

BEFORE

THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application)
of Verso Quinnesec Mill-TG2 Facility)
for Certification as an Eligible Ohio) Case No. 14-432-EL-REN
Renewable Energy Resource Generating)
Facility.)

FINDING AND ORDER

The Commission finds:

- (1) R.C. 4928.64 and 4928.645 contain the renewable energy resource requirements for electric utility and electric services companies providing electric retail generation in Ohio. R.C. 4928.01(A)(37) defines the types of renewable energy resource generating facilities that qualify in meeting the statutory mandates. Pursuant to Ohio Adm.Code 4901:1-40-04(F), any entity that desires to be designated an eligible renewable energy resource generating facility for the state of Ohio shall file an application for certification that demonstrates the facility satisfies the requirements of R.C. 4928.64 and 4928.645. as amended on September 10, 2015.
- (2) On April 16, 2014, as supplemented on May 7, 2014, Verso Quinnesec Mill-TG2 (Verso or Applicant) filed an application for certification of its 28 megawatt (MW) generating facility, located at its pulp and paper mill in Quinnesec, Michigan, as an eligible Ohio renewable energy resource generating facility pursuant to R.C. 4928.64.
- (3) Ohio Adm.Code 4901:1-40-04(F)(2) provides for automatic approval of an application for certification as an eligible Ohio renewable energy resource generating facility, unless the Commission suspends the application within 60 days. By Entry issued on May 22, 2014, the attorney examiner suspended the automatic approval process in order to provide Staff with additional time to investigate the application.

- (4) Additional supplemental information was filed by Applicant on May 7, 2014, September 2, 2014, and September 10, 2015.
- (5) On October 5, 2015, Staff filed its review and recommendation for Verso's application. Staff recommends certification for Verso as a renewable energy resource generating facility.
- (6) Pursuant to R.C. 4928.64 and 4928.645, in order to qualify as a certified eligible Ohio renewable energy resource generating facility, a facility must demonstrate in its application that it has satisfied all of the following criteria:
 - (a) The generation produced by the renewable energy resource generating facility can be shown to be deliverable into the state of Ohio, pursuant to R.C. 4928.64(B)(3).
 - (b) The resource to be utilized in the generating facility is recognized as a renewable energy resource pursuant to R.C. 4928.64(A)(1) and 4928.01(A)(37), or a new technology that may be classified by the Commission as a renewable energy resource pursuant to R.C. 4928.64(A)(2).
 - (c) The facility must satisfy the applicable placed-in-service date, delineated in R.C. 4928.64(A)(1), which requires that a facility have been placed-in-service on or after January 1, 1998, or have been modified or retrofitted to create a renewable energy resource after January 1, 1998.
- (7) First, pursuant to R.C. 4928.64(B)(3), the Commission considers whether the facility is located in this state or whether the resource can be shown to be deliverable into this state. The application seeks to certify a generating system located at a pulp and paper mill on West 6791 U.S. Highway 2, in Quinessac, Michigan. Respondents confirm that this facility is distributed generation that is grid-connected. Accordingly, the Commission finds that the application satisfies the first criterion.

- (8) Second, the Commission considers whether the resource to be utilized by the generating facility is recognized as a renewable energy resource under Ohio law. The generating system utilizes black liquor and bark from the pulping process, as well as other wood waste. Pursuant to R.C. 4928.01(A)37(a)(xi), energy derived from nontreated byproducts of the pulping process, including bark, wood chips, sawdust, and lignin in spent pulping liquors, is recognized as a renewable resource. Therefore, the Commission finds that the second criterion is satisfied.
- (9) Third, the Commission considers whether the facility meets the placed-in-service requirement in R.C. 4928.64(A)(1). The application indicates that the placed-in-service date for this system was December 8, 2011, and, thus, was after January 1, 1998, satisfying the requirement of R.C. 4928.64(A)(1). As such, the Commission finds that the application meets the third criterion.
- (10) In addition to satisfying the above-cited criteria, R.C. 4928.645(B)(2) provides that renewable energy resource generating facilities should be registered with an approved attribute tracking system, such as the Generation Attribute Tracking System (GATS), or the Midwest Renewable Energy Tracking System (M-RETS), for the facility's renewable energy credits to be used for compliance with Ohio's alternative energy portfolio standards. The application demonstrates that the facility in this case will be registered with GATS.
- (11) Accordingly, the Commission finds that the generating system installed by Applicant at the pulp and paper mill satisfies the requisite statutory criteria and should be certified as an eligible Ohio renewable energy resource generating facility. In the event of any substantive changes in the facility's operational characteristics or significant changes in the information provided in the application, the applicant or owner must notify the Commission within 30 days of such changes. Failure to do so may result in revocation of this certification.

It is, therefore,

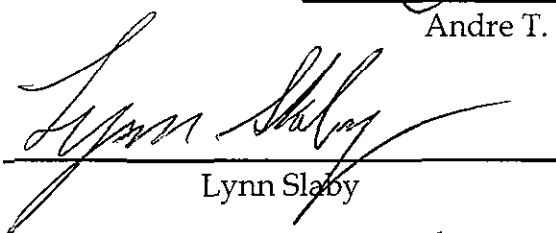
ORDERED, That in accordance with Findings (7), (8), and (9), the application is approved. It is, further,

ORDERED, That the Commission's Docketing Division issue the Applicant a certificate as an eligible Ohio renewable energy resource generating facility. 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



Andre T. Porter, Chairman

Lynn Slaby

M. Beth Trombold

Asim Z. Haque

Thomas W. Johnson

JML/vrm/sc

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Barcy F. McNeal
Secretary