

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

**In the Matter of the Alternative Energy)
Resources Report for Calendar Year 2010)
From MidAmerican Energy Company)**

Case No. 11-2440-EL-ACP

Findings and Recommendations of the PUCO Staff

I. Statutory Background

Senate Bill 221, with an effective date of July 31, 2008, established Ohio's alternative energy portfolio standard (AEPS) applicable to electric distribution utilities and electric service companies. The AEPS is addressed principally in sections 4928.64 and 4928.65, Ohio Revised Code (ORC), with relevant resource definitions contained within 4928.01(A), ORC.

According to 4928.64(B)(2), ORC, the specific compliance obligations for **2010** are as follows:

- Renewable Energy Resources = 0.50% (includes solar requirement)
- Solar Energy Resources = 0.010%

In addition, there is a requirement that at least half of the renewable energy resources, including the solar energy resources, shall be met through facilities located in this state.

The PUCO further developed rules to implement the Ohio AEPS, with those rules contained within Ohio Administrative Code (OAC) 4901:1-40.

4901:1-40-05(A), OAC:

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.

4901:1-40-05(C), OAC:

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

MidAmerican Energy Company (MidAmerican or Company) filed its annual compliance status report on April 14, 2011. It included both a redacted and a confidential version. With respect to the Company's motion for protective order, the Attorney Examiner in this proceeding granted the motion in part and denied it in part.¹

The Company did not have any Ohio retail electric sales during the period 2007 to 2009. However, MidAmerican was active in Ohio during 2010, and therefore its baseline consisted of a projection of sales for 2010.

The Company indicated that it obtained the required number of solar and non-solar renewable energy credits (RECs) to satisfy its 2010 Ohio compliance obligation.² The Company further indicated that it retired the necessary RECs and solar RECs via its PJM EIS Generation Attribute Tracking System (GATS) account.³

III. Filed Comments

No persons filed comments in this proceeding.

IV. Staff Findings

Following its review of the annual status report and any timely comments submitted in this proceeding, Staff makes the following findings:

¹ Entry dated May 26, 2011

² Status report filing, p. 2

³ Status report filing, p. 2

- (1) That MidAmerican is an electric services company in Ohio with retail electric sales in the state of Ohio during 2010, and therefore MidAmerican had an AEPS compliance obligation for 2010.
- (2) That MidAmerican submitted its annual status report for 2010 AEPS compliance activities on April 14, 2011.
- (3) That MidAmerican's proposed baseline is reasonable.
- (4) That following a review of the MidAmerican reserve subaccount data on GATS, Staff confirmed that MidAmerican satisfied its total non-solar⁴ obligation, as well as the specific minimum in-state non-solar requirement, for 2010. The specific RECs that MidAmerican has transferred to its GATS reserve subaccount were sourced from generating facilities certified by the Commission and were appropriately associated with electricity generated between August 1, 2008, and December 31, 2010.
- (5) That following a review of the MidAmerican reserve subaccount data on GATS, Staff confirmed that MidAmerican satisfied its total solar obligation, as well as the specific minimum in-state solar requirement, for 2010. The specific S-RECs that MidAmerican has transferred to its GATS reserve subaccount were sourced from generating facilities certified by the Commission and were appropriately associated with electricity generated between August 1, 2008, and December 31, 2010.

V. Staff Recommendations

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

- (1) That MidAmerican be found to be in compliance with its 2010 AEPS compliance obligations.
- (2) That for future compliance years in which MidAmerican is utilizing GATS to demonstrate its Ohio compliance efforts, MidAmerican initiate the transfer of the appropriate RECs and S-RECs to its GATS reserve subaccount between March 1st and April 15th so as to precede the filing of its Ohio annual compliance status report with the Commission.

⁴ 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.

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