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Confidential treatment has been requested for the following document:

Case # 14-0671-EL-ACP

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Date Filed: Wednesday, April 16, 2014

Filed by: Sarah Merrick

Behalf of: Champion energy Services, LLC.

Summary of document: Alternative Energy Status Report

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April 15, 2014

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VIA FEDERAL EXPRESS

Ms. Barcy F. McNeal, Secretary
Public Utilities Commission of Ohio
180 E. Broad St., 11th Floor
Columbus, OH 43215-3793

Re: **Champion Energy Services, LLC**
Annual Alternative Energy Portfolio Status Report and Plan for Compliance with
Future Annual Advanced and Renewable Energy Benchmarks – 2013

Dear Ms. McNeal:

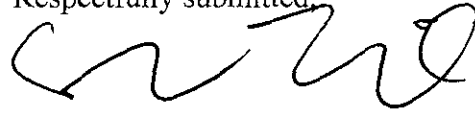
Champion Energy Services, LLC’s (“Champion”) hereby submits the confidential version of its Annual Alternative Energy Portfolio Status Report and Plan for Compliance with Future Annual Advanced and Renewable Energy Benchmarks for Calendar Year 2013. **This report contains certain confidential and proprietary information.** Pursuant to Rule 4901-1-24(D) of the Ohio Administrative Code, a motion for protective order and a memorandum in support of that motion was filed electronically in Case No. 14-0671-EL-ACP, along with a redacted version of the report.

Champion is submitting an original, three copies, and an electronic copy of the confidential version of this report, under seal. Please date-stamp the extra copy and return it to us in the enclosed Federal Express envelope.

If you have any questions regarding this submission, please feel free to contact me.

Ms. Barcy F. McNeal, Secretary
April 15, 2014
Page 2

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Sarah Merrick', written in a cursive style.

Sarah Merrick

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BEFORE
THE PUBLIC UTILITY COMMISSION OF OHIO

IN THE MATTER OF CHAMPION)
ENERGY SERVICES, LLC'S ANNUAL)
ALTERNATIVE ENERGY)
PORTFOLIO STATUS REPORT AND PLAN)
FOR COMPLIANCE WITH FUTURE ANNUAL)
ADVANCED AND RENEWABLE ENERGY)
BENCHMARKS)

Case No. 14- 0471 EL-ACP

**CHAMPION ENERGY SERVICES, LLC'S ANNUAL ALTERNATIVE ENERGY
PORTFOLIO STATUS REPORT AND PLAN FOR COMPLIANCE WITH FUTURE
ANNUAL ADVANCED AND RENEWABLE ENERGY BENCHMARKS**

I. INTRODUCTION

Champion Energy Services, LLC ("CES") is an electric services company as defined by Section 4928.01(A)(9), Revised Code, having been issued Certificate No. 09-166E by the Public Utilities Commission of Ohio ("Commission"). CES hereby submits its annual alternative energy portfolio status report for the 2013 calendar year, as required by Rule 4901:1-40-05, Ohio Administrative Code ("O.A.C."), and its plan for compliance with future annual advanced and renewable energy benchmarks, as required by Rule 4901:1-40-03(C), O.A.C.

II. ANNUAL ALTERNATIVE ENERGY PORTFOLIO STATUS REPORT

Pursuant to Section 4928.64(B)(2), Revised Code, and Rule 4901:1-40-03(A)(2), O.A.C., for the year 2013, electric service companies must demonstrate that at least 2.0% of retail electricity supplied was derived from renewable energy resources, including 0.090% from solar energy resources. At least half of the renewable energy resources, including solar energy resources, used to meet these benchmarks must have been generated by facilities located in Ohio. The level of these benchmark requirements is determined by first calculating a baseline number of kilowatt-hours sold and then applying the benchmark percentages to that baseline.

A. Baseline Calculation

Under Rule 4901:1-40-03(B)(2), an electric service company’s baseline is computed by averaging the number of kilowatt hours sold during the three preceding calendar years. As such, CES computes its baseline as an average of its 2010, 2011, and 2012 annual sales, which is 1,284,159 MWh. Calculations for Champion’s baseline calculation is provided below.

B. 2013 Renewable and Solar Energy Resource Benchmarks

Based on sales of 47,185 MWh, 819,393 MWh, and 2,985,899 MWh for 2010, 2011, and 2012 respectively, Champion calculated a baseline of 1,284,159 MWh for 2013. Based on this baseline, CES’s calculation of its benchmarks for electricity generated from renewable and solar energy resources for the year 2013 is as follows:

<u>2013 Baseline</u>	1,284,159 MWh
Total Renewable and Solar Requirement (2.0%)	25,683 MWh
2012 Renewable Requirement (Total Less Solar)	24,527 MWh
2012 Renewable Requirement by Jurisdiction (Total Less Solar)	12,264 MWh
Ohio 50%	6,132 MWh
Out-of-State 50%	6,132 MWh
2012 Solar Requirement	1,156 MWh
Ohio 50%	578 MWh
Out-of-State 50%	578 MWh

C. Demonstration of Compliance with 2013 Benchmarks

Pursuant to § Ohio Rev. Code 4928.65, electric service companies may meet their renewable energy benchmarks through the use of renewable energy credits (“RECs”). CES has successfully met its renewable energy benchmarks using RECs. To demonstrate compliance, CES is submitting as **Exhibit A**, a copy of its RPS Compliance from PJM.

1. In-state, Non-Solar, Renewable Energy Credits

CES obtained sufficient non-solar, in-state RECs to fully satisfy its 2013 REC obligations. CES evaluated its compliance options on an economic basis. CES found that RECs were available for each tier at prices lower than the optional compliance payment.

2. Out-of-State, Non-Solar, Renewable Energy Credits

By means of economically sound purchasing, CES was able to obtain sufficient non-solar adjacent state RECs to fully satisfy its 2013 REC obligations.

3. Out-of-State and In-state Solar Renewable Energy Credits

Section 4901:1-40-03(A)(2) of the O.A.C. requires that all electric utilities and affected electric services companies demonstrate that 0.09 percent of their retail electric sales are generated by solar energy resources by the end of 2013. CES obtained sufficient solar RECs (“SRECs”) to fully satisfy its 2013 SREC obligations.

III. PLAN FOR COMPLIANCE WITH FUTURE ANNUAL ADVANCED AND RENEWABLE ENERGY BENCHMARKS

Rule 4901:1-40-03(C), O.A.C., requires that each electric services company file an annual plan for compliance with future annual advanced and renewable energy benchmarks, including solar, utilizing at least a ten-year planning horizon. The plan shall include the following items: (1) baseline for current and future calendar years; (2) supply portfolio projection, including both generation fleet and power purchases; (3) description of the methodology used by the company to evaluate its compliance options; and (4) a discussion of any perceived impediments to achieving compliance with required benchmarks, as well as suggestions for addressing any such impediments.

A. Baseline for Current and Future Calendar Years

In compliance with Section 4901:1-40-03(C) of the O.A.C., CES is submitting as **Exhibit B** its compliance plan using a ten-year planning horizon.

B. Supply Portfolio Projection, Including Both Generation Fleet and Power Purchases

CES has no plan to construct or purchase any electric generation facilities. Therefore, CES will continue to supply power to its customers by purchasing power through the wholesale market.

C. Description of Methodology Used to Evaluate Compliance Options

As noted above, CES does not own or anticipate owning any generation facilities. Therefore, CES will meet its alternative energy benchmarks through the purchasing of RECs and SRECs. See **Exhibit B**.


D. Perceived Impediments to Achieving Compliance with Required Benchmarks

Aside from the potential for supply and pricing constraints in the market for RECs, CES does not anticipate significant impediments to achieving compliance with its required benchmarks.

IV. CONCLUSION

CES respectfully requests that the Commission find that CES has complied with the applicable renewable energy resource benchmarks for 2013 and its associated reporting requirements.

Respectfully submitted,

 By Permission
#0080803

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Attorney for Champion Energy Services, LLC

April 15, 2014



My Account

Champion Energy Marketing, LLC - ces2070

My RPS Compliance [Retail LSE Subaccount Details](#) [Reserve Subaccount Details](#)

Champion Energy Marketing, LLC - My RPS Compliance - OH - Jan 2013 - Dec 2013

Parameters

State: Compliance Period:

Note: Click on a heading label to sort the data.

Display column header (click to group by that column)

Account Name	Subaccount Name	Zone Name	SATS Load	RPS Load	Total Generation for Subaccount	Solar Renewable Energy Source	Renewable Energy Source	Total Certificates Used for RPS
Champion Energy Marketing, LLC	OH - AEP	AEP	2,122,261	0	0	0	0	0
Champion Energy Marketing, LLC	OH - ATSI	ATSI	951,279	0	0	0	0	0
Champion Energy Marketing, LLC	OH - Day	DAY	215,840	0	0	0	0	0
Champion Energy Marketing, LLC	Default	DEOK	740,612	25,684	25,684	1,156	24,528	25,684
Champion Energy Marketing, LLC	Reserve Subaccount							
Total			3,035,467	25,684	25,684	1,156	24,528	25,684

Exhibit B

FORECAST	
Year	MWh
2014	1,821,903
2015	1,949,761
2016	2,105,295
2017	2,178,980
2018	2,255,244
2019	2,242,853
2020	2,381,958
2021	2,048,140
2022	2,110,059
2023	2,206,337
2024	2,345,349

BASELINE	
Year	MWh
2014	2,230,642
2015	2,564,812
2016	2,219,432
2017	1,958,986
2018	2,078,012
2019	2,179,840
2020	2,225,692
2021	2,293,352
2022	2,224,317
2023	2,180,052
2024	2,121,512

RPS			
Year	REC	SREC	Total
2014	2.38%	0.12%	2.50%
2015	3.35%	0.15%	3.50%
2016	4.32%	0.18%	4.50%
2017	5.28%	0.22%	5.50%
2018	6.24%	0.26%	6.50%
2019	7.20%	0.30%	7.50%
2020	8.16%	0.34%	8.50%
2021	9.12%	0.38%	9.50%
2022	10.08%	0.42%	10.50%
2023	11.04%	0.46%	11.50%
2024	12.00%	0.50%	12.50%

PROJECTED RECS		
Year	REC	SREC
2014	53,090	2,677
2015	85,922	3,848
2016	95,880	3,995
2017	103,435	4,310
2018	129,668	5,403
2019	156,949	6,540
2020	181,617	7,568
2021	209,154	8,715
2022	224,212	9,343
2023	240,678	10,029
2024	254,582	10,608