

**BEFORE
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the Volunteer Energy)	
Services, Inc. 2016 and 2017 Renewable)	Case No. 18-0653-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 **2017** are as follows:

- Renewable Energy Resources = **3.50%** (includes solar requirement)
- Solar Energy Resources = **0.15%**

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 Filing Summarized

Volunteer Energy Services, Inc. (VES or Company) filed its RPS compliance status report for the 2017 compliance year on April 12, 2018. In its compliance filing, VES proposed a baseline of 11,455 megawatt-hours (MWHs), which it indicated was its annual sales for 2017. Applying the statutory benchmarks to its proposed baseline, VES calculated its 2017 compliance obligations to be as follows:

- 17 Solar MWHs
- 384 Non-Solar¹ MWHs

The Company indicated that it had obtained the necessary renewable energy credits (RECs) and solar RECs (S-RECs) to satisfy its 2017 compliance obligations. 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.

In addition to its 2017 compliance report, the Company made a supplemental filing in this case on August 22, 2018, that addressed the 2016 compliance year.² The Company had initially reported zero Ohio retail electric sales in 2016. However, with this supplemental filing, VES has offered a correction in which it asserts it began serving Ohio customers in 2016. With a proposed compliance baseline of 2,939 MWHs, representing its actual 2016 sales, the Company subsequently determined its 2016 RPS compliance obligations to be 4 S-RECs and 70 RECs. The Company indicated that it completed S-REC and REC retirements via GATS in April 2018 to satisfy its 2016 RPS obligations.

¹ Staff uses "non-solar" in this context to refer to the total renewable requirement net of the specific solar carve-out. Staff acknowledges that there is not a specific "non-solar" requirement in the applicable statute.

² This supplemental filing was made at the request of Staff.

III. Filed Comments

No persons filed comments in this proceeding.

IV. Staff Findings

Following its review of the annual status report and any timely comments submitted in this proceeding, Staff makes the following findings:

- (1) VES was an electric services company in Ohio with retail electric sales in the state of Ohio during 2017, and therefore the Company had an RPS obligation for 2017.³
- (2) The baseline proposed by the Company is reasonable, and given the proposed baseline and the 2017 statutory benchmarks, VES accurately calculated its RPS compliance obligations.
- (3) The Company has transferred 17 S-RECs and 384 RECs to its GATS reserve subaccount for 2017 Ohio compliance purposes.
- (4) Following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its non-solar obligation for 2017. The RECs that the Company transferred to its GATS reserve subaccount were sourced from generating facilities certified by the Commission and were appropriately associated with electricity generated no later than December 31, 2017.
- (5) Following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its solar obligation for 2017. The S-RECs that the Company transferred to its GATS reserve subaccount were sourced from solar generating facilities certified by the Commission and were appropriately associated with electricity generated no later than December 31, 2017.
- (6) In reviewing the supplemental documentation pertaining to the 2016 RPS compliance year, Staff finds that the Company has satisfied its 2016 RPS obligations. The Company accurately calculated its obligations given its proposed baseline. In addition, the S-RECs and RECs retired by VES on GATS for 2016 are of an appropriate vintage and are sourced from renewable facilities certified by the Commission.

³ VES was certified to provide retail generation, aggregation, power marketer, and power broker services in Ohio during 2016 and 2017; see PUCO Case No. 15-0375-EL-CRS.

V. Staff Recommendations

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

- (1) VES is found to have satisfied its 2016 and 2017 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.

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Summary: Staff Review and Recommendation electronically filed by Mr. Stuart M Siegfried on behalf of PUCO Staff