

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE RENEWABLE
PORTFOLIO STANDARD COMPLIANCE
STATUS REPORT FOR 2017 OF MC
SQUARED ENERGY SERVICES, LLC.

CASE NO. 18-1337-EL-ACP

FINDING AND ORDER

Entered in the Journal on October 23, 2019

I. SUMMARY

{¶ 1} The Commission finds MC Squared Energy Services, LLC has not satisfied its 2017 renewable portfolio standard (RPS) compliance obligations and that, therefore, an alternative compliance payment is warranted. The Commission directs MC Squared Energy Services, LLC to remit to the Commission a payment, required under R.C. 4928.64, in the amount of \$300.24.

II. DISCUSSION

{¶ 2} MC Squared Energy Services, LLC (MCS or Company) is an electric services company as defined in R.C. 4928.01(A)(9) and, as such, is subject to the jurisdiction of this Commission.

{¶ 3} R.C. 4928.64(B)(2) establishes benchmarks for electric services companies to acquire a portion of their electricity supply for retail customers in Ohio from renewable energy resources. R.C. 4928.645 provides that an electric utility or electric services company may use renewable energy credits (RECs) and solar energy credits (SRECs) to meet its respective renewable energy and solar benchmarks. Ohio Adm.Code 4901:1-40-01(BB) defines a REC as the environmental attributes associated with one megawatt hour (MWH) of electricity generated by a renewable energy resource, except for electricity generated by facilities as described in Ohio Adm.Code 4901:1-40-04(E).

{¶ 4} Ohio Adm.Code 4901:1-40-05(A) requires each electric services company to annually file by April 15 a renewable portfolio standard compliance status report (RPS report), unless otherwise ordered by the Commission. The RPS report must analyze all

activities the company undertook in the previous year in order to demonstrate how pertinent alternative energy portfolio benchmarks have been met. Staff then conducts an annual compliance review of the company's filing and the records of the applicable attribute tracking system to ensure that RECs were sourced from generating facilities certified by the Commission and were appropriately associated with electricity generated for the compliance period.

{¶ 5} On August 24, 2018, MCS filed its 2017 RPS report. MCS proposed a baseline of 10 MWH, which it asserted was its actual Ohio retail electric sales for 2017. Applying the statutory benchmarks to its proposed baseline, MCS calculated its 2017 compliance obligations to include one Solar MWH and one Non-Solar MWH. Rather than retiring any renewable energy credits (RECs) and solar RECs (S-RECs) to satisfy its 2017 compliance obligations, MCS has proposed to pay an alternative compliance payment in the amount of \$300.24.

{¶ 6} On February 25, 2019, Staff filed its Review and Recommendations for MCS's RPS report. Staff reports that MCS is an electric services company in the state of Ohio, and thus had an RPS obligation for 2017. Staff notes that the baseline proposed by MCS is reasonable and that MCS calculated its compliance payment correctly. Staff concludes that an alternative compliance payment of \$300.24 is necessary to address MCS's 2017 alternative compliance needs, because MCS did not retire any RECs or SRECs to address its 2017 RPS compliance obligations. Therefore, Staff recommends that MCS be directed to remit payment of \$300.24, consistent with the requirement set forth in Ohio Adm.Code 4901:1-40-08. Staff additionally recommends that certain procedures be followed regarding making and documenting the payment.

{¶ 7} Upon review of MCS's 2017 RPS report and the records of these proceedings, we adopt Staff's recommendations. We find that MCS's 2017 proposed compliance baseline is reasonable. We further find that MCS did not meet its 2017 compliance obligation, and therefore must make a \$300.24 alternative compliance payment. The payment should be

directed to the PUCO, payable to "Treasurer State of Ohio." A letter should also be attached to the payment stating that it is a compliance payment required by R.C. 4928.64 for deposit to the credit of the Advanced Energy Fund, under the control of the Ohio Development Services Agency and created under R.C. 4928.61. The letter should also cite Case No. 18-1337-EL-ACP, under which the Commission has ordered the payment. The address for the PUCO is as follows: Public Utilities Commission of Ohio, 180 East Broad Street, Columbus, OH 43215.

{¶ 8} MCS is directed to comply with Staff's recommendations for future compliance years.

III. ORDER

{¶ 9} It is, therefore,

{¶ 10} ORDERED, That, MCS shall, within thirty days, remit an alternative compliance payment of \$300.24 in accordance with the directives of Paragraph 7. It is, further,

{¶ 11} ORDERED, That MCS comply with Staff's recommendations for future compliance years. It is, further,

{¶ 12} ORDERED, That a copy of this Finding and Order be served upon all parties of record.

COMMISSIONERS:

Approving:

Sam Randazzo, Chairman

M. Beth Trombold

Daniel R. Conway

Dennis P. Deters

JML/hac

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Case No(s). 18-1337-EL-ACP

Summary: Finding & Order that the Commission finds MC Squared Energy Services, LLC has not satisfied its 2017 renewable portfolio standard (RPS) compliance obligations and that, therefore, an alternative compliance payment is warranted. The Commission directs MC Squared Energy Services, LLC to remit to the Commission a payment, required under R.C. 4928.64, in the amount of \$300.24 electronically filed by Docketing Staff on behalf of Docketing