

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Perigee)	
Energy, LLC 2015 Renewable)	Case No. 16-1445-EL-ACP
Portfolio Standard Status Report)	
In the Matter of the Perigee)	
Energy, LLC 2016 Renewable)	Case No. 17-1086-EL-ACP
Portfolio Standard Status Report)	
In the Matter of the Perigee)	
Energy, LLC 2017 Renewable)	Case No. 18-0639-EL-ACP
Portfolio Standard Status Report)	

Staff Findings and Recommendations

I. Statutory Background

Amended Substitute Senate Bill 221, of the 127th 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 **2013 – 2017** are as follows:

Compliance Year	Total Renewable Requirement	Solar Requirement
2013	2%	0.09%
2014	2.5%	0.12%
2015	2.5%	0.12%
2016	2.5%	0.12%
2017	3.5%	0.15%

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

Perigee Energy's (Perigee or Company) RPS compliance filing for the 2015 compliance year indicated Ohio retail electric sales during 2013 and 2014. However, the Company did not file RPS compliance reports with the Commission for 2013 or 2014.

This Staff report includes discussion of 2013 and 2014 so that it represents a complete picture of the Company's Ohio RPS compliance history. Staff Exhibit 1, relying on the Company's reported sales volumes and retirement data from the PJM EIS Generation Attributes Tracking System (GATS), summarizes the Company's annual compliance status for the compliance years of 2013 thru 2017.

The compliance years included within the scope of this Staff review are detailed below.

2013 & 2014 Compliance Years

In the Company's RPS filing for 2015, it listed 2013 and 2014 Ohio retail electric sales as 629 megawatt-hours (MWHs) and 4,453 MWHs respectively.

Using 629 MWHs as the compliance baseline for 2013, Staff calculates 2013 RPS obligations of 12 renewable energy credits (RECs) and 1 solar REC (S-REC). With a 2014 baseline of 4,453 MWHs, Staff calculates an RPS obligation of 106 RECs and 5 S-RECs. Therefore, the combined

obligations for these two years were 6 S-RECs and 118 RECs. For those years, the Company retired via GATS a total of 6 S-RECs and 114 RECs. Those retirements left the Company 4 RECs short of full compliance. That 4 REC deficiency was addressed by the Company's retirements for 2015, discussed below and detailed in Staff Exhibit 1.

2015 Compliance Year

Perigee filed its RPS compliance status report for the 2015 compliance year on February 8, 2017. In its compliance filing, the Company proposed a baseline of 2,981 MWHs which it indicated was its Ohio retail electric sales for 2015. Applying the statutory benchmarks to its proposed baseline, Perigee calculated its 2015 compliance obligations to be as follows:

- 4 Solar MWHs
- 71 Non-Solar MWHs

The Company indicated that it had obtained the necessary RECs and S-RECs to satisfy its 2015 compliance obligations. In addition, as illustrated by Staff Exhibit 1, the Company obtained an additional 1 S-REC and 4 RECs in order to address compliance deficiencies from prior compliance years. The Company further indicated that it had transferred RECs and S-RECs to its GATS reserve subaccount for Ohio compliance purposes.

2016 Compliance Year

Perigee filed its RPS compliance status report for the 2016 compliance year on April 18, 2017. In its compliance filing, the Company proposed a baseline of 2,687 MWHs which it indicated was the average of its Ohio retail electric sales for 2013, 2014, and 2015. Applying the statutory benchmarks to its proposed baseline, Perigee calculated its 2016 compliance obligations to be as follows:

- 3 Solar MWHs
- 64 Non-Solar MWHs

The Company indicated that it had obtained the necessary RECs and S-RECs to satisfy its 2016 compliance obligations. The Company further indicated that it had transferred RECs and S-RECs to its GATS reserve subaccount for Ohio compliance purposes.

2017 Compliance Year

Perigee filed its RPS compliance status report for the 2017 compliance year on April 12, 2018. In its compliance filing, the Company proposed a baseline of 5,048 MWHs which it indicated was the average of its Ohio retail electric sales for 2014, 2015, and 2016. Applying the statutory benchmarks to its proposed baseline, Perigee calculated its 2017 compliance obligations to be as follows:

- 8 Solar MWHs
- 169 Non-Solar MWHs

The Company indicated that it had obtained the necessary RECs and S-RECs to satisfy its 2017 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) The Company was an electric services company with retail electric sales in the state of Ohio during 2013, 2014, 2015, 2016, and 2017.¹ Therefore, the Company had an RPS obligation for these five years.²
- (2) The Company did not file RPS compliance reports for 2013 and 2014, despite having had Ohio retail electric sales during those years. The Company did file RPS compliance reports for 2015, 2016, and 2017.
- (3) As illustrated by Staff Exhibit 1, the Company has retired RECs and S-RECs via GATS in an amount that satisfies its total compliance obligations for the years 2013 thru 2017.

¹ Perigee was certified to provide retail generation and power marketer services during the years 2013 – 2017; See PUCO Case No. 12-2713-EL-CRS.

² Perigee was acquired by Spark Energy during 2017, with all of Perigee's customers assigned to CenStar Energy Corp. The customer transition was completed by November 2017, at which time Perigee ceased operating as a CRES in Ohio. See PUCO Case No. 17-2403-EL-ABN.

V. Staff Recommendations

Following its review of the information submitted in these proceedings and other relevant data, Staff recommends that, in the aggregate, the Company is found to have satisfied its 2013, 2014, 2015, 2016, and 2017 RPS compliance obligations.

Staff Exhibit 1													
Perigee Energy, LLC RPS Compliance History - Summary													
	Proposed	Renewable	Non-Solar	Solar	SOLAR				NON-SOLAR				PUCO
	Baseline (MWh)	Benchmark	Benchmark	Benchmark	Required (S-RECs)	Retired (S-RECs)	Excess/(Deficit)	Cumulative Excess/(Deficit)	Required (RECs)	Retired (RECs)	Excess/(Deficit)	Cumulative Excess/(Deficit)	Case Number
2009	0	0.250%	0.246%	0.004%	0	0	0	0	0	0	0	0	N/A
2010	0	0.500%	0.490%	0.010%	0	0	0	0	0	0	0	0	N/A
2011	0	1.000%	0.970%	0.030%	0	0	0	0	0	0	0	0	N/A
2012	0	1.500%	1.440%	0.060%	0	0	0	0	0	0	0	0	N/A
2013	629	2.000%	1.910%	0.090%	1	0	-1	-1	12	0	-12	-12	No compliance filing
2014	4,453	2.500%	2.380%	0.120%	5	6	1	0	106	114	8	-4	No compliance filing
2015	2,981	2.500%	2.380%	0.120%	4	5	1	1	71	75	4	0	16-1445-EL-ACP
2016	2,687	2.500%	2.380%	0.120%	3	3	0	1	64	64	0	0	17-1086-EL-ACP
2017	5,048	3.500%	3.350%	0.150%	8	8	0	1	169	169	0	0	18-0639-EL-ACP
Notes:													
** The Company did not file RPS compliance reports for the 2013 or 2014 compliance years with the Commission.													
Therefore, Staff inserted the sales volumes for 2013 and 2014, as reported in the Company's 2015 and 2016 RPS reports, for the baselines for those years.													
** The S-REC and REC retirement data was extracted from GATS records on 3/18/19.													
** The GATS retirement data was under the name of Spark Energy, LLC (to reflect the acquisition of Perigee Energy, LLC by Spark Energy).													

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Summary: Staff Review and Recommendation for the 2013 - 2017 RPS Compliance Years
electronically filed by Mr. Stuart M Siegfried on behalf of PUCO Staff