

**BEFORE  
THE PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of the	)	
LifeEnergy, LLC 2016 Renewable	)	Case No. 17-1297-EL-ACP
Portfolio Standard Status Report	)	

In the Matter of the	)	
LifeEnergy, LLC 2017 Renewable	)	Case No. 18-0692-EL-ACP
Portfolio Standard Status Report	)	

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**Staff Findings and Recommendations**

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**I. Statutory Background**

Amended Substitute Senate Bill 221, of the 127<sup>th</sup> 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 **2016** and **2017** are as follows:

Compliance Year	Total Renewable Requirement	Solar Requirement
2016	2.5%	0.12%
2017	3.5%	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 Filings Summarized**

### 2016 Compliance Year

LifeEnergy, LLC (LifeEnergy or Company) filed its RPS compliance status report for the 2016 compliance year on June 1, 2017. The Company subsequently filed a revised compliance report on June 12, 2017. In its revised compliance filing, LifeEnergy proposed a baseline of 293 megawatt-hours (MWHs) which it indicated was its Ohio retail electric sales for 2016. Applying the statutory benchmarks to its proposed baseline, LifeEnergy calculated its 2016 compliance obligations to be as follows:

- 0 Solar MWHs
- 7 Non-Solar<sup>1</sup> MWHs

The Company indicated that it had obtained the necessary renewable energy credits (RECs) and solar RECs (S-RECs) to satisfy its 2016 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.

### 2017 Compliance Year

LifeEnergy filed its RPS compliance status report for the 2017 compliance year on April 16, 2018. In its compliance filing, LifeEnergy proposed a baseline of 32,841 MWHs which it indicated was

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<sup>1</sup> 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.

its Ohio retail electric sales for 2017. Applying the statutory benchmarks to its proposed baseline, LifeEnergy calculated its 2017 compliance obligations to be as follows:

- 49 Solar MWHs
- 1,100 Non-Solar MWHs

The Company indicated that it had obtained the necessary RECs and S-RECs to satisfy its 2017 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) LifeEnergy was an electric services company in Ohio with retail electric sales in the state of Ohio during 2016 and 2017, and therefore the Company had an RPS obligation for both 2016 and 2017.<sup>2</sup>
- (2) The baselines proposed by the Company are reasonable, and given the proposed baselines and the applicable statutory benchmarks, LifeEnergy accurately calculated its RPS compliance obligations for 2016 and 2017.
- (3) The Company has transferred 1 S-REC and 10 RECs to its GATS reserve subaccount for 2016 Ohio compliance purposes.
- (4) The Company has transferred 49 S-RECs and 1,149 RECs to its GATS reserve subaccount for 2017 Ohio compliance purposes.
- (5) Following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its compliance obligations for 2016 and 2017. The S-RECs and RECs transferred to its GATS reserve subaccount for 2016 and 2017 were sufficient to address its 2016 and 2017 RPS compliance requirements. Staff's review confirmed that the S-RECs and RECs were all sourced from renewable facilities certified by the Commission.

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<sup>2</sup> LifeEnergy was certified to provide aggregation, power marketer, and power broker services in Ohio during 2016 and 2017; see PUCO Case No. 16-0918-EL-CRS.

- (6) The Company has retired an excess of 1 S-REC and 52 RECs. The excess consists entirely of vintage 2016 and 2017 S-RECs and RECs.

## **V. Staff Recommendations**

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

- (1) LifeEnergy is found to have satisfied its 2016 and 2017 RPS compliance obligations.
- (2) LifeEnergy should apply the excess detailed above in Finding 6 to its 2018 or 2019 RPS compliance obligations so that there is no excess retirement carried forward.
- (3) 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 1<sup>st</sup> and April 15<sup>th</sup> 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 for the 2016 and 2017 RPS Compliance Years  
electronically filed by Mr. Stuart M Siegfried on behalf of PUCO Staff