

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Western Reserve)	
Energy Services, LLC 2015 Renewable)	Case No. 17-0824-EL-ACP
Portfolio Standard Status Report)	

In the Matter of the Western Reserve)	
Energy Services, LLC 2016 Renewable)	Case No. 17-1101-EL-ACP
Portfolio Standard Status Report)	

Staff Findings and Recommendations

I. Statutory Background

Amended Substitute Senate Bill 221, of the 127th General Assembly (2008 Ohio Laws S221, effective July 31, 2008), established Ohio's renewable portfolio standard (RPS) applicable to electric distribution utilities and electric service companies. The RPS is addressed principally in Ohio Revised Code (R.C.) 4928.64, with relevant resource definitions also contained within R.C. 4928.01(A).

According to R.C. 4928.64(B)(2), the compliance obligations for **2015** and **2016** are as follows:

- Renewable Energy Resources = **2.50%** (includes solar requirement)
- Solar Energy Resources = **0.12%**

The Public Utilities Commission of Ohio (PUCO or Commission) further developed rules to implement the Ohio RPS, contained within Ohio Administrative Code (Ohio Adm.Code) 4901:1-40.

Ohio Adm.Code 4901:1-40-05(A), states:

Unless otherwise ordered by the commission, each electric utility and electric services company shall file by April fifteenth of each year, on such forms as may be published by the commission, an annual alternative energy portfolio status report analyzing all activities undertaken in the previous calendar year to demonstrate how the applicable alternative energy portfolio benchmarks and planning requirements have or will be met.

Staff shall conduct annual compliance reviews with regard to the benchmarks under the alternative energy portfolio standard.

Ohio Adm.Code 4901:1-40-05(C), states:

Staff shall review each electric utility's or electric services company's alternative energy portfolio status report and any timely filed comments, and file its findings and recommendations and any proposed modifications thereto.

The findings and recommendations in this document pertain to the company's compliance status. This document does not address such matters as cost recovery or status relative to the statutory 3% cost provision.

II. Company Filings Summarized

2015

Western Reserve Energy Services, LLC (WRES or Company) filed its RPS compliance status report for the 2015 compliance year on April 10, 2017. In its compliance filing, WRES proposed a baseline of 43,258 megawatt-hours (MWHs) which it indicated was its actual retail electric sales for 2015. Applying the statutory benchmarks to its proposed baseline, WRES calculated its 2015 compliance obligations to be as follows:

- 52 Solar MWHs
- 1,030 Non-Solar MWHs

The Company indicated that it had obtained the necessary renewable energy credits (RECs) and solar RECs (S-RECs) to satisfy its 2015 compliance obligations.¹ The Company further indicated that it had transferred RECs and S-RECs to its PJM EIS Generation Attributes Tracking System (GATS) reserve subaccount for Ohio compliance purposes.

2016

WRES filed its RPS compliance status report for the 2016 compliance year on April 20, 2017. In its compliance filing, WRES proposed a baseline of 35,961 megawatt-hours (MWHs) which it indicated was its actual retail electric sales for 2016. Applying the statutory benchmarks to its proposed baseline, WRES calculated its 2016 compliance obligations to be as follows:

¹ The Company has proposed to apply a previous excess retirement of 273 RECs from Case No. 15-0987-EL-ACP to its 2015 obligations.

- 44 Solar MWHs
- 856 Non-Solar MWHs

The Company indicated that it had obtained the necessary RECs and S-RECs to satisfy its 2016 compliance obligations. The Company further indicated that it had transferred RECs and S-RECs to its GATS reserve subaccount for Ohio compliance purposes.

III. Filed Comments

No persons filed comments in these proceedings.

IV. Staff Findings

Following its review of the annual status reports and any timely comments submitted in these proceedings, Staff makes the following findings:

- (1) WRES was an electric services company in Ohio with retail electric sales in the state of Ohio during 2015 and 2016, and therefore the Company had an RPS obligation for 2015 and 2016.²
- (2) The baselines proposed by the Company are reasonable, and given the proposed baselines and the applicable statutory benchmarks, WRES accurately calculated its 2015 and 2016 RPS compliance obligations.
- (3) The Company transferred 757 RECs and 52 S-RECs to its GATS reserve subaccount for 2015 Ohio compliance purposes. These RECs and S-RECs were all sourced from renewable facilities certified by the Commission. These retirements, combined with the application of 273 RECs from a previous over-retirement, were sufficient to address the Company's 2015 compliance obligation.
- (4) The Company transferred 856 RECs and 44 S-RECs to its GATS reserve subaccount for 2016 Ohio compliance purposes. These RECs and S-RECs were all sourced from renewable facilities certified by the Commission. These retirements were sufficient to address the Company's 2016 compliance obligation.

² WRES is certified to provide retail generation, aggregation, power marketer, and power broker services in Ohio; see PUCO Case No. 12-0824-EL-CRS.

V. Staff Recommendations

Following its review of the information submitted in these proceedings and other relevant data, Staff recommends the following:

- (1) WRES is found to have satisfied its 2015 and 2016 RPS compliance obligations.
- (2) For future compliance years in which the Company is utilizing GATS to demonstrate its Ohio compliance efforts, the Company initiates the transfer of the appropriate RECs and S-RECs to its GATS reserve subaccount between March 1st and April 15th so as to precede the filing of their Ohio annual compliance status report with the Commission.
- (3) WRES should file its RPS compliance reports for the 2017 compliance year by April 15, 2018.

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Case No(s). 17-0824-EL-ACP, 17-1101-EL-ACP

Summary: Staff Review and Recommendation for the 2015 and 2016 RPS Compliance Years
electronically filed by Mr. Stuart M Siegfried on behalf of PUCO Staff