

THE PUBLIC UTILITIES COMMISSION OF OHIO

IN THE MATTER OF THE ALTERNATIVE
ENERGY PORTFOLIO STATUS REPORT FOR
2012 OF WESTERN RESERVE ENERGY
SERVICES, LLC.

CASE NO. 15-986-EL-ACP

IN THE MATTER OF THE ALTERNATIVE
ENERGY PORTFOLIO STATUS REPORT FOR
2013 OF WESTERN RESERVE ENERGY
SERVICES, LLC.

CASE NO. 15-987-EL-ACP

IN THE MATTER OF THE ALTERNATIVE
ENERGY PORTFOLIO STATUS REPORT FOR
2014 OF WESTERN RESERVE ENERGY
SERVICES, LLC.

CASE NO. 15-988-EL-ACP

FINDING AND ORDER

Entered in the Journal on June 8, 2016

I. SUMMARY

{¶ 1} In this Finding and Order, the Commission approves the 2012, 2013, and 2014 Alternative Energy Portfolio Status Reports of Western Reserve Energy Services, LLC, subject to Staff's correction of the company's 2013 compliance baseline.

II. DISCUSSION

A. *Applicable Law*

{¶ 2} Western Reserve Energy Services, LLC (WRES) 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.

{¶ 3} 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. R.C. 4928.645 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).

{¶ 4} Ohio Adm.Code 4901:1-40-05(A) requires each electric services company to annually file by April 15 an 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 of the company's filing and the records of the applicable attribute tracking system to ensure that RECs were sourced from generating facilities certified by the Commission and were appropriately associated with electricity generated for the compliance period.

B. Procedural History

{¶ 5} On May 18, 2015, WRES filed its 2012 AEPS report, proposing to use a compliance baseline of 589 MWh, which it indicated was its actual Ohio retail electric sales for 2012, as it had no such sales during 2009-2011. WRES reported that it satisfied its 2012 compliance obligations.

{¶ 6} On May 27, 2015, WRES filed its 2013 AEPS report, proposing to use a compliance baseline of 14,779 MWh, which it indicated was its actual 2013 Ohio retail electric sales. WRES reported that it satisfied its 2013 compliance obligations.

{¶ 7} On June 1, 2015, WRES filed its 2014 AEPS report, proposing to use a compliance baseline of 47,508 MWh, which it indicated was its actual 2014 Ohio retail electric sales. WRES reported that it satisfied its 2014 compliance obligations.

{¶ 8} On April 8, 2016, Staff filed a report of its Review and Recommendations for WRES's 2012, 2013, and 2014 AEPS reports. Staff reports that WRES is an electric services company in the state of Ohio, and thus had an AEPS obligation for 2012, 2013, and 2014. Staff states that WRES's proposed 2012 baseline of 589 MWh is reasonable, and that WRES accurately calculated its 2012 compliance obligations. However, Staff concludes, WRES's proposed 2013 baseline is incorrect, because WRES should have averaged its annual sales for the prior three years, which would have resulted in 589 MWh. Finally, Staff finds WRES's 2014 baseline to be reasonable and that WRES has accurately calculated its 2014 compliance obligations.

{¶ 9} Staff confirms that WRES satisfied its total solar and non-solar obligations for 2012-2014. Staff also determined that because of a different baseline applied by Staff for 2013, WRES over-complied for 2012-2014 by 15 SRECs and 273 RECs. Further, Staff recommends, for future compliance years, WRES initiate the transfer of the appropriate RECs and SRECs to its attribute tracking system reserve subaccounts between March 1 and April 15, so as to precede the filing of its annual AEPS report with the Commission. Finally, Staff recommends that WRES should file its 2015 AEPS report no later than April 15, 2016, and that WRES's excess SRECs and RECs be applied against a future compliance obligation.

C. Commission Conclusion

{¶ 10} Upon review of WRES's 2012, 2013, and 2014 AEPS reports, and the records of these proceedings, we adopt Staff's recommendations. We find that WRES's 2012 and 2014 proposed compliance baselines to be reasonable, and we agree with Staff that WRES incorrectly determined its 2013 compliance obligations. We further find that WRES has met its compliance obligations for 2012, 2013, and 2014. Finally, WRES is directed to comply with Staff's recommendations for future compliance years.

III. ORDER

{¶ 11} It is, therefore,

{¶ 12} ORDERED, That WRES has met its AEPS compliance obligations for 2012, 2013, and 2014, and its 2012, 2013, and 2014 AEPS reports are accepted as filed, subject to Staff's correction of WRES's baseline for 2013. It is, further,

{¶ 13} ORDERED, That WRES comply with Staff's recommendations adopted herein. It is, further,

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

Commissioners Voting: Asim Z. Haque, Chairman; Lynn Slaby; Thomas W. Johnson.

JML/sc