

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Nordic Energy	)	
Services, LLC 2018 Renewable	)	Case No. 19-0907-EL-ACP
Portfolio Standard Status Report	)	

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**Staff Findings and Recommendations**

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**I. Statutory Background**

Amended Substitute Senate Bill 221, of the 127<sup>th</sup> 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 **2018** are as follows:

- Renewable Energy Resources = **4.50%** (includes solar requirement)
- Solar Energy Resources = **0.18%**

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 Filing Summarized**

Nordic Energy Services, LLC (NES or Company) filed its RPS compliance status report for the 2018 compliance year on April 12, 2019. In its compliance filing, NES proposed a baseline of 209,005 megawatt-hours (MWHs) which it indicated was an average of its Ohio retail electric sales for 2015, 2016, and 2017. Applying the statutory benchmarks to its proposed baseline, NES calculated its 2018 compliance obligations which the Company redacted from its public filing.

In the confidential version of its report, the Company indicated that it had obtained the necessary renewable energy credits (RECs) and solar RECs (S-RECs) to satisfy its 2018 compliance obligations. The Company further indicated that it had transferred RECs and S-RECs to its PJM EIS Generation Attributes Tracking System (GATS) reserve subaccount for Ohio compliance purposes.

## **III. Filed Comments**

No persons filed comments in this proceeding.

## **IV. Staff Findings**

Following its review of the Company's annual status report, other relevant compliance materials, and any timely comments submitted in this proceeding, Staff makes the following findings:

- (1) NES was an electric services company in Ohio with retail electric sales in the state of Ohio during 2018, and therefore the Company had an RPS obligation for 2018.<sup>1</sup>

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<sup>1</sup> NES was certified to provide power marketer and power broker services in Ohio during 2018; see PUCO Case No. 12-2701-EL-CRS.

- (2) The baseline proposed by the Company is reasonable, and given the proposed baseline and the 2018 statutory benchmarks, NES accurately calculated its RPS compliance obligations.
- (3) The Company has transferred S-RECs and RECs to its GATS reserve subaccount for 2018 Ohio compliance purposes.
- (4) Following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its non-solar obligation for 2018. The RECs that the Company transferred to its GATS reserve subaccount were sourced from generating facilities certified by the Commission and were of appropriate vintages.
- (5) Following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its solar obligation for 2018. The S-RECs that the Company transferred to its GATS reserve subaccount were sourced from solar generating facilities certified by the Commission and were of appropriate vintages.
- (6) In addition to the confidential and redacted versions of its compliance report, the Company also filed a Motion for Protective Order (Motion) in this proceeding.
- (7) While the Company's Motion focuses exclusively on the ten-year forecast component of the compliance report, the Company in fact redacted significantly more content from its filing than just its projected sales. In addition to the ten-year forecast, the Company also redacted its historical annual sales (2015 – 2017), the number of RECs and S-RECs required for 2018 compliance, and the number of RECs and S-RECs retired for 2018 compliance.
- (8) Staff finds it unreasonable to redact the historical annual sales, the number of RECs and S-RECs required, and the number of RECs and S-RECs retired. The annual sales volumes are posted publicly on the PUCO's website, and thus it is unreasonable to redact that data in an RPS context. In addition, these topics have already been addressed by the Commission thru its Finding and Order in Case No. 12-1233-EL-ACP.<sup>2</sup>

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<sup>2</sup> *In the Matter of Direct Energy Services, LLC's Annual Alternative Energy Portfolio Status Report*, Case No. 12-1233-EL-ACP, Finding and Order at 5 (Nov. 13, 2013) (finding that, while the ten-year forecast constitutes trade secret information, the number of RECs and solar RECs required do not constitute trade secret information).

## **V. Staff Recommendations**

Following its review of the information submitted in this proceeding and other relevant data, Staff recommends that:

- (1) NES be found to have satisfied its 2018 RPS compliance obligations.
- (2) The Company be directed to file a revised version of its 2018 RPS compliance report that includes and discloses the historical annual sales figures, the number of RECs and S-RECs required for 2018 compliance, and the number of RECs and S-RECs retired for 2018 compliance.
- (3) As discussed in Finding 8, the Company be directed to file future RPS compliance reports consistent with the Commission's direction regarding confidentiality in this context.

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Summary: Staff Review and Recommendation electronically filed by Mr. Stuart M Siegfried on behalf of PUCO Staff