BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the 2018 Long-Term : Forecast Report on behalf of Ohio Power : Case No. 18-0501-EL-FOR Company and Related Matters. :

PREFILED TESTIMONY OF STUART M. SIEGFRIED

Siting, Efficiency, and Renewable Energy Division Rates and Analysis Department ON BEHALF OF THE STAFF OF THE PUBLIC UTILITIES COMMISSION OF OHIO

STAFF EX.

January 8, 2019

1	1.	Q.	Please state your name and business address.
2		A.	My name is Stuart M. Siegfried, and my business address is 180 East Broad
3			Street, Columbus, Ohio 43215.
4			
5	2.	Q.	By whom are you employed and what is your position?
6		A.	I am employed by the Public Utilities Commission of Ohio (PUCO) as a
7			Utilities Specialist in the Siting, Efficiency, and Renewable Energy Division
8			of the PUCO's Rates and Analysis Department.
9			
10	3.	Q.	Please summarize your educational background and work experience.
11		А.	I received a B.S. degree, International Business, from Bowling Green State
12			University. I have been employed continuously by the PUCO since the fall
13			of 1990, during which time my responsibilities have included such topics as
14			acid rain compliance, environmental disclosure initiatives, power siting
15			activities, and renewable portfolio standard (RPS) implementation.
16			
17	4.	Q.	Have you testified in prior proceedings before the PUCO?
18		A.	Yes.
19			
20	5.	Q.	What is the purpose of your testimony in this proceeding?
21		A.	I was tasked with reviewing Ohio Power Company's (Ohio Power or the
22			Company) assertion that it does not need the renewable energy credits

1			(RECs) or solar RECs (S-RECs) from the proposed 900 megawatts (MWs)
2			of renewable energy projects for RPS compliance purposes. My testimony
3			focuses on this limited aspect of the Company's filing.
4			
5	6.	Q.	With its filing in this proceeding, the Company is seeking, in part, to
6			demonstrate need for at least 900 MWs of renewable energy projects. When
7			demonstrating need in this context, the applicable statute refers specifically
8			to need based on resource planning projections. ¹ Does Staff believe that RPS
9			compliance fits within the concept of resource planning?
10		A.	Yes. Consistent with the Commission's decision in Case No. 10-0501-EL-
11			FOR, Staff believes it is appropriate to include the renewable energy resource
12			requirements within the more general category of energy requirements. ²
13			
14	7.	Q.	What are RECs and S-RECs?
15		A.	For purposes of Ohio's RPS, a REC is defined as equaling one megawatt-
16			hour of electricity derived from a qualified renewable energy resource. ³
17			Similarly, an S-REC is one megawatt-hour of electricity derived from a
18			qualified solar energy facility.

R.C. 4928.645(B)(1)

¹ R.C. 4928.143(B)(2)(c)

 ² In the Matter of the Long-Term Forecast Report of Ohio Power Company and Related Matters, Case No. 10-0501-EL-FOR, Opinion and Order at 22 (January 9, 2013).
 ³ R.C. 4928.645(B)(1)

1			
2	8.	Q.	Does the Company address the Ohio RPS in its filing?
3		A.	Yes. In his testimony, Mr. William Allen indicates that Ohio Power does not
4			need additional RECs to meet its RPS compliance obligations. ⁴
5			
6	9.	Q.	Did the Company expand on this conclusion in any other documents?
7		A.	Yes. Commission Staff sent a set of data requests to the Company, to which
8			the Company responded on November 2, 2018. In its responses, the
9			Company provided additional supporting details while reiterating its
10			assertion that the proposed 900 MWs of renewable energy projects are not
11			related to RPS compliance.
12			
13	10.	Q.	Can you briefly describe Ohio's RPS?
14		A.	Ohio's RPS requires load-serving entities, including both electric
15			distribution utilities and electric services companies, to provide a percentage
16			of their retail electric sales from qualified renewable energy resources. ⁵ The
17			percentages, which include a specific solar carve-out, increase annually as
18			detailed in ORC 4928.64(B)(2). Affected companies are expected to retire

⁴ In the Matter of the Long-Term Forecast Report of Ohio Power Company and Related Matters, Case No. 18-0501-EL-FOR, Direct Testimony of William A. Allen at 13 (September 19, 2018).

⁵ R.C. 4928.64

1			the appropriate number of RECs and S-RECs each year to demonstrate
2			compliance with their respective obligations.
3			
4	11.	A.	Do you agree with Mr. Allen's assertion from page 13 of his testimony, as
5			further clarified in response to staff data requests?
6		Q.	Yes.
7			
8	12.	Q.	On what do you base your conclusion?
9		A.	I reviewed the Company's projected RPS requirements for 2018 – 2022 from
10			Case No. 18-0611-EL-ACP, and compared those projected requirements to
11			(1) forecasted output from the Company's existing wind and solar renewable
12			energy supply commitments, and (2) projected market availability for RECs
13			and S-RECs based on PUCO renewable certification data. This comparison
14			indicated the existence of sufficient renewable resources during the study
15			period for the Company to comply with its projected RPS obligations without
16			the addition of the proposed 900 MWs.
17			
18	13.	Q.	Are you expressing a position as to the overall appropriateness of the
19			proposed 900 MWs of renewable energy projects?
20		A.	No. I am simply confirming the Company's conclusion that it does not need
21			the additional 900 MWs of renewable projects to comply in the near term
22			with Ohio's RPS.

- 1 14. Q. Does this conclude your testimony?
- A. Yes it does. However, I reserve the right to submit supplemental testimony
 as described herein, as new information subsequently becomes available or
 in response to positions taken by other parties.

PROOF OF SERVICE

I hereby certify that a true copy of the foregoing Prefiled Testimony of Stuart M. Siegfried, submitted on behalf of the Staff of the Public Utilities Commission of Ohio, was served via electronic mail upon the below parties.

> <u>/s/Thomas W. McNamee</u> Thomas W. McNamee

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Summary: Testimony of Stuart Siegfried electronically filed by Ms. Tonnetta Scott on behalf of PUC