BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of Elk Wind Farm for Certification as an Eligible Ohio Renewable Energy Resource Generating Facility.	))))	Case No. 09-835-EL-REN

FINDING AND ORDER

The Commission finds:

(1) On September 21, 2009, Elk Wind Farm (Elk Wind) filed an application for certification as an eligible Ohio renewable energy resource generating facility.

(2) Consistent with Sections 4928.64 and 4928.65, Revised Code, in order to qualify as a certified eligible Ohio renewable energy resource generating facility, a facility must demonstrate in its application that it has satisfied all of the following criteria:

(a) The generation produced by the renewable energy resource generating facility can be shown to be deliverable into the state of Ohio, pursuant to Section 4928.64(B)(3), Revised Code.

(b) The resource to be utilized in the generating facility is recognized as a renewable energy resource pursuant to Sections 4928.64(A)(1) and 4928.01(A)(35), Revised Code, or a new technology that may be classified by the Commission as a renewable energy resource pursuant to Section 4928.64(A)(2), Revised Code.

(c) The facility must satisfy the applicable placed-in-service date, delineated in Section 4928.64(A)(1), Revised Code.

(3) Elk Wind seeks certification of a 41 megawatt wind facility located in Elk Township, Delaware County, Iowa. The

application explains that Elk Wind would use wind as its energy resource and has a projected placed in-service date of December 31, 2010. The application indicates that the Elk Wind facility will be a distributed generation facility without net metering that would be interconnected with ITC, Inc. transmission company.

(4) The Commission finds that the application demonstrates that the Elk Wind facility satisfies two of the three statutory criteria, by producing electricity generated from a renewable energy resource that was placed-in-service after January 1, 1998. However, the application must also satisfy the requirement that the electricity produced by the renewable energy resource generating facility can be shown to be deliverable into the state of Ohio. The deliverability criterion is satisfied if the facility is located within Ohio or a state contiguous to Ohio, or, as applicable here, if a generating facility located outside of Ohio or a contiguous state can demonstrate that electricity from the facility is physically deliverable into Ohio.

(5) By finding and order issued March 23, 2011, in *In the Matter of the Application for Koda Energy LLC to Receive Ohio RPS Generator Status,* Case No. 09-555-EL-REN, the Commission approved Staff's proposed methodology, which provided that any applicant seeking to demonstrate the physical deliverability of energy into Ohio from a generating facility located outside of Ohio or a contiguous state may do so with a power flow study, performed by an RTO, offering evidence of a significant impact on power flows over transmission lines located in the state of Ohio. The transmission lines must serve loads connected to distribution lines located in Ohio. If the study shows an impact on a transmission line in Ohio that is greater than five percent and greater than one megawatt, the electricity produced by the renewable generating facility would be deemed to have a significant impact, thereby satisfying the statutory criteria that the electricity is physically deliverable into Ohio. Because Elk Wind is not located within Ohio or a contiguous state, it is required to submit documentation within its application that demonstrates physical deliverability.

(6) The application includes an interconnection system impact study conducted by the Midwest Independent Transmission System Operator, Inc. (MISO), and a distribution factor (dfax) analysis conducted by MISO, which concluded the Elk Wind facility should qualify as a network resource interconnection service as the electricity generated by the Elk Wind facility is fully deliverable into Ohio.

(7) On May 3, 2011, Commission Staff (Staff) filed its review and recommendations. Staff believes that the information provided by the applicant, as well as the MISO study regarding Elk Wind's application, do not demonstrate physical deliverability into Ohio.

(8) Staff applied its methodology to Elk Wind's application, utilizing the dfax study performed by MISO. According to that study, the highest dfax value on a transmission line in Ohio attributable to the Elk Wind facility was 2.28 percent and the megawatt equivalence was 0.93 megawatts. As this impact falls below Staff's recommended standard, Staff maintains that Elk Wind has failed to demonstrate any significant impact on power flows over transmission lines located in Ohio and thus has not shown that the electricity generated from the Elk Wind facility is physically deliverable into Ohio. As Elk Wind's application fails to satisfy the deliverability criterion, Staff recommends denial of the application.

(9) The Commission finds that Staff correctly determined that electricity generated from the Elk Wind facility is not physically deliverable into Ohio. Given that Elk Wind's application fails to demonstrate that its facility satisfies the requisite criteria to become certified as an eligible Ohio renewable energy resource generating facility, the Commission finds that its application should be denied.

It is, therefore,

ORDERED, That Elk Wind's application for certification as an eligible Ohio renewable energy resource generating facility be denied as set forth herein. It is, further,

ORDERED, That a copy of this finding and order be served upon all parties of record.

THE PUBLIC UTILITIES COMMISSION OF OHIO

Todd A. Snitchler, Chairman

Paul A. Centolella

Steven D. Lesser

Andre T. Porter

Cheryl L. Roberto

JJT/sc

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OCT 12 2011.

Betty McCauley

Betty McCauley
Secretary