

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Aspirity Energy, LLC :
2016 Renewable Portfolio Standard : Case No. 17-1067-EL-ACP
Status Report. :

**PREFILED TESTIMONY
OF
STUART M. SIEGFRIED
SITING, EFFICIENCY, AND RENEWABLE ENERGY DIVISION
RATES AND ANALYSIS DEPARTMENT**

STAFF EX. ____

February 1, 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 or
7 Commission) as a Utilities Specialist in the Siting, Efficiency, and
8 Renewable Energy Division of the PUCO's Rates and Analysis Department.
9

10 3. Q. Please summarize your educational background and work experience.

11 A. 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. With my testimony, I am sponsoring the Staff's Review and
22 Recommendation filed in this case on March 14, 2018.

1 6. Q. As pertains to its 2016 RPS compliance status, can you please summarize
2 Aspirity Energy, LLC's (Aspirity or Company) compliance filing in this
3 proceeding?

4 A. By Commission rule, Companies were required to file their RPS compliance
5 reports for the 2016 compliance year by April 15, 2017. Aspirity timely filed
6 its 2016 compliance report on April 14, 2017. The Company proposed a
7 compliance baseline of 11,800 megawatt-hours (MWHs), which it
8 characterized as its actual 2016 sales. Using its proposed baseline and the
9 statutory benchmarks for 2016, the Company calculated its 2016 RPS
10 obligations to be 14 solar renewable energy credits (S-RECs) and 281
11 renewable energy credits (RECs). The Company asserted that it had retired
12 14 S-RECs and 280 RECs on the PJM EIS Generation Attributes Tracking
13 System (GATS). To address the deficiency of 1 REC, the Company
14 proposed to make an alternative compliance payment of \$49.75.

15
16 7. Q. Did Staff's review of the Company's RPS compliance report confirm the
17 Company's assertions?

18 A. No. While Staff agreed with the Company's calculation of its 2016 RPS
19 compliance obligations, Staff did not find evidence of any S-RECs or RECs
20 having been retired on GATS. This part of Staff's review included
21 downloading the Company's 2016 GATS reserve subaccount data and also
22 reaching out to GATS separately for confirmation.

1 8. Q. Did Staff contact the Company to get clarification as to its compliance
2 efforts?

3 A. Staff attempted to contact Aspiry, however those efforts were not
4 successful. Staff sent at least three emails to Company representatives, none
5 of which received a response. In addition, Staff tried unsuccessfully to reach
6 the Company by phone.

7
8 9. Q. What did the Staff ultimately recommend in its Review and
9 Recommendation?

10 A. With Ohio retail electric sales during 2016, Staff concluded that Aspiry had
11 an RPS compliance obligation for 2016. As the Company did not retire any
12 S-RECs or RECs for 2016, Staff determined that an alternative compliance
13 payment was warranted. Staff calculated a compliance payment of
14 \$18,479.75.

15
16 10. Q. How did Staff calculate its proposed alternative compliance payment?

17 A. Starting with the Company's proposed baseline of 11,800 MWHs, Staff
18 applied the solar and non-solar benchmarks of 0.12% and 2.38% respectively
19 to calculate a solar obligation of 14.16 MWHs and a non-solar obligation of
20 280.84 MWHs. Pursuant to Commission rule, in the case of an alternative
21 compliance payment, the amount of noncompliance is to be rounded up to

1 the next MWH.¹ Therefore, Staff rounded the obligations to 15 MWHs and
2 281 MWHs for solar and non-solar respectively. The solar compliance
3 payment for 2016, as detailed in ORC 4928.64(C)(2), was \$300 per MWH.
4 The non-solar compliance payment for 2016, as determined by the
5 Commission in Case No. 16-0714-EL-ACP, was \$49.75 per MWH. To
6 reach its recommended compliance payment of \$18,479.75, Staff summed
7 the products of (a) 15 multiplied by \$300, and (b) 281 multiplied by \$49.75.
8

9 11. A. As of this date, has the Commission received any funds from Aspiry related
10 to RPS compliance?

11 Q. No.
12

13 12. Q. Can you briefly summarize the Company's history as a certified Ohio
14 competitive retail electric services (CRES) provider?

15 A. Aspiry first applied for certification as a power marketer in October 2015
16 in Case No. 15-1738-EL-CRS. The Company was granted certificate
17 number 15-1023E(1), effective November 10, 2015.² In August 2017, the
18 Company filed notice that it had filed Chapter 11 to reorganize its business
19 and that its customer contracts were proposed to be assigned to Exelon. The

¹ OAC 4901:1-40-08

² The certificate was initially granted to Aspiry Energy Mid-States, LLC but later revised to Aspiry Energy, LLC.

1 Company's Ohio CRES certificate was cancelled effective November 9,
2 2017.

3
4 13. Q. Does the Company's CRES status impact its 2016 RPS compliance
5 requirements?

6 A. No. I mention Aspiry's CRES status only because it may be pertinent in
7 explaining some of the challenges Staff faced in resolving this case.

8
9 14. Q. Does this conclude your testimony?

10 A. Yes it does. However, I reserve the right to submit supplemental testimony
11 as described herein, as new information subsequently becomes available or
12 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.

/s/Robert A. Eubanks
Robert A. Eubanks
Assistant Attorney General

Parties

ASPIRTTY ENERGY LLC
MIKE PLEHAL DIR OF OPERATIONS
701 XENIA AVE S STE 475
MINNEAPOLIS MN 55416

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Case No(s). 17-1067-EL-ACP

Summary: Testimony Prefiled Testimony of Stuart M. Siegfried filed on behalf of the Public Utilities Commission of Ohio electronically filed by Ms. Yvette L Yip on behalf of PUCO