BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

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In the Matter of the All American Power & Gas OH, LLC 2019 Renewable Portfolio Standard Status Report

Case No. 20-0672-EL-ACP

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 **2019** are as follows:

- Renewable Energy Resources = **5.50**% (includes solar requirement)
- Solar Energy Resources = 0.22%

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 renewable energy portfolio status report analyzing all activities undertaken in the previous calendar year to demonstrate how the applicable renewable energy portfolio benchmarks have been met. Staff shall conduct annual compliance reviews with regard to the benchmarks under the renewable energy portfolio standard. Ohio Adm.Code 4901:1-40-05(C), states:

Staff shall review each electric utility's or electric services company's renewable 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

All American Power & Gas OH, LLC (AAP&G or Company) filed its RPS compliance status report for the 2019 compliance year on April 1, 2020. In its compliance filing, AAP&G proposed a baseline of 38 megawatt-hours (MWHs) which it indicated was its Ohio retail electric sales for 2019. Applying the statutory benchmarks to its proposed baseline, AAP&G calculated its 2019 compliance obligations to be as follows:

- 0 Solar MWHs
- 2 Non-Solar¹ MWHs

Rather than obtaining and retiring the necessary renewable energy credits (RECs) and solar RECs (S-RECs), the Company has proposed an alternative compliance payment of \$105.24 to satisfy its 2019 compliance obligations.

III. Filed Comments

No persons filed comments in this proceeding.

IV. Staff Findings

Following its review of the Company's annual status report, other relevant compliance materials, and any timely comments submitted in this proceeding, Staff makes the following findings:

(1) AAP&G was an electric services company in Ohio with retail electric sales in the state of Ohio during 2019, and therefore the Company had an RPS obligation for 2019.²

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) The baseline proposed by the Company is reasonable.
- (3) The Company has not retired any S-RECs or RECs for 2019 Ohio compliance purposes.
- (4) The Company has proposed an alternative compliance payment of \$105.24 to address its 2019 RPS compliance obligations.
- (5) When incorporating the rounding requirements in Ohio Adm.Code 4901:1-40-08, Staff calculates an alternative compliance payment of \$357.86.³

V. Staff Recommendations

Following its review of the information submitted in this proceeding and other relevant data, Staff concludes that AAP&G did not satisfy its 2019 RPS compliance obligations, and therefore an alternative compliance payment is warranted.

The Company should be directed to remit payment to the Commission in the amount of \$357.86 consistent with the requirement set forth in Ohio Adm.Code 4901:1-40-08. Payment should not be made until such time as directed by the Commission.

The payment should be directed to the PUCO, payable to "Treasurer State of Ohio". A letter should also be attached to the check stating that it is a compliance payment required by R.C. 4928.64 for deposit to the credit of the Advanced Energy Fund, under the control of the Ohio Development Services Agency and created under R.C. 4928.61. The letter should also cite the Commission case ordering the payment. The address for the PUCO is as follows:

Public Utilities Commission of Ohio 180 E. Broad Street, 4th Floor Finance Columbus, OH 43215

The Company should be directed to file an attestation in this case consistent with the requirements set forth in Ohio Adm.Code 4901:1-40-08(D). This filing should be completed within 30 (thirty) days of the Commission issuing its decision in this case.

² AAP&G was certified to provide retail generation and power marketer services in Ohio during 2019; see PUCO Case No. 19-0764-EL-CRS.

³ ((1 S-REC * \$200/S-REC) + (3 RECs * \$52.62/REC)) = \$357.86.

Staff further recommends that this case be suspended within sixty days of the filing of Staff's findings and recommendations consistent with Ohio Adm.Code 4901:1-40-05(D).

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