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| Logo  Description automatically generated | **COMMONWEALTH OF PENNSYLVANIA**  PENNSYLVANIA PUBLIC UTILITY COMMISSION  COMMONWEALTH KEYSTONE BUILDING  400 NORTH STREET  HARRISBURG, PENNSYLVANIA 17120 | **IN REPLY PLEASE REFER TO OUR FILE**  Docket Number  A-2013-2396610 |

October 20, 2021

PINNACLE POWER, LLC

TRAVIS ANDREWS

5847 SAN FELIPE ST, SUITE 3700

HOUSTON, TX 77057

RE: Pennsylvania Alternative Energy Portfolio Standards Act (AEPS) Non-Compliance

Dear Mr. Andrews:

Pursuant to the Alternative Energy Portfolio Standards Act and Pennsylvania Public Utility Commission (PUC) regulations, Pinnacle Power, LLC (Pinnacle) was required to derive the following percentages of its sales to electric customers from designated sources for the 2020/2021 AEPS compliance year: 0.50% Tier I Solar Photovoltaic Technology (Solar) and 10.00% Tier II with the Tier I (Non-Solar) percentage requirements calculated for each quarter at 7.787397%, 7.848938%, 7.894281%, and 7.959245% for the respective quarters of the compliance year. *See,* 73 P.S. §§1648.3(b) & (c), 66 Pa.C.S. §2814(c) and 52 Pa. Code §75.61.[[1]](#footnote-1) On July 15, 2021, the Pennsylvania Alternative Energy Portfolio Standards Program Administrator, InClime, notified Pinnacle via email of these requirements (email attached).

Based on a review conducted by InClime, and Pinnacle’s sales of 2,054.235 MWhs, Pinnacle’s alternative energy credit compliance obligations under the AEPS Act for the 2020/2021 compliance year were as follows:

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| --- | --- | --- | --- |
| **Tier** | **Credit Obligation** | **Reserve Account** | **Compliance Status** |
| Tier I (Non-Solar) | 159 | 0 | Not In Compliance |
| Tier I Solar | 10 | 2 | Not In Compliance |
| Tier II | 205 | 0 | Not In Compliance |

As outlined above, Pinnacle has a 159 MWh credit deficiency for Tier I (Non-Solar), an 8 MWh credit deficiency for Tier I Solar and a 205 MWh credit deficiency for Tier II alternative energy credits. The Commission is required to impose an alternative compliance payment of $45 times the number of additional Tier I (Non-Solar), $76.48 times the number of Tier I Solar, and $45 times the number of additional Tier II alternative energy credits needed to comply with AEPS. *See,* 73 P.S. §§1648.3(f). **Therefore, an alternative energy compliance payment of $16,991.84 is hereby imposed on Pinnacle.**

You have fifteen (15) days from the date of this notice to file a petition with the Secretary of the PUC challenging this alternative compliance payment determination. Failure to respond within fifteen (15) days shall be deemed an acceptance of the determination. *See,* 52 Pa. Code §75.65(c).

If you accept this alternative compliance payment determination, payment is due within thirty (30) days of the date on this letter and payable to: **PASEB ACP Payment**. *See,* 52 Pa. Code §75.65(d).

Please send the payment to: Pennsylvania Public Utility Commission

Commonwealth Keystone Building

400 North Street

Harrisburg, PA 17120

Attention: Policy & Planning Section

Technical Utility Services

The alternative compliance payments will be paid into a special fund of the PA Sustainable Energy Board and will be used solely for projects that will increase the amount of electric energy generated from alternative energy resources for compliance purposes. *See,* 73 P.S. §§1648.3(g) and 52 Pa. Code §§75.65(e) & (f).

Thank you for your attention to this matter. If you have any questions, please contact me at 717-783-5244.

Very truly yours,

Darren D. Gill

Darren D. Gill

Deputy Director

Technical Utility Services

Enclosure

cc: InClime, PA AEPS Credit Administrator (w/o enc.)







1. *See also*, *Implementation of Act 129 of 2008 Phase 4 – Relating to the Alternative Energy Portfolio Standards Act*, Order, at Docket No. M-2009-2093383 (entered May 28, 2009) implementing the AEPS Act requirement to adjust Tier I percentage share requirements on a quarterly basis. [↑](#footnote-ref-1)