

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 ) Case No. 18-0522-EL-ACP  
Benchmarks and Ten Year Compliance )  
Plan. )

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**DUKE ENERGY OHIO, INC.'S  
2017 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 2017 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.

2017 Full Service Sales	4,339,477
2017 renewable benchmark	3.35%
2017 solar benchmark	0.15%
2017 renewable requirements by jurisdiction (total less solar)	145,372
2017 solar requirements by jurisdiction	6,509

## III. DUKE ENERGY OHIO'S DEMONSTRATION OF COMPLIANCE WITH THE 2017 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 2017 benchmark for non-solar renewable energy which Duke Energy Ohio was required to meet was 145,372 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 2017 benchmark for Ohio-sited sources of solar energy which Duke Energy Ohio was required to meet was 6,509 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.

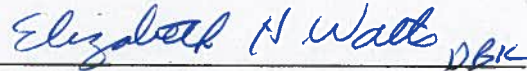
a. Any impediments to achieving compliance in the near term are currently modest because the REC markets are well-supplied. Over the longer term, the bigger concern is with the uncertainty of future obligations, given the Company's continually-shifting load obligation (which, in turn, maintains the Company's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

## V. CONCLUSION

Duke Energy Ohio respectfully requests that the Commission approve its evaluation of the baseline for 2017 and find that Duke Energy Ohio has met its advanced and renewable compliance requirements for 2017 and that it has complied with all its reporting requirements related to such compliance.

Respectfully submitted,

DUKE ENERGY OHIO, INC.

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**APPENDIX A DUKE ENERGY OHIO TEN YEAR BASELINE AND BENCHMARK FORECAST**

Year	Year	Duke Ohio Sendout MWH	SSO SALES FORECAST Default Load (includes losses)	RENEWABLE ENERGY BASELINE FORECAST	Non-Solar Requirement (%)	Non-Solar Requirement (MWH)	Solar Requirement (%)	Solar Requirement (MWH)
0	2017	19,637,156	4,339,477	4,339,477	3.35%	145,372	0.15%	6,509
1	2018	20,163,451	5,109,310	5,109,310	4.32%	220,722	0.18%	9,197
2	2019	20,171,535	5,115,247	5,115,247	5.28%	270,085	0.22%	11,254
3	2020	20,111,070	5,120,368	5,120,368	6.24%	319,511	0.26%	13,313
4	2021	20,032,142	5,107,350	5,107,350	7.20%	367,729	0.30%	15,322
5	2022	20,020,248	5,117,372	5,117,372	8.16%	417,578	0.34%	17,399
6	2023	20,014,051	5,136,989	5,136,989	9.12%	468,493	0.38%	19,521
7	2024	20,049,170	5,175,858	5,175,858	10.08%	521,726	0.42%	21,739
8	2025	20,052,921	5,192,475	5,192,475	11.04%	573,249	0.46%	23,885
9	2026	20,118,677	5,227,474	5,227,474	12.00%	627,297	0.50%	26,137
10	2027	20,199,570	5,265,383	5,265,383	12.00%	631,846	0.50%	26,327

**Compliance Plan Status Report for Compliance Year 2017  
Summary Sheet**

	Sales Unadjusted (MWhs)	Proposed Adjustments (MWhs)	Sales Adjusted (MWhs)	Source of Sales Volume Data
<b>2014</b>	0	0	0	(A)
<b>2015</b>	0	0	0	(B)
<b>2016</b>	0	0	0	(C)
<b>Baseline for 2017 Compliance Obligation (MWhs)</b>			4,339,477	(D) = AvgABC
<i>(Note: If using 2017 sales as your baseline, insert that figure in cell I14 and indicate in cell K16 if 2017 sales are adjusted or not.</i>				Not Adjusted
<b>3.50%</b>				
<b>2017 Statutory Compliance Obligation</b>				
2017 Non-Solar Renewable Benchmark			3.35%	(E)
2017 Solar Renewable Benchmark			0.15%	(F)
Per ORC, 4928.64(B)(2)				
<b>2017 Compliance Obligation</b>				
Non-Solar RECs Needed for Compliance			145,372	(G) = (D) * (E)
Solar RECs Needed for Compliance			6,509	(H) = (D) * (F)
<b>Carry-Over from Previous Year(s), if applicable</b>				
Non-Solar (RECs)			0	(I)
Solar (S-RECs)			0	(J)
<b>Total 2017 Compliance Obligations</b>				
Non-Solar RECs Needed for Compliance			145,372	(K) = (G) + (I)
Solar RECs Needed for Compliance			6,509	(L) = (H) + (J)
<b>2017 Retirements (Per GATS and/or MRETS Data)</b>				
Non-Solar (RECs)			145,372	(M)
Solar (S-RECs)			6,509	(N)
<b>Under Compliance in 2017, if applicable</b>				
Non-Solar (RECs)			0	(O) = (K) - (M)
Solar (S-RECs)			0	(P) = (L) - (N)
<b>2017 Alternative Compliance Payments</b>				
Non-Solar, per REC (Refer to Case 17-0531-EL-ACP)			\$50.24	(Q)
Solar, per S-REC - per 4928.64(C)(2)(a)			\$250.00	(R)
<b>2017 Payments, if applicable</b>				
Non-Solar Total			\$0.00	(S) = (O) * (Q)
Solar Total			\$0.00	(T) = (P) * (R)
<b>TOTAL</b>			\$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 2017 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@puco.ohio.gov*

**This foregoing document was electronically filed with the Public Utilities**

**Commission of Ohio Docketing Information System on**

**4/12/2018 3:25:20 PM**

**in**

**Case No(s). 18-0522-EL-ACP**

Summary: Report Duke Energy Ohio, Inc.'s 2017 Alternative Energy Portfolio Status Report and Ten Year Advanced Energy and Renewable Energy Benchmark Compliance Plan electronically filed by Mrs. Debbie L Gates on behalf of Duke Energy Ohio Inc. and D'Ascenzo, Rocco O. Mr. and Watts, Elizabeth H