energy Portfolio Standards, set forth in Rule 4901:1-40-03, OAC and Section 4928.64 of the Ohio Revised Code ("ORC"), for the period of January 1, 2017 through December 31, 2017. In summary, Source is compliant with the Alternative Energy Portfolio Standard ("AEPS") compliance requirements.

#### II. 2017 BENCHMARKS

Under the benchmarks for 2017 set forth in Rule 4901:1-40-3(A)(2), OAC, Source was to supply 3.5% of the electricity delivered to their Ohio customers from renewable energy sources, with 0.15% of 3.5% delivered specifically from solar energy resources. These renewable energy resources, including solar, used by Source had to be met through facilities located in this state or with resources that can be shown to be deliverable into the state of Ohio ("Ohio Renewable"), as provided in Section 4928.64(B)(3), ORC. Under 4901:1-40-01(I), OAC, "Deliverable into this state" means that the electricity originates from a facility within a state contiguous to Ohio. Accordingly, the 2017 benchmarks are as follows:

Ohio Renewable (less Solar)	3.35%
<u>Ohio Renewable Solar</u>	<u>0.15%</u>
Total Requirement:	3.5%

### III. 2017 BASELINE

To determine compliance with the above benchmarks, a baseline for the reporting year must be established. Rule 4901:1-40-3(B)(2), OAC, provides that, subject to certain exceptions not relevant here, the baseline for an electric services company shall be the average for the preceding three calendar years of the total annual megawatt hours sold to any and all Ohio consumers (listed below). That average is 170,145 MWh.

2014	3,192 MWh
2015	115,104 MWh
2016	392,140 MWh

Source used the sales volume for 2014 and 2015 that Source reported Case No. 17-1002-EL-ACP. Source used the sales volume reported in PJM GATS for 2016. PJM GATS sales volume is slightly higher than the sales volume reported in the CRES Annual Report because PJM GATS sales volume does not include adjustments for distribution losses.

### IV. 2017 BENCHMARK COMPLIANCE STATUS

Minimum Requirements under Section 4928.64(B)(2), ORC, and Rule 4901:1-40-3(A)(2), OAC:

2017 Baseline: <b>170,145 MWh</b>		
Ohio Renewable	3.35%	5,700
Ohio Solar	0.15%	255
Total REC Benchmark	3.50%	5,955

Source retired 5,502 Non-Solar RECs and 453 Solar RECs for the 2017 compliance period in PJM GATS. Source used 198 Solar RECs for purposes of meeting the Non-Solar REC requirement for the 2017 compliance period. Currently, Source has a pending request in Case No. 17-1002-EL-ACP related to excess compliance by Source in the 2015 and 2016 compliance years. In that pending request, Source respectfully requests that the Commission allow Source to use the remaining excess RECs retired by Source for the 2016 compliance period to meet future obligations as long as the excess RECs have a useful life in the future compliance year. If the Commission approves this request, then Source will have 10,665 excess RECs and 421 excess Solar RECs to use for future compliance years as long as the excess RECs have a useful life in the

compliance year. Source has not relied on any of the excess compliance from 2015 or 2016 for the 2017 compliance year.

## **V. TEN YEAR PLAN**

Rule 4901:1-40-03(C), OAC, requires electric services companies to file a ten-year compliance plan. Source is an electric service company with little certainty of a customer base beyond what is secured under current contract. As a result, a ten-year projection is challenging and speculative. Source respectively provides its projected baseline for 2018 and 2019 and associated REC benchmarks. These projections are based on Source's 2017 sales volume and projected 2018 sales volume.

### **A. Projected Baseline, Solar REC and Non-Solar REC Projections**

<b>Year</b>	<b>Projected Baseline (MWh)</b>	<b>Projected Solar RECs</b>	<b>Projected Non-Solar RECs</b>
2018	400,000	720	17,280
2019	630,000	1386	33,264
2020			
2021			
2022			
2023			
2024			
2025			
2026			
2027			

### **B. Company's supply portfolio projection, including both generation fleet and power purchases, for the 10 year planning horizon.**

Source will procure the required REC amounts from the market.

### **C. Methodology Used to Evaluate Compliance**

Source will forecast the required REC amounts needed for future periods and will validate the retirement of RECs in PJM's Generation Attributes Tracking System.

### **D. Perceived Impediments to Achieving Compliance**

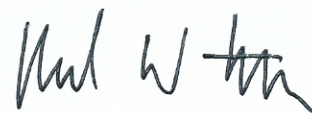
Source does not currently perceive any impediments to achieving compliance.

## **VI. CONCLUSION**

Source is in compliance with Ohio's Renewable Energy Portfolio Standards set forth in Rule 4901:1-40-03, OAC and Section 4928.64, ORC for compliance year 2017.

Respectfully submitted,

Source Power & Gas LLC



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**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**4/16/2018 12:42:17 AM**

**in**

**Case No(s). 18-0662-EL-ACP**

Summary: Annual Report 2017 Alternative Energy Portfolio Status Report of Source Power & Gas LLC electronically filed by Mr. Read W Comstock on behalf of Source Power & Gas LLC