

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Annual Alternative)	
Energy Portfolio Status Report of)	
Switch Energy, LLC)	Case No. 15-0699-EL-ACP
And)	
Plan for Compliance with Advanced)	
And Renewable Energy Benchmarks)	
For Compliance Year 2013)	

**SWITCH ENERGY, LLC’S
ANNUAL ALTERNATIVE ENERGY PORTFOLIO STATUS REPORT
AND
PLAN FOR COMPLIANCE WITH ADVANCED AND RENEWABLE ENERGY
BENCHMARKS FOR COMPLIANCE YEAR 2013**

I. Introduction

Switch Energy, LLC (“Switch”) is a competitive retail service (“CRES”) provider, as defined in Ohio Revised Code § 4928.01(A)(4), and an electric service company, as defined in Rev. Code § 4928.01(A)(9), having been issued Certificate No. 13-686E (1) by the Public Utilities Commission of Ohio ("Commission"). Switch provides electric supply to residential, commercial, mercantile and industrial consumers throughout the state of Ohio.

Pursuant to Rev. Code § 4928.64 and Ohio Administrative Code Rule § 4901:1-40-05, all Ohio electric service companies are required to file, by April 15th of each year, an annual alternative energy portfolio status report. In this report, electric service companies are required to analyze “all activities undertaken in the previous calendar year to demonstrate how the applicable alternative energy portfolio benchmarks and planning requirements have or will be met.” Switch submits that it is in compliance with Admin Code § 4901:1-40-03. Switch hereby

submits its annual alternative energy portfolio report for compliance year 2013, accompanied by a Motion for Leave to File Report Out of Time.

II. Annual Alternative Energy Portfolio Status Report

For calendar year 2013, Rev. Code § 4928.64(B)(2) and Admin. Code § 4901:1-40-03(A)(2) require electric service companies to demonstrate that 2.0 percent of the retail electricity sold was derived from renewable energy resources. Of that 2.0 percent, one-half of the renewable energy resources implemented by electric service companies must have been generated at facilities located in Ohio. Additionally, 0.09 percent of the electricity sold by electric service companies must have been generated by solar energy resources, which portion may also be counted toward the renewable energy resources target. The level of these benchmark requirements is determined by first establishing a baseline number of megawatt hours and then applying the benchmark percentages to that baseline.

A. Baseline Calculation

If an electric service company has been selling electricity in Ohio during the three preceding calendar years, the annual average of those three years is employed to determine the baseline. However, Switch commenced sales in Ohio in 2013. Hence, its baseline is established pursuant to Admin. Code § 4901:1-40-03(B)(2)(b):

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. Subsequent baselines shall consist of actual sales data, computed in a manner consistent with paragraph (B)(2)(a) of this rule.

Switch did not begin serving customers until October 2013. In accordance with its Application for Waiver (filed on the same day as this Report), Switch has calculated its initial baseline using its *actual* 2013 retail electric sales. Switch's actual sales in 2013 were 1,442 MWh. Accordingly, Switch's initial baseline is 1,442 MWh.

B. 2013 Renewable and Solar Energy Resource Benchmarks

Based on sales of 1,442 MWh for 2013, Switch calculated a baseline of 1,442 MWh for 2013. Based on this baseline, Switch's calculation of its benchmarks for electricity generated from renewable and solar energy resources for the year 2013 is as follows:

<u>2013 Baseline</u>	1,442 MWh
Total Renewable and Solar Requirement	29 MWh
2013 Renewable Requirement (Total Less Solar)	28 MWh
Ohio 50%	14 MWh
Out-of-State 50%	14 MWh
2013 Renewable Requirement by Jurisdiction (Total Less Non-Solar)	1 MWh
Ohio 50%	0.5 MWh
Out-of-State 50%	0.5 MWh

Switch's Compliance Plan Status Report Summary Sheet is attached as **Exhibit A**.

C. Demonstration of Compliance with 2013 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"). Switch has successfully met its renewable energy benchmarks using RECs. To demonstrate compliance, Switch is submitting as **Exhibit B**, a copy of its REC Compliance Data.

1. Solar Renewable Energy Credits

Section 4901:1-40-03(A)(2) of the O.A.C. requires that all electric utilities and affected electric service companies demonstrate that 0.12% of their retail electric sales are generated by solar energy resources by the end of 2013. Switch has obtained sufficient solar RECs ("SRECs") to fully satisfy its 2013 SREC obligations.

2. Non-Solar, Renewable Energy Credits

By means of economically sound purchasing, Switch was able to obtain sufficient non solar adjacent state RECs to fully satisfy its 2013 REC obligations.

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

Rule 4901:1-40-03(C), O.A.C., requires that each electric service company file an annual plan for compliance with future annual advanced and renewable energy benchmarks, including solar, utilizing at least a ten-year planning horizon. The plan shall include the following items: (1) baseline for current and future calendar years; (2) supply portfolio projection, including both generation fleet and power purchases; (3) description of the methodology used by the company to evaluate its compliance options; and (4) a discussion of any perceived impediments to achieving compliance with required benchmarks, as well as suggestions for addressing any such impediments.

A. Baseline for Current and Future Calendar Years

In compliance with Section 4901:1-40-03(C) of the O.A.C., Switch is submitting as **Exhibit C** its compliance plan using a ten-year planning horizon.

B. Supply Portfolio Projection, Including Both Generation Fleet and Power Purchases

Switch has no plan to construct or purchase any electric generation facilities. Therefore, Switch will continue to supply power to its customers by purchasing power through the wholesale market.

C. Description of Methodology Used to Evaluate Compliance Options

As noted above, Switch does not own or anticipate owning any generation facilities. Therefore, Switch will meet its alternative energy benchmarks through the purchasing of RECs and SRECs. See **Exhibit B**.

D. Perceived Impediments to Achieving Compliance with Required Benchmarks

Aside from the potential for supply and pricing constraints in the market for RECs, Switch does not anticipate significant impediments to achieving compliance with its required benchmarks.

IV. CONCLUSION

Switch respectfully requests that the Commission find that Switch has complied with the applicable renewable energy resource benchmarks for 2013 and its associated reporting requirements.

Respectfully submitted,

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Summary: Application Annual Alternative Energy Portfolio Status Report electronically filed by Mr. Todd M Williams on behalf of Switch Energy, LLC