# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the MP2 Energy	)	
NE LLC 2019 Renewable Portfolio	)	Case No. 20-0786-EL-ACP
Standard Status Report	)	
In the Matter of the MP2 Energy	)	
NE LLC 2020 Renewable Portfolio	)	Case No. 21-0446-EL-ACP
Standard Status Report	)	

# **Staff Findings and Recommendations**

## 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 **2019** and **2020** are as follows:

RPS Compliance Year	Total Renewables	Solar Requirement	"Non-Solar" Requirement <sup>1</sup>
2019	5.50%	0.22%	5.28%
2020	5.50%	0.00%	5.50%

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:

<sup>&</sup>lt;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.

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 Filings Summarized

### 2019 Compliance Year

MP2 Energy NE LLC (MP2 or Company) filed its RPS compliance status report for the 2019 compliance year on April 13, 2020. In its compliance filing, MP2 proposed a baseline of 1,337,321 megawatt-hours (MWHs) which it indicated was the average of its Ohio retail electric sales for 2016, 2017, and 2018. Applying the statutory benchmarks to its proposed baseline, MP2 calculated its 2019 compliance obligations to be as follows:

- 2,942 Solar MWHs
- 70,611 Non-Solar MWHs

The Company indicated that it had obtained the necessary renewable energy credits (RECs) and solar RECs (S-RECs) to satisfy its 2019 compliance obligations. The Company further indicated that it had transferred RECs and S-RECs to its PJM EIS Generation Attribute Tracking System (GATS) reserve subaccount for Ohio compliance purposes.

#### 2020 Compliance Year

MP2 filed its RPS compliance status report for the 2020 compliance year on April 15, 2021. In its compliance filing, MP2 proposed a baseline of 1,876,031 MWHs which it indicated was the average of its Ohio retail electric sales for 2017, 2018, and 2019. Applying the statutory

benchmark to its proposed baseline, MP2 calculated its 2020 compliance obligation to be 103,182 renewable MWHs.

The Company indicated that it had obtained the necessary RECs and/or S-RECs to satisfy its 2020 compliance obligation. The Company further indicated that it had transferred RECs and/or 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 Company's annual status reports, other relevant compliance materials, and any timely comments submitted in these proceedings, Staff makes the following findings:

- (1) MP2 was an electric services company in Ohio with retail electric sales in 2019 and 2020, and therefore the Company had an RPS compliance obligation for 2019 and 2020.<sup>2</sup>
- (2) The 2019 baseline proposed by the Company is reasonable, and given the proposed baseline and the 2019 statutory benchmarks, MP2 accurately calculated its 2019 RPS compliance obligations.
- (3) The Company transferred 2,942 S-RECs and 70,611 RECs to its GATS reserve subaccount for 2019 Ohio compliance purposes.
- (4) Following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its solar and non-solar obligations for 2019. The S-RECs and RECs that the Company transferred to its GATS reserve subaccount were sourced from generating facilities certified by the Commission and were of appropriate vintages.
- (5) The 2020 baseline proposed by the Company is reasonable, and given the proposed baseline and the 2020 statutory benchmark, MP2 accurately calculated its 2020 RPS compliance obligation.

<sup>&</sup>lt;sup>2</sup> MP2 was certified to provide retail generation and power marketer services in Ohio during 2019 and 2020; see PUCO Case No. 13-2211-EL-CRS.

- (6) The Company transferred 103,182 RECs and/or S-RECs to its GATS reserve subaccount for 2020 Ohio compliance purposes.
- (7) Following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its renewable obligation for 2020. The RECs and/or S-RECs that the Company transferred to its GATS reserve subaccount were sourced from generating facilities certified by the Commission and were of appropriate vintages.

#### V. Staff Recommendations

Following its review of the information submitted in these proceedings and other relevant data, Staff recommends that MP2 is found to have satisfied its 2019 and 2020 RPS compliance obligations. Staff further recommends that these annual compliance status reports be automatically approved consistent with Ohio Adm.Code 4901:1-40-05(D).

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Summary: Staff Review and Recommendation for the 2019 and 2020 RPS Compliance Years electronically filed by Mr. Stuart M. Siegfried on behalf of PUCO Staff