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File #:

August 30, 2010

BY HAND

Rosemary Chiavetta
Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street, 2nd Floor North
P.O. Box 3265
Harrisburg, PA 17105-3265

RECEIVED
2010 AUG 30 PM 3:49
PA POU
SECRETARY'S BUREAU

RE: Petition of Duquesne Light Company to Contest the Finding of Non-Compliance with the Alternative Energy Portfolio Standards Act and Modify the Alternative Compliance Payment or, in the alternative, Declare a Force Majeure for Duquesne Light Company for the 2008/2009 Alternative Energy Compliance Period - Docket No. P-2010-2153577

Dear Secretary Chiavetta:

As directed by Ordering Paragraph No. 3 of the Interim Order in the above-referenced proceeding, enclosed please find copies of the following written testimony:

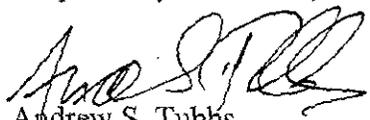
- CEEP St. No. 1 - Direct Testimony of Wayne L. Williams, Ph.D
- CEEP St. No. 2 – Direct Testimony of Dina M. Deana
- OSBA St. No. 1 – Direct Testimony Brian Kalcic
- Duquesne Light Company St. No. 1 – Direct Testimony of Anthony F. Pekny
- Duquesne Light Company St. No. 2 – Direct Testimony Gary S. Page
- Duquesne Light Company St. No. 1-R – Rebuttal Testimony of Anthony F. Pekny

A copy of the Interim Order is also enclosed.

August 30, 2010

Page 2

Respectfully Submitted,



Andrew S. Tubbs

AST/jl

Enclosures

cc: Honorable Katrina L. Dunderdale (letter & certificate of service only)
Certificate of Service (letter & certificate of service only)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

| | | |
|--|---|----------------|
| Petition of Duquesne Light Company to Contest | : | |
| the Finding of Non-Compliance with the | : | |
| Alternative Energy Portfolio Standards Act and | : | |
| Modify the Alternative Compliance Payment or, in | : | |
| the alternative, Declare a Force Majeure for | : | P-2010-2153577 |
| Duquesne Light Company for the 2008/2009 | : | |
| Alternative Energy Compliance Period | : | |

RECEIVED
 2010 AUG 30 PM 3:50
 PA PUC
 SECRETARY'S BUREAU

DIRECT TESTIMONY

OF

DINA M. DEANA

PROJECT MANAGER

CLEAN POWER MARKETS, INC.

ALTERNATIVE ENERGY CREDIT PROGRAM ADMINISTRATOR

ON BEHALF OF

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

JULY 16, 2010

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. Dina M. Deana
3 Clean Power Markets, Inc.
4 511 Schoolhouse Road, Suite 200
5 Kennett Square, PA
6

7 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

8 A. I am employed by Clean Power Markets, Inc. (CPM) and my position is Project
9 Manager.
10

11 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND.**

12 A. I graduated from Fairfield University with a B.A. in Economics. I have also
13 received a Graduate Certificate in Project Management from Steven's Institute of
14 Technology.
15

16 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL BACKGROUND.**

17 A. I have been working with CPM since 2005 managing the New Jersey Renewable
18 Energy Program and then beginning in 2007, the PA AEPS program. Prior to
19 CPM, I was the Marketing Manager for Flack + Kurtz, Inc., an MEPT firm in
20 Manhattan, where I also became a LEED™ Accredited Professional.
21

22 **Q. ARE YOU SPONSORING ANY EXHIBITS?**

23 A. Yes, I am sponsoring the following Exhibits:
24 DMD – 1 Screenshot of GATS Generators database.
25 DMD – 2 Screenshot of Cadillac Renewable Energy listing on GATS Generators
26 database.
27

1 **Q. PLEASE DESCRIBE YOUR GENERAL DUTIES AS PROJECT**
2 **MANAGER FOR CPM.**

3 A. My position with CPM is exclusively devoted to the Pennsylvania Alternative
4 Energy Portfolio Standard (PA AEPS) program. Duties involved with the PA
5 AEPS program include the certification of new alternative energy resources,
6 collection of Quarterly Adjustment information, collection and calculation of
7 compliance obligation information, compliance verification and review, customer
8 service for new applicants, coordination with PJM GATS (GATS) regarding
9 system information, and coordination with GATS for the review of meter readings
10 associated with Behind-the-Meter (BTM) facilities. In addition, I assist in the
11 further development of the PA AEPS website and database.

13 **Q. PLEASE DESCRIBE WHAT IS REQUIRED TO QUALIFY AN**
14 **ALTERNATIVE ENERGY SYSTEM.**

15 A. An applicant will come to the PA AEPS website and create an account. After an
16 account is created, the applicant would log in and then apply for a new facility.
17 The application would vary depending on the technology being submitted for
18 certification. Once the application is submitted it is "under review" until a CPM
19 team member can review it for accuracy and completeness. Should a CPM team
20 member need to seek additional information regarding the applicant, we will
21 consult with both the PUC and DEP to verify the resource and any permitting
22 information, such as air quality or water permits. Additionally, we will verify the
23 RTO (Regional Transmission Organization) of the facility at the time of
24 application. Should the area where the facility is located be on the border with
25 PJM and another area, such as MISO, we will consult with PJM for assistance in
26 determining if the facility falls within their geographic footprint. When we are

1 satisfied that the required information has been submitted and is correct, we will
2 assign it a PA state certification number.

3
4 **Q. PLEASE DESCRIBE HOW YOU DETERMINE EACH EDC'S AND EGS'S**
5 **COMPLIANCE OBLIGATION.**

6 A. For the 2009 Energy Year, I requested that all EDCs send both their retail sales
7 information as well as the retail sales data for any EGS serving within their
8 territory. The information regarding EGSs that operate in an EDC service territory
9 must come from the EDC as it is not available anywhere else. EDCs are notified
10 when an EGS has started to serve retail load in their service territory.

11 Occasionally an EGS will approach me on their own to understand the compliance
12 procedures. After this was received from individual EDCs, it was compiled into a
13 spreadsheet where I calculated the Solar, Tier I and Tier II obligations for each
14 EDC and EGS, by company and by territory. The obligation information was then
15 sent to all EDCs and EGSs. If an EGS serves in multiple service territories, the
16 obligations for the EGSs are broken out into individual service territories so the
17 obligations for each region are separate. For the 2010 Energy Year, this process
18 has become automated through the PA AEPS website.

19
20 **Q. PLEASE DESCRIBE WHAT CPM DOES DURING THE TRUE-UP**
21 **PERIOD.**

22 A. During the true-up period, I will periodically log into the state agency account in
23 GATS. I will verify that all EDCs and EGSs have established PA as a billable
24 state. Additionally, I perform a cursory check to verify that the accounts have
25 credits contained within them and that credits are being reserved during this time.
26 I typically begin the review approximately one week after sending out the
27 obligations and approximately every week thereafter. This review only verifies

1 that there is activity in the EDC and EGS accounts in GATS for PA.

2
3 Prior to receipt of final megawatt-hour (MWH) information from me, each EDC
4 or EGS will find in GATS information allowing the EDC or EGS to make a
5 preliminary determination of its AEPS Act compliance obligation, subject to the
6 final information provided by me. The information contained within GATS as a
7 load obligation is typically higher than what is required under the RPS laws. An
8 EDC or EGS can place credits in their reserve account in GATS at any time during
9 the Energy Year and true-up period. All percentages for compliance obligations
10 per Energy Year are available on the PA AEPS website. Any EDC or EGS with
11 sales data can calculate their obligation on their own before I send out the official
12 final obligation totals or alternatively utilize the load obligation located within
13 their GATS account.

14
15 When I notice that an EDC or EGS has excess AECs in its GATS "PA Reserve
16 Subaccount" I contact the Director of CEEP for permission to allow the excess
17 AECs to be returned to the EDC or EGS. If the Director of CEEP approves the
18 transfer, the Director of CEEP notifies GATS and me, after which, GATS contacts
19 the EDC or EGS representative to discuss the transfer. The EDC or EGS
20 determines which AECs are to be transferred from its "PA Reserve Subaccount."
21 After a transfer is made, I will check the GATS "My RPS Compliance Report" to
22 confirm that the transfer of excess AECs was accomplished as approved by the
23 Director of CEEP. EDCs and EGSs can move credits around within their GATS
24 account, as many EDCs and EGSs have obligations in more than one state. When
25 an EDC or EGS places credits into the "PA Reserve Subaccount", these credits
26 can no longer be moved without the GATS administrator removing them from the

1 account. The "PA Reserve Subaccount" becomes the "My RPS Compliance
2 Report" for PA.

3
4 **Q. PLEASE DESCRIBE HOW YOU VERIFY EACH EDC'S AND EGS'S**
5 **COMPLIANCE WITH THE AEPS ACT.**

6 A. During the first week in September 2009, I began to download and print the "My
7 RPS Compliance Reports" from GATS. In 2009, this resulted in approximately 67
8 pages of AEC documentation and approximately 516 AEC transactions.

9
10 In addition to physically printing the information, I organized all of the separate
11 spreadsheets downloaded from GATS into one excel document, broken down by
12 Tier and EDC Service Territory. I also input the EDC and EGS obligations into
13 the spreadsheet and calculated direct relationships between the obligations and the
14 quantity of credits within the "My RPS Compliance Reports" for each EDC and
15 EGS. I also sort the information by Territory, type of credit and Tiers. When
16 excess credits were found in an account, I received permission from the Director
17 of CEEP to have the AECs removed from the "PA Reserve Subaccount" so that
18 only credits being used for compliance were analyzed for eligibility. After any
19 excess credits were removed, I adjusted the spreadsheets affected and downloaded
20 and printed the revised "My RPS Compliance Reports" so that the analysis of
21 AEC eligibility and pricing data was based on only the AECs used for compliance.

22
23 After developing the spreadsheets containing only the AECs used for compliance,
24 I organized the individual AEC transactions into a pricing document to analyze
25 pricing data. I identified any missing pricing data and contacted the appropriate
26 EDC or EGS by e-mail or telephone to provide the missing data. In addition, I
27 contacted all EDCs and EGSs by e-mail or telephone and asked that they confirm

1 the accuracy of the pricing data. I then updated the master spreadsheet and
2 calculated the Solar Alternative Compliance Payment, as well as the weighted
3 average price for Solar, Tier I and Tier II AECs. I also analyzed the pricing by
4 type of AEC, such as wind, biomass, or wood waste.

5
6 After the strict quantities of credits were verified and the pricing data completed, I
7 began to analyze the vintage and RTO location for each AEC in each EDC and
8 EGS GATS "My RPS Compliance Report." Each AEC transaction is located
9 within the GATS "My RPS Compliance Report" "Details" page, that shows the
10 year and month of creation, the unit ID, facility name, certificate serial number,
11 quantity, state certification number, which Tier the AECS are eligible to meet, the
12 RPS price and the RPS period in which the AEC was produced. The vintage of
13 each AEC is easily identified through this "Details" page. I was able to determine
14 that all EDCs and EGSs utilized AECs with valid vintages for the 2008/2009
15 Reporting Year.

16
17 As the RTO location for each AEC is not shown on the GATS "My RPS
18 Compliance Report" "Details" page, I analyzed the State Certification Numbers to
19 determine which state the AEC was derived in. Each State Certification Number
20 contains a state code, for example, the state code for Pennsylvania is 39 and the
21 state code for Delaware is 10. Thus, a certificate with a State Certification
22 Number of "PA-39XXX-SUN-I" is a solar AEC obtained from a Pennsylvania
23 facility. Whereas, "PA-10XXX-WDS-II" is a Tier II Wood Waste AEC from a
24 Delaware facility. I conducted a line-by-line analysis of these AEC numbers to
25 determine those credits that belong to states that have two or more RTO service
26 territories and those that only have one RTO service territory. After identifying
27 AECs that were potentially from facilities located in the MISO control area, I

1 looked up each of these facilities on the “GATS Generators” database found under
2 the “Public Report” link on the GATS homepage. Facilities located in the “Mid-
3 Western States” on the GATS Generators database were considered to be in the
4 MISO control area. I then confirm with the GATS administrator, Jaclynn Lukach
5 as to whether or not the generators shown on the GATS generator list as “Mid-
6 Western States” are intended to represent geographic locations within the PJM or
7 MISO footprint.

8
9 **Q. PLEASE DESCRIBE WHAT INFORMATION IS ON THE AEPS**
10 **WEBSITE, HOW THAT INFORMATION IS OBTAINED AND WHO HAS**
11 **ACCESS TO THE INFORMATION.**

12 A. The AEPS website contains generator information, certification information, and
13 as of Friday, July 16, 2010, RTO information. The website also contains general
14 program information, links to the PA AEPS Act, Compliance Pricing information
15 from prior Energy Years, and a list of EDCs and EGSs that are required to comply
16 with the Act. The website also contains Annual Compliance reports written by
17 CEEP. There is a list of qualified generators that is public and can be
18 downloaded.

19
20 **Q. IS THERE INFORMATION ON THE AEPS WEBSITE THAT HAS**
21 **LIMITED ACCESS?**

22 A. Yes.
23
24

1 **Q. GENERALLY DESCRIBE THE INFORMATION, WHY ACCESS IS**
2 **RESTRICTED AND WHO HAS ACCESS TO THE RESTRICTED**
3 **INFORMATION.**

4 A. Administrators and any permitted regulator, such as a Commissioner, member of
5 the PUC or DEP, who maintains an account has access to detailed contact
6 information for generators including names, phone numbers, and physical address
7 information. Due to the fact that many of the registered systems are behind the
8 meter solar systems on residences, we do not publically disclose this information
9 for privacy reasons. In addition, administrators and any permitted regulators can
10 view pending applications. Since these pending applications are not yet certified
11 and have not been checked for accuracy, these are not made public either. There
12 is a statistics page available to administrators and regulators that details the
13 quantity of pending applications for solar and non-solar systems as well as
14 potential MW that these applications represent. Again, due to the fact that these
15 systems are not yet verified for accuracy, they are not publically available. If a
16 Commissioner, or member of the PUC or DEP, would like access to the website to
17 view this information, I ask for specific permission from Wayne Williams,
18 Director of CEEP before access is granted.

19
20 **Q. IS ACCESS TO THE ALTERNATIVE ENERGY SYSTEM RTO**
21 **LOCATION INFORMATION RESTRICTED ON THE AEPS WEBSITE?**

22 A. Prior to Friday, July 16, 2010, this information was not located on the public pages
23 of the website. From the initial launch of the website, I worked very closely with
24 the PUC staff to determine information available to the public. I did not receive
25 direction to make this information available to the public. There was no intent to
26 hide this information as it is already available on the GATS website, but I was
27 never directed to publish this information previously.

1 **Q. IS THE ALTERNATIVE ENERGY SYSTEM RTO LOCATION**
2 **INFORMATION AVAILABLE TO EDCS, EGSS AND THE PUBLIC IN**
3 **GENERAL? IF SO, WHERE?**

4 A. Yes. This information is posted on the GATS Generator list on the GATS
5 website. A screenshot of the GATS Generator database is attached as Appendix A.
6 This information is also posted on the list of Qualified Facilities on the
7 paaeps.com website. It can be found by clicking on the page "Qualified
8 Facilities".

9
10 **Q. DID YOU DETERMINE DUQUESNE LIGHT'S 2008/2009 AEPS ACT**
11 **REPORTING YEAR OBLIGATION?**

12 A. Yes.

13

14 **Q. PLEASE EXPLAIN YOUR EFFORTS AND ACTIONS IN DETERMINING**
15 **DUQUESNE LIGHT'S 2008/2009 AEPS ACT REPORTING YEAR**
16 **OBLIGATION.**

17 A. In order to calculate the EDC and EGS obligations for the 2009 Energy Year, I
18 sent an email to each EDC on June 10, 2009, requesting a list of EGS providers in
19 their territory. The email requested that the list be provided by June 17th.

20

21 After receiving the list of EGSs, each EDC was requested to send a spreadsheet
22 with EGS and EDC MWH sales. A request for this information was sent on July
23 6th to each EDC. The information was requested to be provided to me by July
24 10th. It was my intention to allow ample time after the close of the Energy Year on
25 May 31, to be able to compile MWH sales information. It was anticipated that by
26 allowing for a full month to pass before making the request, the billing data would
27 be adequately compiled.

1 I did not receive Duquesne sales data information until July 23. It was impossible
2 to calculate the obligations for Duquesne or any of the EGSs serving in its territory
3 before this information was received. After this information was received, I input
4 the sales data into spreadsheets to calculate obligations for Duquesne and the
5 associated EGSs. Any obligations associated with the Duquesne service territory
6 were sent out on July 28th. This included obligations for both Duquesne Power, as
7 well as Duquesne Light Energy, and Duquesne Light Company.
8

9 **Q. DID YOU PROVIDE DUQUESNE LIGHT WITH WRITTEN NOTICE OF**
10 **YOUR INITIAL ASSESSMENT OF ITS COMPLIANCE STATUS WITHIN**
11 **45 DAYS OF THE END OF THE REPORTING PERIOD?**

12 A. No.
13

14 **Q. WHY NOT?**

15 A. As stated above, obligations were not able to be sent out any earlier than July 23
16 as that was when sales data was received. This was 53 days after the close of the
17 Energy Year. In addition, no credits were available in the GATS My RPS
18 Compliance Report for me to review within the true-up period as transfers, from
19 the Duquesne CEPS account to the PA Reserve account were not made by
20 Duquesne until August 28. Only Duquesne has the ability to transfer credits into
21 their own PA Reserve account.
22

23 **Q. WHAT COMMUNICATION DID YOU HAVE WITH DUQUESNE**
24 **LIGHT'S REPRESENTATIVE DURING THE TRUE-UP PERIOD?**

25 A. On June 10th I sent an email request to Joan Jenkins of Duquesne requesting EGS
26 contact information by June 17.

1 On June 17th I sent an email request to Joan Jenkins of Duquesne requesting EGS
2 contact information as it was not yet received.

3 On June 18th I received an email from Joan Jenkins with the full list of EGSs
4 serving in Duquesne territory without specific contact information.

5 On July 6th I emailed a request to Joan Jenkins of Duquesne requesting retail Sales
6 Data for each EDC and EGSs in their territory by July 10th.

7 On July 10th I received a spreadsheet from Joan Jenkins of Duquesne along with a
8 question as to why the GATS load data is higher than what we request them to
9 provide.

10 On July 13th I responded to Joan Jenkins of Duquesne indicating that GATS data
11 includes losses. Joan Jenkins responded with additional questions as to why the
12 obligation is different from what GATS shows and I responded that the obligation
13 is based on retail sales without losses and GATS picks up the load differently than
14 the way the law was written.

15 On July 15th I reviewed the spreadsheet as received by Duquesne and realized that
16 the EGS data was not broken out per EGS, but rather had the EGS data in a lump
17 sum which would make it impossible to calculate individual EGS obligations. I
18 then sent an email to Joan Jenkins of Duquesne requesting a breakdown of the
19 EGS load per EGS so each individual EGS could receive their Duquesne territory
20 obligation.

21 On July 17 I sent a second request via email to Joan Jenkins for the EGS
22 breakdown.

23 On July 20th I sent a third request via email to Joan Jenkins with a copy to Wayne
24 Williams, Director of CEEP, for the EGS breakdown.

25 I spoke to Wayne Williams, Director of CEEP; with respect to the difficulties I
26 was having obtaining this information.

1 On July 23rd I received a new spreadsheet from Gary Jack of Duquesne with the
2 EGS breakdown as requested.

3 On July 28th I sent a compliance obligation spreadsheet to Gary Jack of Duquesne
4 which included the breakdown of obligations for Duquesne EDC as well as all
5 EGSs in their territory.

6 On August 25th I sent an email reminder to all EDCs and EGSs to put all credits in
7 the PA reserve account for viewing in the My RPS Compliance Report in GATS
8 by September 1.

9
10 **Q. WHEN DID DUQUESNE TRANSFER CREDITS INTO ITS RESERVE**
11 **ACCOUNT FOR AEPS ACT COMPLIANCE?**

12 A. A spreadsheet with the transfer information was received in an email from Jaclynn
13 Lukach of GATS, on Dec. 20, 2009. The spreadsheet indicated that the transfers
14 to their GATS PA Reserve account were made on August 28, 2010.

15
16 **Q. WHAT ACTIONS DID YOU TAKE AFTER DUQUESNE PLACED ITS**
17 **CREDITS IN ITS RESERVE ACCOUNT AND WHAT DID YOU FIND?**

18 A. After Duquesne placed its credits in its reserve account, in the first week in
19 September 2009, I began to download and print the "My RPS Compliance
20 Reports" from GATS for Duquesne as well as all of the other EDCs and EGSs
21 who had obligations. In 2009, this resulted in approximately 67 pages of AEC
22 documentation and approximately 516 AEC transactions.

23
24 In addition to physically printing the information, I organized all of the separate
25 spreadsheets downloaded from GATS into one excel document, broken down by
26 Tier and EDC Service Territory. I also input the EDC and EGS obligations into
27 the spreadsheet and calculated direct relationships between the obligations and the

1 quantity of credits within the "My RPS Compliance Reports" for each EDC and
2 EGS. I also sort the information by Territory, type of credit and Tiers. Through
3 this process, I discovered the inconsistencies in the Duquesne accounts which led
4 to my actions in the first week of October as described below.

5
6 **Q. WHAT COMMUNICATIONS DID YOU HAVE WITH DUQUESNE**
7 **LIGHT'S REPRESENTATIVE AFTER SEPTEMBER 1, 2009?**

8 A. On October 2 I sent an Email to Joan Jenkins and Gary Jack of Duquesne
9 regarding the fact that the obligations for Duquesne Light and their EGSs were not
10 allocated correctly within the three accounts on the GATS website. The email
11 explained that an EDC cannot submit obligations for an EGS, or vice versa, and
12 therefore certificates for each EDC and EGS are required to be within each
13 account separated by individual obligation totals. I recognized that the total
14 credits contained within all of the accounts appeared to represent the correct
15 number of credits required by the three entities obligation amounts for Solar, Tier I
16 and Tier II. I reattached the spreadsheet showing the individual obligations for
17 each EGS and the EDC.

18
19 On October 2, Joan Jenkins of Duquesne sent an email to me and GATS
20 requesting the movement of credits into the appropriate accounts.

21 On October 2, Joan Jenkins of Duquesne and I were informed by Alex Ma of
22 GATS that the requested credits had been removed from the PA Reserve
23 subaccount. Joan received instructions from Alex Ma of GATS to re-Reserve
24 those credits and put them into the appropriate accounts.

25 On October 8 I checked the GATS account and still noted a lack of credits in the
26 accounts. I then sent an email to Alex Ma of GATS and Joan Jenkins of Duquesne
27 asking if the requested transfers had occurred.

1 On October 8, Alex Ma of GATS responded with a copy of the email indicating
2 that the requested certificates were returned back to the Duquesne CEPS account.
3 The CEPS account is the main account where all un-reserved credits remain until
4 they are retired or transferred. I do not have access to any CEPS account
5 information or any other part of an EDC or EGS account in GATS. The GATS
6 account for the Commonwealth of PA only allows the user to view credits that
7 have been placed in the PA Reserve account which shows in the GATS "My RPS
8 Compliance Report".

9
10 On October 8, I sent a request to Joan Jenkins of Duquesne to reserve the correct
11 credits into the correct accounts by October 9.

12 On October 8, Joan Jenkins of Duquesne responded that the reserves should be
13 finished by end of day or by Oct. 9. She also indicated that they would input credit
14 pricing that was also not included in the credit information as required. Credit
15 pricing is required for each credit transaction in order to calculate the weighted
16 average pricing for each Tier.

17
18 On Oct. 8 I let Joan Jenkins of Duquesne know that pricing could be input into an
19 excel sheet if they were more comfortable. There is a sensitivity amongst EDCs
20 and EGSs with respect to the price paid for each credit transaction and are
21 reluctant to disclose that information.

22
23 On Oct. 9 Joan Jenkins of Duquesne sent an email indicating that all transfers
24 were made and sent the credit pricing in a spreadsheet.

25
26 On Oct. 14, I went back into the Duquesne GATS account to view the My RPS
27 Compliance Report and determined that the "Details" page in GATS, which shows

1 all the individual credits purchased, actually contained more credits than were
2 indicated on the Summary page. The Summary page shows just the total number
3 of credits in the account per Tier rather than all of the credit transactions. I then
4 sent an email to Alex Ma of GATS asking them to correct the inconsistencies in
5 the Solar and Tier II totals.
6

7 On Oct. 14, Alex Ma of GATS asked me where the errors were and I sent Alex
8 Ma of GATS a screenshot showing the error.
9

10 On Oct. 15, I received an email from Alex Ma of GATS, which also copied Joan
11 Jenkins of Duquesne, letting me know that they fixed the error for the Solar
12 credits, which had been incorrectly labeled as Tier I and not solar and noted that
13 Duquesne reserved 58,241 Tier II credits into the 2004/2005 Reporting Year rather
14 than the 2008/2009 Reporting Year. Alex Ma of GATS moved those credits back
15 into the Duquesne CEPS account and in the same email requested that Joan
16 Jenkins of Duquesne re-reserve them for the correct reporting year.
17

18 On November 13, I went back to the GATS My RPS Compliance Report to make
19 sure all of my reports matched what had been reserved in GATS and found that
20 the re-retirement for the 58,241 Tier II credits that was requested did not occur. I
21 then sent an email to Alex Ma of GATS and Joan Jenkins of Duquesne requesting
22 that the reserve transfer be made. Alex Ma of GATS made the retirement on
23 behalf of Duquesne on November 13th and sent an email to me. I then checked the
24 My RPS Compliance Report to confirm that the transfer had taken place.
25

1 **Q. ONCE DUQUESNE HAD ALL OF THEIR AECS IN THE RIGHT**
2 **ACCOUNTS, WERE YOU ABLE TO VERIFY DUQUESNE'S AEPS ACT**
3 **COMPLIANCE FOR THE 2008/2009 REPORTING YEAR?**

4 A. Yes.

5
6 **Q. PLEASE DESCRIBE YOUR FINDINGS AND HOW YOU DETERMINED**
7 **THEM.**

8 A. On November 13th, after confirming that the final credits were reserved into the
9 PA Reserve subaccount, I reprinted the Duquesne report. I investigated the
10 sources for all of the credits reserved. Duquesne is not allowed to utilize credits
11 located outside of the PJM RTO. When I looked at the sources for credits that
12 were placed in the reserve account, I discovered that the credits from several
13 generators may be located within the MISO service territory based on the PA
14 certification number. As explained in my answers above, it is easy to determine
15 which state a credit was generated in. As such I identified facilities that Duquesne
16 had purchased credits from as being located in states other than sole PJM states,
17 such as Pennsylvania, New Jersey and Maryland. After identifying these facilities,
18 I proceeded to research the credits themselves within the GATS website. I utilized
19 both the list of generators which is within the public reports on the GATS website
20 as well as clicking on the serial number of the credits themselves. I discovered
21 that the credits generated from the Cadillac facility were located in the MISO
22 RTO.

1 **Q. REGARDING THE CADILLAC RENEWABLE ENERGY CREDITS, HOW**
2 **DID YOU DETERMINE THE RTO IT IS LOCATED WITHIN?**

3
4 A. In order to determine the RTO for credits, I flagged the PA certification numbers
5 for states that are members of both MISO and PJM RTOs. While RTO information
6 is contained within the administrator log in the PA AEPS website and now on the
7 publically accessible Qualified Facilities table, I went to the GATS site to verify
8 whether these facilities are located within the PJM or MISO RTOs. For the
9 specific case of Cadillac, I went to the GATS website, went to the Public Reports
10 section and selected the "GATS Generators" list. I then sorted the list by clicking
11 on the "Location" tab, which brought the name of generators located in MISO
12 territory to the top. At the time, Cadillac Renewable Energy appeared on that list.
13 Appendix B is a screen shot of the Cadillac listing on the GATS generator
14 database. In addition, within the "My RPS Compliance Report", the serial number
15 of the credits is a link that will allow the user to "drill-down" into the details of the
16 credit. The drill-down includes the RTO as well. I then contacted Jaclynn Lukach
17 of GATS via email on November 17, 2009 and November 18, 2009, and asked her
18 to confirm that the generators identified as being in the "Mid-Western States"
19 were in fact in the MISO control area and not in the PJM control area. She
20 confirmed that this was the intent of that indication on the list of GATS
21 generators.

22
23 **Q. WHAT ACTIONS DID YOU TAKE AFTER DETERMINING THAT**
24 **DUQUESNE LIGHT USED INELIGIBLE CREDITS, INCLUDING WHOM**
25 **YOU CONTACTED AND WHEN?**

26 A. After the final credits were moved into the correct account on November 13th, I
27 conducted a review of the RTO and vintage years for all reserved credits. On

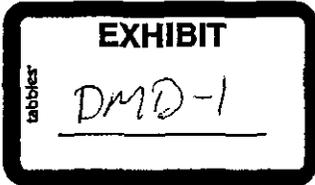
1 November 17th, I informed the Wayne Williams, Scott Gephardt, Kriss Brown,
2 Greg Shawley and Bob Young of the PUC that Duquesne had utilized 42,980
3 MISO credits for their compliance obligations and awaited further instructions.

4

5 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

6 A. Yes.

APPENDIX A



MyAccount

GATS Generators



| Unit ID | Plant Name | Unit Name | Location | Fuel Type | Owner Type | New Jersey | Maryland | District of Columbia | Pennsylvania | Delaware | Illinois | Ohio | Green-e Energy Eligible | EFEC Eligible |
|----------|-----------------------------|-----------|-----------------------------------|---------------------------------|-----------------------------|-----------------|-----------------|----------------------|--------------|----------------|-----------|------|-------------------------|---------------|
| NON34868 | SCLE | 1 | PJM Control Area | Captured Methane - Landfill Gas | Owner | Class 1 | N/A | N/A | N/A | N/A | N/A | N/A | No | No |
| NON34948 | Sears Hydroelectric Plant | 1 | Southern States (SERC and PRCC) | Hydro - Conventional | Owner | N/A | N/A | N/A | N/A | N/A | Renewable | N/A | No | No |
| NON35055 | Farmers City Wind LLC | 1 | Other (WECC, ERCOT, SPP, and MRO) | Wind | Owner | N/A | N/A | N/A | N/A | N/A | Renewable | N/A | No | No |
| NON35822 | fuller | 1 | PJM Control Area | Solar - Photovoltaic | Owner | N/A | N/A | N/A | N/A | Solar Eligible | N/A | N/A | No | No |
| NON35842 | Barry Levine | 1 | PJM Control Area | Solar - Photovoltaic | Generator Broker/Aggregator | N/A | Solar Renewable | N/A | N/A | N/A | N/A | N/A | No | No |
| NON35843 | Ross Shonat | 1 | PJM Control Area | Solar - Photovoltaic | Generator Broker/Aggregator | N/A | Solar Renewable | N/A | N/A | N/A | N/A | N/A | No | No |
| NON35844 | Gilbert Wright | 1 | PJM Control Area | Solar - Photovoltaic | Generator Broker/Aggregator | N/A | Solar Renewable | N/A | N/A | N/A | N/A | N/A | No | No |
| NON35847 | Bruce and Kathy Hendrickson | 1 | PJM Control Area | Solar - Photovoltaic | Generator Broker/Aggregator | N/A | Solar Renewable | N/A | N/A | N/A | N/A | N/A | No | No |
| NON35848 | Bradley Residence | 1 | PJM Control Area | Solar - Photovoltaic | Owner | N/A | N/A | N/A | N/A | Solar Eligible | N/A | N/A | No | No |
| NON35859 | William Parker | 1 | PJM Control Area | Solar - Photovoltaic | Owner | N/A | Solar Renewable | N/A | N/A | N/A | N/A | N/A | No | No |
| NON35860 | Chisholm | 1 | PJM Control Area | Solar - Photovoltaic | Generator Broker/Aggregator | N/A | Solar Renewable | N/A | N/A | N/A | N/A | N/A | No | No |
| NON35876 | Goplay | 1 | PJM Control Area | Solar - Photovoltaic | Owner | N/A | Solar Renewable | N/A | N/A | N/A | N/A | N/A | No | No |
| NON38660 | Hazel Residence PV System | 1 | PJM Control Area | Solar - Photovoltaic | Owner | Solar Renewable | N/A | N/A | N/A | N/A | N/A | N/A | No | No |
| NON38672 | Hogenson | 1 | PJM Control Area | Solar - Photovoltaic | Generator Broker/Aggregator | N/A | Solar Renewable | N/A | N/A | N/A | N/A | N/A | No | No |
| NON38839 | Glazer | 1 | PJM Control Area | Solar - Photovoltaic | Generator Broker/Aggregator | N/A | Solar Renewable | N/A | N/A | N/A | N/A | N/A | No | No |
| NON38840 | Johnson | 1 | PJM Control Area | Solar - Photovoltaic | Generator Broker/Aggregator | N/A | Solar Renewable | N/A | N/A | N/A | N/A | N/A | No | No |
| NON38858 | Sanborn | 1 | PJM Control Area | Solar - Photovoltaic | Generator Broker/Aggregator | N/A | Solar Renewable | N/A | N/A | N/A | N/A | N/A | No | No |
| NON38899 | Fischer Blvd | 1 | PJM Control Area | Solar - Photovoltaic | Owner | Solar Renewable | N/A | N/A | N/A | N/A | N/A | N/A | No | No |
| | | | PJM Control Area | Solar - | Generator | | Solar | | | | | | | |

APPENDIX B



My Account

GATS Generators

| Unit ID | Plant Name | Line Item | Location | Fuel Type | Owner Type | Owner Info | How Jersey | NY State Number | NY Eligibility End Date | Maryland | MD State Number | MD Eligibility End Date | Distric of Columbia | DC State Number | DC Eligibility End Date | Pennsylvania | PA State Number | PA Eligibility End Date | Delaware | DE State Number | DE Eligibility End Date | Illinois | IL State Number | IL Eligibility End Date | Ohio |
|----------|---------------------------|-----------|---------------------------|-------------------------------|------------|------------|------------|-----------------|-------------------------|----------|-----------------|-------------------------|---------------------|-----------------|-------------------------|--------------|-----------------|-------------------------|----------|-----------------|-------------------------|----------|-----------------|-------------------------|------|
| NON34209 | Cadillac Renewable Energy | 316x88 | Mid-Western States (RFCW) | Wood - Wood/Wood Waste Solids | Owner | | N/A | | | Tier 1 | MD-30013-WOS-01 | | N/A | | | Tier 1 | PA-23008-WOS-1 | | N/A | | | N/A | | N/A | |

1 - 1 - 1

