

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Energy.me	)	
Midwest, LLC 2019 Renewable Portfolio	)	Case No. 20-0907-EL-ACP
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 **2019** are as follows:

- Renewable Energy Resources = **5.50%** (includes solar requirement)
- Solar Energy Resources = **0.22%**

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 renewable energy portfolio status report analyzing all activities undertaken in the previous calendar year to demonstrate how the applicable renewable energy portfolio benchmarks have been met. Staff shall conduct annual compliance reviews with regard to the benchmarks under the renewable energy portfolio standard.

Ohio Adm.Code 4901:1-40-05(C), states:

Staff shall review each electric utility's or electric services company's renewable 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**

Energy.me Midwest, LLC (Energy.me or Company) filed its RPS compliance status report for the 2019 compliance year on April 22, 2020.<sup>1</sup> In its compliance filing, Energy.me proposed a baseline of 92,293 megawatt-hours (MWHs) which it indicated was its Ohio retail electric sales for 2019. Applying the statutory benchmarks to its proposed baseline, Energy.me calculated its 2019 compliance obligations to be as follows:

- 203 Solar MWHs
- 4,873 Non-Solar<sup>2</sup> MWHs

Rather than obtaining and retiring the necessary renewable energy credits (RECs) and solar RECs (S-RECs) to satisfy its 2019 compliance obligations, the Company has proposed to pay an alternative compliance payment of \$297,030.

## **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:

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<sup>1</sup> Energy.me indicated in its compliance report that it had filed for Chapter 11 bankruptcy in October 2019. The Company later filed to abandon its Ohio CRES certificate. See PUCO Case No. 20-0958-EL-ABN.

<sup>2</sup> Staff uses "non-solar" in this context to refer to the total renewable requirement net of the specific solar carve-out. Staff acknowledges that there is not a specific "non-solar" requirement in the applicable statute.

- (1) Energy.me was an electric services company in Ohio with retail electric sales in the state of Ohio during 2019, and therefore the Company had an RPS obligation for 2019.<sup>3</sup>
- (2) The baseline proposed by the Company is reasonable, and given the proposed baseline and the 2019 statutory benchmarks, Energy.me accurately calculated its RPS compliance obligations.
- (3) The Company has proposed an alternative compliance payment of \$297,030 to cover the entirety of its 2019 RPS compliance obligations.
- (4) Staff calculates a slightly different compliance payment as a result of Ohio Adm.Code 4901:1-40-08, which requires that any amount of noncompliance be rounded up to the next megawatt-hour in the event of a compliance payment. As a result, Staff calculates a 2019 alternative compliance payment for Energy.me of \$297,269.88.<sup>4</sup>

## **V. Staff Recommendations**

Following its review of the information submitted in this proceeding and other relevant data, Staff concludes that Energy.me did not retire any RECs or S-RECs to address its 2019 RPS compliance obligations, and therefore an alternative compliance payment is warranted.

The Company should be directed to remit payment to the Commission in the amount of \$297,269.88 consistent with the requirement set forth in Ohio Adm.Code 4901:1-40-08. Payment should not be made until such time as directed by the Commission.

The payment should be directed to the PUCO, payable to "Treasurer State of Ohio". A letter should also be attached to the check 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 the Commission case ordering the payment. The address for the PUCO is as follows:

Public Utilities Commission of Ohio  
180 E. Broad Street, 4<sup>th</sup> Floor Finance  
Columbus, OH 43215

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<sup>3</sup> Energy.me was certified to provide power marketer services in Ohio during 2019; see PUCO Case No. 12-1972-EL-CRS.

<sup>4</sup>  $(204 * \$200) + (4,874 * \$52.62) = \$297,269.88$

The Company should be directed to file an attestation in this case consistent with the requirements set forth in Ohio Adm.Code 4901:1-40-08(D). This filing should be completed within 30 (thirty) days of the Commission issuing its decision in this case.

Staff further recommends that this case be suspended within sixty days of the filing of Staff's findings and recommendations consistent with Ohio Adm.Code 4901:1-40-05(D).

**This foregoing document was electronically filed with the Public Utilities**

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