

BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of Report of Duke)	
Energy Ohio, Inc., Concerning its)	
Advanced and Renewable Energy)	Case No. 15-707-EL-ACP
Baseline and Benchmarks and Ten)	
Year Compliance Plan.)	

**DUKE ENERGY OHIO, INC.'S
2014 ALTERNATIVE ENERGY PORTFOLIO STATUS REPORT AND TEN
YEAR ADVANCED ENERGY AND RENEWABLE ENERGY BENCHMARK
COMPLIANCE PLAN**

I. INTRODUCTION

Duke Energy Ohio, Inc. (Duke Energy Ohio or Company) is an electric distribution utility as that term is defined within Ohio Revised Code Section 4928.01(A)(6), and is therefore subject to the advanced energy and renewable requirements contained in Revised Code 4928.64.

Consistent with the rules enacted by the Public Utilities Commission of Ohio (Commission), including Ohio Administrative Code (O.A.C.) Section 4901:1-40-05, Duke Energy Ohio hereby submits this initial report in which it identifies its energy baseline and renewable energy credit (REC) and solar renewable energy credit (SREC) benchmarks and its compliance with year 2014 advanced and renewable mandates. Duke Energy Ohio also provides herein its plan for compliance with future annual advanced and renewable mandates as required by O.A.C. 4901:1-40-03(C).

II. DUKE ENERGY OHIO'S BASELINE CALCULATION

Ohio Rev. Code Section 4928.643(B) provides that the baseline for a utility's compliance with the alternative energy resource requirements may be based upon the total kilowatt hours sold to the applicable consumers, in the applicable compliance year. except that the Commission may reduce a utility's baseline to adjust for new economic growth in the utility's territory. The Company, in this application, is demonstrating compliance with its baseline and benchmarks on an unadjusted basis.

2014 Full Service Sales		5,085,763
2014 renewable benchmark		2.38%
2014 solar benchmark		.12%
2014 renewable requirements by jurisdiction (total less solar)		121,041
2014 solar requirements by jurisdiction		6,103

III. DUKE ENERGY OHIO'S DEMONSTRATION OF COMPLIANCE WITH THE 2013 RENEWABLE ENERGY BENCHMARKS

A. NON-SOLAR

1. Duke Energy Ohio provided its total non-solar renewable energy requirements through non-solar renewable energy credits.

As set forth above, the 2014 benchmark for non-solar renewable energy which Duke Energy Ohio was required to meet was 121,041 RECs. (1 REC: 1MWh)

B. SOLAR

1. Duke Energy Ohio met its solar renewable energy requirements through solar renewable energy credits.

As set forth above, the 2014 benchmark for Ohio-sited sources of solar energy which Duke Energy Ohio was required to meet was 6,103 RECs

IV. DUKE ENERGY OHIO'S PLAN FOR COMPLIANCE WITH FUTURE ADVANCED AND RENEWABLE ENERGY BENCHMARKS.

The Commission has enacted a requirement that each electric utility and electric service company file a plan for compliance with future advanced and renewable energy benchmarks. Rule 4901:1-40-03(C) directs utilities and service companies to include the following:

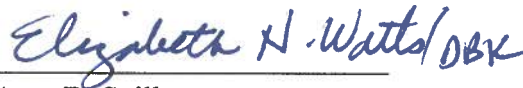
1. A baseline for the current and future calendar years;
 - a. Please see Appendix A

2. Supply portfolio projection, including both generation fleet and power purchases;
 - a. N/A
3. A description and methodology used to evaluate compliance options; and
 - a. At the present time, the Company achieves annual compliance through REC purchase transactions that have been relatively short-term in nature. However, the Company plans to employ any and all reasonable methods to assure ongoing compliance, and these tactics may be adjusted, as necessary. The Company believes that maintaining flexibility in its choice of compliance strategies is necessary to provide the greatest certainty of compliance, and to assure that the most cost-effective methods are implemented for the benefit of customers.
4. A discussion of any perceived impediments to achieving compliance with required benchmarks, as well as suggestions for addressing such impediments.
 - a. Any impediments to achieving compliance in the near term are currently modest because the REC markets are well-supplied. Over the longer term, the bigger concern is with the uncertainty of future obligations, given the Company's continually-shifting load obligation (which, in turn, maintains the Company's bias towards short-term REC purchase contracts).

V. CONCLUSION

Duke Energy Ohio respectfully requests that the Commission approve its evaluation of the baseline for 2014 and find that Duke Energy Ohio has met its advanced and renewable compliance requirements for 2014 and that it has complied with all its reporting requirements related to such compliance.

Respectfully submitted,
DUKE ENERGY OHIO, INC.

A handwritten signature in blue ink that reads "Elizabeth H. Watts" followed by a stylized "DSK" or similar mark.

Amy B. Spiller
Deputy General Counsel
Elizabeth H. Watts
Associate General Counsel
Duke Energy Business Services LLC
139 East Fourth Street
1303-Main
Cincinnati Ohio 45202
513-287-4359 (telephone)
513-287-4385 (facsimile)
amy.spiller@duke-energy.com (e-mail)
elizabeth.watts@duke-energy.com

Duke Energy Ohio, Inc.
Case No. 15-707-EL-ACP

APPENDIX A

DUKE ENERGY OHIO TEN YEAR BASELINE AND BENCHMARK FORECAST

<u>Year</u>	<u>Year</u>	<u>Duke Ohio Sendout MWH</u>	<u>SSO SALES FORECAST Default Load (includes losses)</u>	<u>RENEWABLE ENERGY BASELINE FORECAST</u>	<u>Non-Solar Requirement (%)</u>	<u>Non-Solar Requirement (MWH)</u>	<u>Solar Requirement (%)</u>	<u>Solar Requirement (MWH)</u>
0	2014	20,357,466	5,085,763	5,085,763	2.38%	121,041	0.12%	6,103
1	2015	22,061,528	5,537,748	5,537,748	2.38%	131,798	0.12%	6,645
2	2016	22,292,759	5,596,117	5,596,117	2.38%	133,188	0.12%	6,715
3	2017	22,509,155	5,659,594	5,659,594	3.35%	189,596	0.15%	8,489
4	2018	22,693,005	5,717,987	5,717,987	4.32%	247,017	0.18%	10,292
5	2019	22,823,787	5,757,011	5,757,011	5.28%	303,970	0.22%	12,665
6	2020	22,877,327	5,775,004	5,775,004	6.24%	360,360	0.26%	15,015
7	2021	22,899,176	5,740,923	5,740,923	7.20%	413,346	0.30%	17,223
8	2022	22,999,273	5,693,783	5,693,783	8.16%	464,613	0.34%	19,359
9	2023	23,147,082	5,657,803	5,657,803	9.12%	515,992	0.38%	21,500
10	2024	23,264,473	5,628,025	5,628,025	10.08%	567,305	0.42%	23,638

Note: Prior year sales for calculation of 2012 - 2014 baseline as follows (in MWH):

2013	5,068,814
2012	6,012,923
2011	6,705,961

**Compliance Plan Status Report for Compliance Year 2014
Summary Sheet**

	Sales Unadjusted (MWHs)	Proposed Adjustments (MWHs)	Sales Adjusted (MWHs)	Source of Sales Volume Data	
2011		0	0		(A)
2012		0	0		(B)
2013		0	0		(C)

Baseline for 2014 Compliance Obligation (MWHs) 5,085,763 Not Adjusted (D) = AvgABC

(Note: If using 2014 sales as your baseline, insert that figure in cell I14 and indicate in box to right if 2014 sales are adjusted or not.

i.e., Not Adjusted

2.50%	2014 Statutory Compliance Obligation			
	2014 Non-Solar Renewable Benchmark	2.38%		(E)
	2014 Solar Renewable Benchmark	0.12%		(F)
	Per ORC, 4928.64(B)(2)			
	2014 Compliance Obligation			
	Non-Solar RECs Needed for Compliance	121,041		(G) = (D) * (E)
	Solar RECs Needed for Compliance	6,103		(H) = (D) * (F)
	Carry-Over from Previous Year(s), if applicable			
	Non-Solar (RECs)	0		(I)
	Solar (S-RECs)	0		(J)
	Total 2014 Compliance Obligations			
	Non-Solar RECs Needed for Compliance	121,041		(K) = (G) + (I)
	Solar RECs Needed for Compliance	6,103		(L) = (H) + (J)
	2014 Performance (Per GATS or MRETS Data)			
	Non-Solar (RECs)	121,041		(M)
	Solar (S-RECs)	6,103		(N)
	Under Compliance in 2014, if applicable			
	Non-Solar (RECs)	0		(O) = (K) - (M)
	Solar (S-RECs)	0		(P) = (L) - (N)
	2014 Alternative Compliance Payments			
	Non-Solar, per REC (Refer to Case 14-0746-EL-ACP)	\$49.22		(Q)
	Solar, per S-REC - per 4928.64(C)(2)(a)	\$300.00		(R)
	2014 Payments, if applicable			
	Non-Solar Total	\$0.00		(S) = (O) * (Q)
	Solar Total	\$0.00		(T) = (P) * (R)
	TOTAL	\$0.00		(U) = (S) + (T)

This compliance worksheet was developed by Staff for internal review purposes. However, it may be useful for your company in preparation of its RPS annual compliance status report for the 2014 compliance year. Your company is not required to include this form in its filing, but that is an option. If using this form, your company should insert data in the blue shaded boxes (as applicable). The remaining cells should auto-calculate. However, you should still independently verify the accuracy of the calculations. Questions concerning this worksheet can be addressed to Stuart.Siegfried@puc.state.oh.us

This foregoing document was electronically filed with the Public Utilities

Commission of Ohio Docketing Information System on

4/15/2015 11:41:06 AM

in

Case No(s). 15-0707-EL-ACP

Summary: Report Duke Energy Ohio, Inc.'s 2014 Alternative Energy Portfolio Status Report and Ten year Advanced Energy and Renewable Energy Benchmark Compliance Plan electronically filed by Dianne Kuhnell on behalf of Duke Energy Ohio, Inc. and Spiller, Amy B. and Watts, Elizabeth H.