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THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of Linde Energy Services Inc. )  
Annual Alternative Energy Portfolio Status Report )  
and Plan for Compliance with Future Annual ) Case No. 14-473-EL-ACP  
Advanced and Renewable Energy Benchmarks )

## I. INTRODUCTION

Linde Energy Services Inc. (LESI) is a Competitive Retail Electric Service (CRES) Provider, as defined in Ohio Revised Code §4928.01 (A)(4), and an electric service company as defined within O.R.C. §4928.01(A)(9). LESI is a wholly owned subsidiary of Linde LLC, and is a non-regulated member of the American Electric Power, Inc. system. LESI currently provides electric supply to industrial customers within the state of Ohio.

LESI hereby submits its second Annual Alternative Energy Status Report for the period of January 1, 2013 through December 31, 2013, as required by Ohio Administrative Code Rule 4901:1-40-05 for all electric service companies. As required by the Rule, this Status Report identifies LESI's 2013 energy baseline; demonstrates its compliance with its 2013 renewable and solar energy benchmarks, and outlines its future alternative energy compliance strategy.

## II. COMPLIANCE WITH 2013 BENCHMARKS

Under Ohio Rev. Code §4928.64 (B)(2) and Ohio Admin. Code § 4901:1-40-03(A)(2), for the year 2013, electric service companies must demonstrate that 1.91% of the retail electricity they sold was derived from non solar renewable energy resources. Of the 1.91%, half must have been generated by facilities located in Ohio. In addition, electric service companies must demonstrate that 0.09% of the retail electricity they sold was derived from solar energy resources. At least half of this 0.09% requirement must have been generated by facilities located within

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Ohio. These benchmarks are determined by first calculating a baseline number of kilowatt hours and then applying the benchmark percentages to that baseline.

### A. Initial Baseline Calculation

Ordinarily, an electric service company's baseline is to be computed by averaging the number of kilowatt-hours sold during the three preceding calendar years. LESI however, had no electric sales in Ohio during the years 2010, 2011 and in 2012, sales were not for a complete year. In such a case, Ohio Admin. Code §4901:1-40-03 (B)(2)(b) provides:

For an electric service company with no retail electric sales in the state during the preceding three calendar years, its initial baseline shall consist of a reasonable projection of its retail electric sales in the state for a full calendar years.

LESI began serving customers in April 2012, and therefore does not have a reasonable projection for the full calendar year. Also, in 2013, LESI began service of additional load in April that increased sales significantly. With that, LESI submits that its obligation is equal to its actual metered load for 2013, or 63,083 MWH.

## B. 2013 Renewable and Solar Energy Benchmarks

Using, 63,083 MWH as its 2013 baseline, LEST's calculation of its benchmarks for electricity generated from renewable and solar energy resources for the 2013 is as follows:

**TABLE 1**  
**LINDE ENERGY SERVICES INC.**  
**2013 RENEWABLE ENERGY BENCHMARK**

1	2	3	4	5	6
7	8	9	10	11	12
13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30
31	32	33	34	35	36
37	38	39	40	41	42
43	44	45	46	47	48
49	50	51	52	53	54
55	56	57	58	59	60
61	62	63	64	65	66
67	68	69	70	71	72
73	74	75	76	77	78
79	80	81	82	83	84
85	86	87	88	89	90
91	92	93	94	95	96
97	98	99	100	101	102
103	104	105	106	107	108
109	110	111	112	113	114
115	116	117	118	119	120
121	122	123	124	125	126
127	128	129	130	131	132
133	134	135	136	137	138
139	140	141	142	143	144
145	146	147	148	149	150
151	152	153	154	155	156
157	158	159	160	161	162
163	164	165	166	167	168
169	170	171	172	173	174
175	176	177	178	179	180
181	182	183	184	185	186
187	188	189	190	191	192
193	194	195	196	197	198
199	200	201	202	203	204
205	206	207	208	209	210
211	212	213	214	215	216
217	218	219	220	221	222
223	224	225	226	227	228
229	230	231	232	233	234
235	236	237	238	239	240
241	242	243	244	245	246
247	248	249	250	251	252
253	254	255	256	257	258
259	260	261	262	263	264
265	266	267	268	269	270
271	272	273	274	275	276
277	278	279	280	281	282
283	284	285	286	287	288
289	290	291	292	293	294
295	296	297	298	299	300
301	302	303	304	305	306
307	308	309	310	311	312
313	314	315	316	317	318
319	320	321	322	323	324
325	326	327	328	329	330
331	332	333	334	335	336
337	338	339	340	341	342
343	344	345	346	347	348
349	350	351	352	353	354
355	356	357	358	359	360
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367	368	369	370	371	372
373	374	375	376	377	378
379	380	381	382	383	384
385	386	387	388	389	390
391	392	393	394	395	396
397	398	399	400	401	402
403	404	405	406	407	408
409	410	411	412	413	

### C. Compliance with 2013 Renewable Energy Benchmarks

Pursuant to Ohio Rev. Code §4928.65, electric service companies may meet their renewable energy benchmarks through the use of renewable energy credits (RECs).

1. **Non-Solar, In-State:** Through the use of brokers, LESI has purchased sufficient RECs to satisfy the non-solar in-state requirement for 2013.
2. **Non-Solar, Out of State:** Through the use of brokers, LESI purchased sufficient RECs to satisfy its non-solar, out of state requirement for 2013.
3. **Solar, In-State:** Through the use of brokers, LESI purchased sufficient RECs to satisfy the solar, in state requirements for 2013.
4. **Solar, Out of State:** Through the use of brokers, LESI purchased sufficient RECs to satisfy the solar, out of state requirement using Solar, In State RECs for 2013.

A summary of LESI's compliance efforts in 2012 is as follows:

**TABLE 2  
LINDE ENERGY SERVICES INC.  
2013 RENEWABLE ENERGY COMPLIANCE EFFORTS**

■	■	■	■	■	■
■	■	■	■	■	■
■	■	■	■	■	■

#### **D. LESI's Compliance Strategy**

LESI's renewable energy compliance strategy for 2013 was to purchase RECs through market brokers. LESI will continue to utilize the broker market to satisfy its compliance obligation.

### **III. PLAN FOR COMPLIANCE WITH FUTURE ANNUAL ADVANCED ENERGY AND RENEWABLE ENERGY BENCHMARKS**

Ohio Administrative Code Rule 4901:1-40-03(C) requires all Ohio electric services companies to file an annual "plan for compliance with future annual advanced- and renewable-energy benchmarks, including solar, utilizing at least a ten-year planning horizon." This plan must contain at least the following four items:

1. *Baseline for current and future calendar years.*
2. *Supply portfolio projection, including both generation fleet and power purchases*

3. A description of the methodology used by the company to evaluate its compliance options
4. A discussion of any perceived impediments to achieving compliance with required benchmarks, as well as suggestions for addressing any such impediments.

**O.A.C. 4901:1-40-03(C)(1)-(4).**

LESI began serving customers in the second quarter of 2012, and continues to grow and establish new customers. Below are current and forecasted sales volumes, along with corresponding REC requirements for the years 2013-2023.

**TABLE 3  
LINDE ENERGY SERVICES INC.  
CURRENT AND TEN YEAR RENEWABLE ENERGY FORECAST**

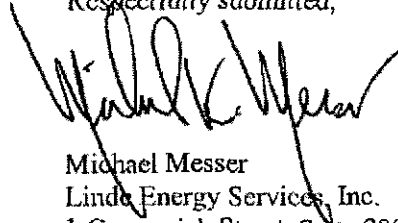


As a CRES provider, LESI does not own any electric generation facilities. LESI will continue to supply power to its customers by purchasing power through the wholesale electricity market. LESI will continue to meet its alternative energy benchmarks through the purchasing of RECs and solar RECs, through the use of market brokers and producer contacts. Apart from generalized supply and pricing constraints, LESI does not anticipate significant impediments in acquiring the RECs required to meet its alternative energy benchmarks for future years.

#### IV. CONCLUSION

Based on the foregoing, LESI respectfully requests that the Commission find that LESI has complied with the applicable renewable energy benchmarks for 2013.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael Messer", is written over the typed name and address.

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