

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the Application of Interstate Gas Supply, Inc. For Approval of its Alternative Energy Annual Status Report

Case No. 14- 453-EL-ACP

I. INTRODUCTION

Pursuant to Rule 4901:1-40-05 of the Ohio Administrative Code ("O.A.C."), Interstate Gas Supply, Inc. ("IGS") submits its Annual Status Report ("Report") for the period January 1, 2013 through December 31, 2013 ("Reporting Period"). This Report addresses IGS's compliance with the alternative energy portfolio benchmarks set forth in R.C. § 4928.64(B)(2) for the Reporting Period.

IGS is in compliance with its statutory non-solar and solar Alternative Energy Portfolio Standard ("AEPS") requirements for 2013. Further, IGS complied with the requirements of R.C. § 4928.64(B)(3) and achieved exactly half of its requirements from in-state facilities with the other half coming from resources shown to be deliverable into Ohio. As demonstrated below, IGS met its requirements by obtaining Renewable Energy Credits ("RECs") and retiring those RECs in the PJM Generation Attribute Tracking System ("GATS") using the Reserve subaccount.¹

II. COMPLIANCE WITH 2013 BENCHMARKS

O.A.C. 4901:1-40-05(A) requires that each electric utility and electric services company file "an annual alternative energy portfolio status report analyzing all activities undertaken in the

¹ REC retirement data is available to Staff through the GATS system.

(01385966.DOC;3) This is the monthly that the images appearing are an extended to the monthlesson of a constant contained in the regular course of business. Technician Suppate Processed APR 1 5 2014 previous calendar year to demonstrate how the applicable alternative energy portfolio benchmarks and planning requirements have or will be met." O.A.C. 4901:1-40-05(A) also requires that the Commission Staff conduct an annual compliance review of the electric utility or electric services company's compliance with benchmarks under the alternative energy portfolio standard.

R.C. 4928.64(B)(2) and O.A.C. 4901:1-40-03(A) contain the alternative energy benchmarks applicable to electric services companies such as IGS. By 2025, IGS must provide twenty-five percent of its electricity from alternative energy resources. R.C. § 4928.64(B). Half of the twenty-five percent must be supplied from renewable energy resources. R.C. § 4928.64(B)(2). The law further requires that at least one-half percent of the twenty-five percent must be supplied from solar energy resources by 2025. *Id.* The law sets annual benchmarks for both renewable energy and solar energy. *Id.* For 2013, IGS was required to supply 1.5% of its electricity supply from renewable energy resources and 0.06% of its electricity supply from solar energy resources implemented by IGS must be met through facilities located in Ohio, while the remainder shall be met with resources that can be shown to be deliverable into Ohio. O.A.C. 4901:1-40-03(A)(2)(a).

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. IGS however, had no electric sales in Ohio during the years 2009, 2010 and for a portion of 2011. In such a case, Ohio Admin. Code § 4901:1-40-03(B)(2)(b) provides:

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For an electric services 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 year.

As such, for its initial baseline IGS shall use its actual sales numbers for 2012 as its initial baseline. IGS initial baseline used for the purposes of this report is [REDACTED] MWH.

B. Non-Solar Benchmark

IGS was able to meet one hundred percent of its non-solar Ohio AEPS compliance obligations in 2013. The Company acted diligently and proactively to procure RECs from existing renewable resources located within the borders of the state of Ohio to demonstrate compliance with the in-state portion of the compliance obligation. Further, REC purchased from out-of state resources were used to demonstrate compliance with the out-of-state portion. These RECs were retired in GATS using the Reserve subaccount. **Table 1** below indicates IGS Compliance with IGS' non-solar benchmarks.

C. Solar Benchmark

IGS was able to meet one hundred percent of its solar Ohio AEPS compliance obligations in 2013. The Company acted diligently and proactively to procure SRECs from solar resources located within the borders of the state of Ohio to demonstrate compliance with the in-state portion of the compliance obligation. SRECs from solar resources deliverable into Ohio were used to demonstrate compliance with the out-of-state portion. These SRECs were retired in GATS using the Reserve subaccount. **Table 1** below indicates IGS' compliance with its solar benchmarks.

| Table 1 | | | | | |
|---------|---------------------|----------------------|--------------------------|------------------|----------------------|
| Year | Actual Load (MWhrs) | (Non-Solar) in State | (Non-Solar) Out of State | Solar - In State | Solar - Out of State |
| 2013 | [REDACTED] | [REDACTED] | [REDACTED] | REDACTED] | [REDACTED] |

III. CONCLUSION

As demonstrated above, IGS achieved full compliance with the 2013 renewable energy benchmark in R.C. § 4928.64(B)(2).

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Annual Status Report of Interstate Gas Supply, Inc. was served upon the following parties of record this 14th day of April 2014, via electronic transmission, hand-delivery or first class U.S. mail, postage prepaid.

One of the Attorneys for IGS Energy

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