

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Alternative Energy)
Portfolio Status Report for 2013 of) Case No. 14-571-EL-ACP
Santanna Natural Gas Corporation d.b.a.)
Santanna Energy Services.)

FINDING AND ORDER

The Commission finds:

- (1) Santanna Natural Gas Corporation d.b.a. Santanna Energy Services (Santanna) 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).¹ The specific renewable compliance obligations for 2013 are 2.00 percent (which includes the solar requirement) and 0.09 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

¹ The Commission notes that, for future reports, Sub.S.B. No. 310 of the 130th General Assembly, which became effective September 12, 2014, has amended R.C. 4928.64 and 4928.65 to, inter alia, eliminate the in-state renewable benchmarks and advanced energy component, freeze renewable energy benchmarks for 2015 and 2016, and allow an alternative sales baseline calculation for determining compliance.

attributes associated with one megawatt hour (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. Ohio Adm.Code 4901:1-40-02(A) provides that any entity that does not serve Ohio retail electric customers shall not be required to comply with the AEPS rules.
- (4) On April 9, 2014, Santanna filed its 2013 AEPS report, in which it reports that it began serving Ohio customers in November 2012, and consequently does not have three years of historical retail load from which to calculate the 2013 baseline. Santanna states that it is using its actual retail sales of 7,074 MWh for 2013 as its baseline.
- (5) On November 10, 2014, Staff filed its review and recommendations for Santanna's AEPS report. Staff contends that Santanna's baseline is not consistent with Ohio Adm.Code 4901:1-40-03(B)(2)(a). Staff explains that, because Santanna did not have any electric sales in 2010 or 2011, but became active in November 2012, its compliance baseline for 2013 should correspond to its actual 2012 sales of 247 MWh. Staff also determined, among other things, that Santanna exceeded its total solar and non-solar obligation, as well as the specific minimum in-state solar and non-solar requirement, for 2013. Finally,

Staff states the Santanna has transferred RECs and SRECs, which were sourced from generating facilities certified by the Commission and appropriately associated with electricity generated between August 1, 2008, and December 31, 2013, to its Generation Attribute Tracking System (GATS) reserve subaccount for Ohio compliance purposes. Accordingly, Staff recommends that because Santanna retired more RECs and SREs than necessary to satisfy its 2013 AEPS compliance obligations, Santanna, Staff, and GATS representatives coordinate to adjust the quantity of RECs and SRECs transferred to the reserve subaccount for 2013 compliance purposes, so that the quantity transferred will match Santanna's compliance obligation.

- (6) Upon review of Santanna's AEPS report, as well as Staff's findings and recommendations, the Commission finds that Santanna's AEPS compliance obligations for 2013 be based upon its 2012 actual sales, and that Santanna has met its compliance obligations for 2013. Further, Santanna is directed to comply with Staff's recommendations for adjustments to its reserve subaccount for 2013 compliance, as discussed above. The Commission also directs that, for any future compliance years, Santanna should 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.

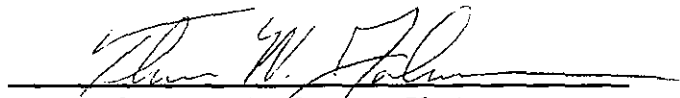
It is, therefore,


ORDERED, That Santanna's 2013 compliance obligations be based upon its actual 2012 sales, and Santanna be found to have met such compliance obligations for 2013. It is, further,

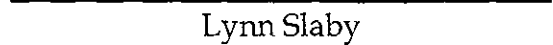
ORDERED, That Santanna's AEPS report for 2013 be modified pursuant to Staff's recommendations. It is, further,

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

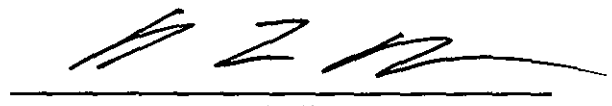
THE PUBLIC UTILITIES COMMISSION OF OHIO


Thomas W. Johnson, Chairman


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Barcy F. McNeal

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Secretary