

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Alternative Energy)
Portfolio Status Report for 2012 of Duke) Case No. 13-897-EL-ACP
Energy Retail Sales, LLC.)

FINDING AND ORDER

The Commission finds:

- (1) Duke Energy Retail Sales, LLC (DER or Company) is an electric services company as defined in R.C. 4928.01(A)(9) and, as such, is subject to the jurisdiction of this Commission.
- (2) R.C. 4928.64(B)(2) establishes benchmarks for electric services companies to acquire a portion of their electricity supply for retail customers in Ohio from renewable energy resources. Half of the renewable benchmark must be met with resources located within Ohio (in-state renewable benchmark), including a portion from solar energy resources (solar benchmark), half of which must be met with resources located within Ohio (in-state solar benchmark). The specific renewable compliance obligations for 2012 are 1.50 percent (which includes the solar requirement) and 0.06 percent for solar. R.C. 4928.65 provides that an electric utility or electric services company may use renewable energy credits (RECs) and solar energy credits (SRECs) to meet its respective renewable energy and solar benchmarks. Ohio Adm.Code 4901:1-40-01(BB) defines a REC as the environmental attributes associated with one MWh of electricity generated by a renewable energy resource, except for electricity generated by facilities as described in Ohio Adm.Code 4901:1-40-04(E).
- (3) Ohio Adm.Code 4901:1-40-05(A) requires each electric services company to annually file by April 15 an annual alternative energy portfolio status report (AEPS report), unless otherwise ordered by the Commission. The AEPS report must analyze all activities the company undertook in the previous year in order to demonstrate how pertinent alternative energy portfolio benchmarks have been met. Staff then conducts an annual compliance review with regard to the benchmarks.

- (4) On April 3, 2013, DER filed its 2012 AEPS report, pursuant to R.C. 4928.64 and Ohio Adm.Code 4901:1-40-05(A), in which DER proposes a baseline of 6,461,018 MWh by averaging its annual sales for 2009, 2010, and 2011. Using this baseline and the 2012 statutory benchmarks, DER calculated its 2012 compliance obligations to be 3,877 solar MWh, of which at least 1,939 MWh must originate from Ohio facilities, and 93,039 non-solar MWh, of which at least 46,520 MWh must originate from Ohio facilities. Using this baseline and the 2012 statutory benchmarks, DER reports that it has purchased RECs maintained in the PJM EIS Generation Attribute Tracking System (GATS) to meet its Ohio AEPS compliance obligations.
- (5) On May 15, 2013, Staff filed its review and recommendations of the Company's AEPS report. Staff confirmed that DER accurately computed its AEPS baseline and compliance obligations for 2012. Staff recommends that for future years in which the Company uses RECs in GATS to fulfill its AEPS compliance efforts, the Company should initiate the transfer of the appropriate RECs and SRECs to its GATS reserve subaccount between March 1 and April 15 so as to precede the filing of its annual AEPS report with the Commission.
- (6) Upon review of the Company's AEPS report, as well as Staff's findings and recommendations, the Commission finds that DER is in compliance with its 2012 renewable, in-state renewable, solar, and in-state solar benchmarks; and that the Company's AEPS report for 2012 should be accepted as filed. The Commission also directs that, for future compliance years, DER initiate the transfer of the appropriate RECs and SRECs to its GATS reserve subaccount between March 1 and April 15, consistent with Staff's recommendations.

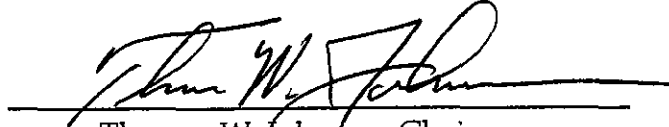
It is, therefore,

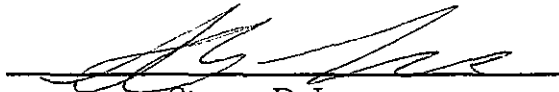
ORDERED, That the Company's AEPS report for 2012 be accepted, and DER comply with Staff's recommendations set forth above. It is, further,

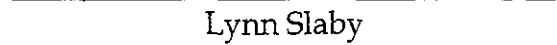
ORDERED, That this case be closed. It is, further,

ORDERED, That a copy of this Finding and Order be served upon all parties of record.


THE PUBLIC UTILITIES COMMISSION OF OHIO


Thomas W. Johnson, Chairman


Steven D. Lesser


Lynn Slaby


M. Beth Trombold


Asim Z. Haque

RMB/vrm

Entered in the Journal

JUL 09 2014


Barcy F. McNeal

Barcy F. McNeal
Secretary