

Staff Question - Set #2; Case No. 16-0783-EL-REN

Question 1a. – In your initial response, you indicated that a small amount of natural gas is also used at the plant at times. **How much gas is typically used annually?** And would you propose to reduce the output reported to GATS in order to discount any contribution by the natural gas? If so, please detail how that calculation would be performed.

Response 1a. – Over the past 2 years the natural gas volume has averaged 1.78% of the total volume of fuel combusted in the boilers. A summary of the fuel totals for 2014 and 2015 are provided in the Tables below.

	BFG MCF	NG MCF		BFG MCF	NG MCF
Jan-14	7,526,779	197,527	Jan-15	8,891,315	161,345
Feb-14	8,978,032	100,063	Feb-15	8,200,500	118,929
Mar-14	9,098,799	152,367	Mar-15	8,709,030	112,230
Apr-14	449,204	42,482	Apr-15	4,738,709	59,371
May-14	278,830	298,257	May-15	9,606,292	103,524
Jun-14	784	139,577	Jun-15	9,452,778	189,583
Jul-14	1,352,372	257,058	Jul-15	9,948,942	91,999
Aug-14	9,025,865	113,697	Aug-15	10,630,352	130,179
Sep-14	8,973,794	104,637	Sep-15	10,304,244	103,327
Oct-14	9,117,637	117,033	Oct-15	9,924,626	108,528
Nov-14	8,782,050	125,631	Nov-15	9,841,500	163,230
Dec-14	7,790,590	103,714	Dec-15	10,857,670	204,005
	71,374,736	1,752,045		111,105,958	1,546,250

Question 1b. – In your initial response, you indicated that a small amount of natural gas is also used at the plant at times. How much gas is typically used annually? **And would you propose to reduce the output reported to GATS in order to discount any contribution by the natural gas?** If so, please detail how that calculation would be performed.

Response 1 b. – While it would be difficult to precisely differentiate between the generation from natural gas versus blast furnace gas, we would propose to discount the net generation reported to GATS based on the calculation provided in Response 1c.

Question 1c. – In your initial response, you indicated that a small amount of natural gas is also used at the plant at times. How much gas is typically used annually? And would you propose to reduce the output reported to GATS in order to discount any contribution by the natural gas? **If so, please detail how that calculation would be performed.**

Response 1 c. – The net generation produced by the North Lake Energy facility would be adjusted to account for generation from natural gas versus generation from blast furnace gas. The calculation would use the average heating value of the fuels each month to calculate the average heat input from

each fuel. The generation from natural gas combustion would then be discounted from the total net generation for the month. The calculation is detailed below:

$$\text{Natural Gas Heat Input Fraction} = \text{NG mmbtu} / (\text{NG mmbtu} + \text{BFG mmbtu})$$

$$\text{Natural Gas Generation} = \text{Total Generation (net MW)} \times \text{Natural Gas Heat Input Fraction}$$

$$\text{Renewable Generation} = \text{Total Generation (net MW)} - \text{Natural Gas Generation}$$

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Summary: Answer Response to staff question Set #2 from July 7, 2016. electronically filed by Mr. Luke Ford on behalf of North Lake Energy, LLC