

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the AEP)	
Energy, Inc. 2018 Renewable)	Case No. 19-0715-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 **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

AEP Energy, Inc. (AEP Energy or Company) filed its RPS compliance status report for the 2018 compliance year on April 11, 2019.¹ In its compliance filing, AEP Energy proposed a baseline, redacted from its public report, which it indicated was the average of its Ohio retail electric sales for 2015, 2016, and 2017. Applying the statutory benchmarks to its proposed baseline, AEP Energy calculated its 2018 compliance obligations the details of which were also redacted from its public report.

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) AEP Energy 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 2018.²
- (2) The baseline proposed by the Company is reasonable, and given the proposed baseline and the 2018 statutory benchmarks, AEP Energy accurately calculated its RPS compliance obligations.

¹ The Company filed a confidential version of its report, a redacted public version, and a Motion for Protective Order.

² AEP Energy was certified to provide power marketer and power broker services in Ohio during 2018; see PUCO Case No. 10-0384-EL-CRS.

- (3) The Company has transferred the appropriate number of renewable energy credits (RECs) and solar RECs (S-RECs) to its PJM EIS Generation Attributes Tracking System (GATS) reserve subaccount for 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) The Company redacted a significant amount of the content from its public filing. In addition to the ten-year sales 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.
- (7) 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 from this report. In addition, these topics have already been addressed by the Commission thru its Finding and Order in Case No. 12-1233-EL-ACP.³

V. Staff Recommendations

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

- (1) AEP Energy be found to have satisfied its 2018 RPS compliance obligations.

³ *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).

- (2) The Company be directed to file a revised public 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 7, 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