

BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of Report of Duke Energy Ohio, Inc.,	)	
Concerning its Advanced and Renewable Energy	)	
Baseline and Benchmarks and Ten Year	)	Case No. 17-345-EL-ACP
Compliance Plan.	)	
	)	

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**DUKE ENERGY OHIO, INC.'S  
2016 ALTERNATIVE ENERGY PORTFOLIO STATUS REPORT AND TEN YEAR  
ADVANCED ENERGY AND RENEWABLE ENERGY BENCHMARK COMPLIANCE  
PLAN**

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**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 2016 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 4928.64(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.

2016 Full Service Sales	5,061,733
2016 renewable benchmark	2.38%
2016 solar benchmark	0.12%
2016 renewable requirements by jurisdiction (total less solar)	120,469
2016 solar requirements by jurisdiction	6,074

## **III. DUKE ENERGY OHIO'S DEMONSTRATION OF COMPLIANCE WITH THE 2016 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 2016 benchmark for non-solar renewable energy which Duke Energy Ohio was required to meet was 120,469 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 2016 benchmark for Ohio-sited sources of solar energy which Duke Energy Ohio was required to meet was 6,074 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.

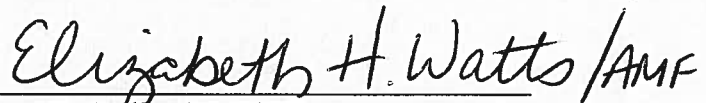
a. Any impediments to achieving compliance in the near term are currently modest because the REC markets are well-supplied. Over the longer term, the bigger concern is with the uncertainty of future obligations, given the Company's continually-shifting load obligation (which, in turn, maintains the Company's bias towards short-term REC purchase contracts).

## V. CONCLUSION

Duke Energy Ohio respectfully requests that the Commission approve its evaluation of the baseline for 2016 and find that Duke Energy Ohio has met its advanced and renewable compliance requirements for 2016 and that it has complied with all its reporting requirements related to such compliance.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

Handwritten signature of Elizabeth H. Watts in cursive script, followed by the initials "AMF".

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**Duke Energy Ohio, Inc.**  
**Case No. 17-345-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	2016	20,321,624	5,061,733	5,061,733	2.38%	120,469	0.12%	6,074
1	2017	21,137,405	5,377,541	5,377,541	3.35%	180,148	0.15%	8,066
2	2018	21,297,655	5,413,809	5,413,809	4.32%	233,877	0.18%	9,745
3	2019	21,343,858	5,434,838	5,434,838	5.28%	286,959	0.22%	11,957
4	2020	21,298,111	5,442,277	5,442,277	6.24%	339,598	0.26%	14,150
5	2021	21,197,475	5,422,243	5,422,243	7.20%	390,401	0.30%	16,267
6	2022	21,229,575	5,440,587	5,440,587	8.16%	443,952	0.34%	18,498
7	2023	21,295,781	5,466,098	5,466,098	9.12%	498,508	0.38%	20,771
8	2024	21,416,206	5,506,858	5,506,858	10.08%	555,091	0.42%	23,129
9	2025	21,462,669	5,516,048	5,516,048	11.04%	608,972	0.46%	25,374
10	2026	21,563,219	5,541,683	5,541,683	12.00%	665,002	0.50%	27,708

**Compliance Plan Status Report for Compliance Year 2016**  
**Summary Sheet**

PUCO Case No. 17-345-EL-ACP  
Appendix B

	Sales Unadjusted (MWHs)	Proposed Adjustments (MWHs)	Sales Adjusted (MWHs)	Source of Sales Volume Data	
2013		0	0		(A)
2014		0	0		(B)
2015		0	0		(C)

**Baseline for 2016 Compliance Obligation (MWHs)**

5,061,733

(D) = AvgABC

(Note: If using 2016 sales as your baseline, insert that figure in cell l14 and indicate in cell k16 if 2016 sales are adjusted or not.

**i.e., Not Adjusted**

2.50%

**2016 Statutory Compliance Obligation**

2016 Non-Solar Renewable Benchmark

2.38%

(E)

2016 Solar Renewable Benchmark

0.12%

(F)

Per R.C., 4928.64(B)(2)

**2016 Compliance Obligation**

Non-Solar RECs Needed for Compliance

120,469

(G) = (D) \* (E)

Solar RECs Needed for Compliance

6,074

(H) = (D) \* (F)

**Carry-Over from Previous Year(s), if applicable**

Non-Solar (RECs)

0

(I)

Solar (S-RECs)

0

(J)

**Total 2016 Compliance Obligations**

Non-Solar RECs Needed for Compliance

120,469

(K) = (G) + (I)

Solar RECs Needed for Compliance

6,074

(L) = (H) + (J)

**2016 Performance (Per GATS and/or MRETS Data)**

Non-Solar (RECs)

120,469

(M)

Solar (S-RECs)

6,074

(N)

**Under Compliance in 2016, if applicable**

Non-Solar (RECs)

0

(O) = (K) - (M)

Solar (S-RECs)

0

(P) = (L) - (N)

**2016 Alternative Compliance Payments**

Non-Solar, per REC (Refer to Case 16-0714-EL-ACP)

\$49.75

(Q)

Solar, per S-REC (Refer to R.C. 4928.64(C)(2)(a))

\$300.00

(R)

**2016 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 2016 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**

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**Case No(s). 17-0345-EL-ACP**

Summary: Report Duke Energy Ohio, Inc.'s 2016 Alternative Energy Portfolio Status Report and Ten Year Advanced Energy and Renewable Energy Benchmark Compliance Plan electronically filed by Mrs. Adele M. Frisch on behalf of Duke Energy Ohio, Inc. and Watts, Elizabeth H and Spiller, Amy B