

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Alternative Energy )  
Portfolio Status Report for 2013 of Palmco ) Case No. 14-657-EL-ACP  
Power OH, LLC. )

FINDING AND ORDER

The Commission finds:

- (1) Palmco Power OH, LLC (Palmco) 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).<sup>1</sup> The specific renewable compliance obligations for 2013 are 2.00 percent (which includes the solar requirement) and 0.09 percent for solar. R.C. 4928.645 (formerly R.C. 4928.65 prior to the enactment of 2014 Sub.S.B. No. 310) 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 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

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<sup>1</sup> 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.

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 15, 2014, Palmco filed its 2013 AEPS report, in which it reports that it began serving Ohio customers in 2012, and consequently does not have three years of historical retail load from which to calculate the 2013 baseline. Palmco proposes to use its actual retail sales of 2,941 MWh for 2012 as its baseline.
- (5) On November 21, 2014, Staff filed its review and recommendations for Palmco's AEPS report. Staff finds Palmco's baseline reasonable and that it has accurately computed its 2013 compliance obligations. Staff also determined, among other things, that Palmco satisfied its total solar and non-solar obligation, and exceeded its specific minimum in-state solar and non-solar requirement, for 2013. Finally, Staff states the Palmco 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.
- (6) Upon review of Palmco's AEPS report, as well as Staff's findings and recommendations, the Commission finds that Palmco's AEPS compliance obligations for 2013 be based upon its 2012 actual sales, and that Palmco has met its compliance obligations for 2013. The Commission also directs that, for any future compliance years, Palmco 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 Palmco's 2012 actual retail sales 2,941 MWh be accepted as its 2013 baseline. It is, further,

ORDERED, That Palmco's AEPS report for 2013 be accepted as filed. It is, further,

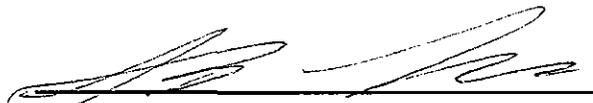
ORDERED, That Palmco is found to have satisfied its 2013 AEPS compliance obligations. It is, further,

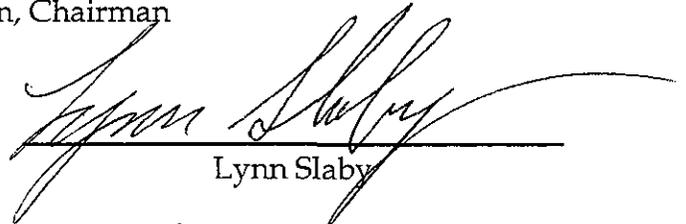
ORDERED, That Palmco abide by the adopted Staff recommendations. It is, further,

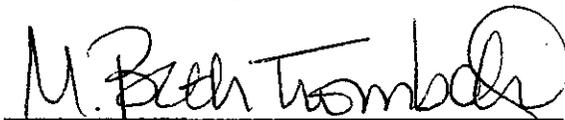
ORDERED, That a copy of this Finding and Order be served upon all parties of record.

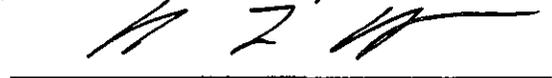
THE PUBLIC UTILITIES COMMISSION OF OHIO

  
Thomas W. Johnson, Chairman

  
Steven D. Lesser

  
Lynn Slaby

  
M. Beth Trombold

  
Asim Z. Haque

JML/RMB/sc

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**APR 02 2015**



Barcy F. McNeal  
Secretary