# BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Star Energy	)	
Partners, LLC 2017 Renewable Portfolio	)	Case No. 18-0867-EL-ACP
Standard Status Report	)	
In the Matter of the Star Energy	)	
Partners, LLC 2018 and 2019 Renewable	)	Case No. 19-0824-EL-ACP
Portfolio Standard Status Report	)	
In the Matter of the Star Energy	)	
Partners, LLC 2020 Renewable Portfolio	)	Case No. 21-0300-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 **2017 – 2020** are as follows:

RPS Compliance Year	Total Renewables	Solar Requirement	"Non-Solar" Requirement <sup>1</sup>	
2017	3.50%	0.15%	3.35%	
2018	4.50%	0.18%	4.32%	
2019	5.50%	0.22%	5.28%	
2020	5.50%	0.00%	5.50%	

<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.

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 Filings Summarized

## 2017 Compliance Year

Star Energy Partners, LLC (SEP or Company) filed its RPS compliance status report for the 2017 compliance year on May 14, 2018. In its compliance filing, SEP proposed a baseline of 184,677 megawatt-hours (MWHs) which it indicated was the average of its Ohio retail electric sales for 2014, 2015, and 2016. Applying the statutory benchmarks to its proposed baseline, SEP calculated its 2017 compliance obligations to be as follows:

- 277 Solar MWHs
- 6,187 Non-Solar 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 Attribute Tracking System (GATS) reserve subaccount for Ohio compliance purposes.

# 2018 Compliance Year

SEP filed its RPS compliance status report for the 2018 compliance year on April 12, 2019. In its compliance filing, SEP proposed a baseline of 246,343 MWHs which it indicated was the average of its Ohio retail electric sales for 2015, 2016, and 2017. Applying the statutory benchmarks to its proposed baseline, SEP calculated its 2018 compliance obligations to be as follows:

- 443 Solar MWHs
- 10,642 Non-Solar MWHs

The Company indicated that it had obtained the necessary RECs and S-RECs to satisfy its 2018 compliance obligations. The Company further indicated that it had transferred RECs and S-RECs to its GATS reserve subaccount for 2018 Ohio compliance purposes.

## 2019 Compliance Year

SEP filed its RPS compliance status report for the 2019 compliance year on April 15, 2020. In its compliance filing, SEP proposed a baseline of 147,361 MWHs which it indicated was its Ohio retail electric sales for 2019. Applying the statutory benchmarks to its proposed baseline, SEP calculated its 2019 compliance obligations to be as follows:

- 324 Solar MWHs
- 7,781 Non-Solar MWHs

The Company indicated that it had obtained the necessary RECs and S-RECs to satisfy its 2019 compliance obligations. The Company further indicated that it had transferred RECs and S-RECs to its GATS reserve subaccount for 2019 Ohio compliance purposes.

#### 2020 Compliance Year

SEP filed its RPS compliance status report for the 2020 compliance year on April 15, 2021. In its compliance filing, SEP proposed a baseline of 100,574 MWHs which it indicated was its Ohio retail electric sales for 2020. Applying the statutory benchmark to its proposed baseline, SEP calculated its 2020 compliance obligation to be 5,532 renewable MWHs.

The Company indicated that it had obtained the necessary RECs and/or S-RECs to satisfy its 2020 compliance obligations. 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) SEP was an electric services company with retail electric sales in Ohio during 2017, 2018, 2019, and 2020, and therefore the Company had an RPS compliance obligation for 2017, 2018, 2019, and 2020.<sup>2</sup>
- (2) During the course of Staff's review, Staff engaged in multiple discussions with the Company. During these exchanges, the Company clarified that it had intended to use compliance year sales as its baseline for the 2017 and 2018 compliance year, rather than using the three-year average approach.<sup>3</sup> As a result, the adjusted baselines and compliance obligations for 2017 and 2018 are summarized in the table below:

Compliance Year	Adjusted Baseline (MWHs)	Required S-RECs	Required RECs
2017	269,923	405	9,042
2018	266,774	480	11,525

- (3) With an adjusted 2017 baseline of 269,923 MWHs, Staff calculates an adjusted 2017 compliance obligation of 405 S-RECs and 9,042 RECs.
- (4) The Company transferred 519 S-RECs and 11,581 RECs to its GATS reserve subaccount for 2017 Ohio compliance purposes.
- (5) The Company's retirements for 2017 exceeded its adjusted requirements by 114 S-RECs and 2,539 RECs. This excess consists of vintage 2016 S-RECs and vintage 2015 and 2016 RECs.

<sup>&</sup>lt;sup>2</sup> SEP was certified to provide retail generation, aggregation, and power marketer services in Ohio during 2017 - 2020; see PUCO Case No. 12-2983-EL-CRS.

<sup>&</sup>lt;sup>3</sup> Email correspondence dated January 20, 2022.

- (6) With an adjusted 2018 baseline of 266,774 MWHs, Staff calculates an adjusted 2018 compliance obligation of 480 S-RECs and 11,525 RECs.
- (7) The Company transferred 443 S-RECs and 10,968 RECs to its GATS reserve subaccount for 2018 Ohio compliance purposes.
- (8) While the Company's 2018 retirement fell short of its adjusted 2018 obligations by 37 S-RECs and 557 RECs, applying the excess retirement from 2017 results in a net excess retirement of 77 S-RECs and 1,982 RECs.
- (9) Following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its adjusted solar and non-solar obligations for 2017 and 2018 in the aggregate. 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.
- (10) The 2019 baseline proposed by the Company is reasonable, and given the proposed baseline and the 2019 statutory benchmarks, SEP accurately calculated its 2019 RPS compliance obligation.
- (11) The Company transferred 324 S-RECs and 7,781 RECs to its GATS reserve subaccount for 2019 Ohio compliance purposes.
- (12) Following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its 2019 renewable obligations. 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.
- (13) The 2020 baseline proposed by the Company is reasonable, and given the proposed baseline and the 2020 statutory benchmark, SEP accurately calculated its 2020 RPS compliance obligation.
- (14) The Company transferred 5,532 RECs and/or S-RECs to its GATS reserve subaccount for 2020 Ohio compliance purposes.
- (15) Following a review of the Company's reserve subaccount data on GATS, Staff confirmed that the Company satisfied its 2020 renewable obligation. 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.

(16) The table below summarizes the Company's compliance status for the 2017 – 2020 RPS compliance years, based on Staff's findings:

Compliance Year	Baseline (MWHs)	Required S-RECs	Retired S-RECs	Required RECs	Retired RECs
2017	269,923	405	519	9,042	11,581
2018	266,774	480	443	11,525	10,968
2019	147,361	324	324	7,781	7,781
2020	100,574	N/A	N/A	5,532	5,532

# V. Staff Recommendations

Following its review of the information submitted in these proceedings and other relevant data, Staff recommends that SEP is found to have satisfied its 2017, 2018, 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).

# This foregoing document was electronically filed with the Public Utilities Commission of Ohio Docketing Information System on

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Case No(s). 18-0867-EL-ACP, 19-0824-EL-ACP, 21-0300-EL-ACP

Summary: Staff Review and Recommendation for the 2017 - 2020 RPS Compliance Years electronically filed by Mr. Stuart M. Siegfried on behalf of PUCO Staff