



American Electric Power
1051 E Cary Street, Suite 1100
Richmond, Virginia 23219
AEP.com

VIA ELECTRONIC DELIVERY

October 29, 2021

Mr. William F. Stephens, Director
Division of Public Utility Regulation
Virginia State Corporation Commission
1300 E. Main Street, 4th Floor
Richmond, VA 23218

In re: Renewable Portfolio Standard (RPS) Goals

Dear Mr. Stephens:

Pursuant to Va. Code § 56-585.2 H, Appalachian Power Company ("APCo" or the "Company") is providing the information regarding its efforts to meet RPS goals and related activities.

The Company received Commission approval of its proposed RPS Plan in Case No. PUE-2008-00003, demonstrating that it has a reasonable expectation to meet the voluntary RPS goals set forth in Va. Code § 56-585.2 D. As indicated in prior filings to the Commission, the Company met the RPS Goal I and II requirements (4 percent renewable output as a percentage of 2007 base year sales in 2010, an average of 4 percent of total electric energy sold in the base year in 2011 through 2015, and in calendar year 2016, 7 percent of total electric energy sold in the base year) for 2010 through 2017. The Company is on track to achieve RPS Goal III. Attachment 1 to this letter provides documentation of the Company's compliance with the RPS Goal III in 2020. As in prior years, the Company met the goal through a combination of purchased power wind sources and company-owned hydro generation.

In addition, Attachment 2 to this letter sets forth information that complies with § 56-585.2 H and identifies:

- a) A list of all states where the purchased or owned renewable energy was generated specifying the number of megawatt hours or renewable energy certificates originating from each state;
- b) A list of decades in which the purchased or owned renewable energy generating units were placed in service, specifying the number of megawatt hours or renewable energy certificates originating from those units; and
- c) A list of fuel types used to generate the purchase or owned renewable energy, specifying the number of megawatt hours or renewable energy certificates originating from each fuel type.

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This information is provided on an APCo total company basis and a Virginia retail jurisdictional basis as applicable.

The Company expects that this will be the last year to report on voluntary RPS goals set forth in Va. Code § 56-585.2 D. Following your review of this information, please do not hesitate to call me at (804) 698-5540 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "W. Castle". The signature is written in a cursive, slightly slanted style.

William K. Castle

Director, Regulatory Services VA/TN

Attachments

cc: Greg L. Abbott
David R. Eichenlaub
Kim Pate
John A. Stevens

Attachment 1: Appalachian Power Company Compliance with RPS Goal - 2020

Reflective of Current Hydro Generation and Known, Approved APCo Wind Contracts...

- o Camp Grove (75 MW Nameplate; 2008 in-svc)
- o Fowler Ridge I (100 MW nameplate; 2009)
- o Bluff Point (120 MW nameplate; 2018)

To Achieve Renewable Resource Requirements under House Bill No. 1994
 --which amends Sections 56-585 of the Code of Virginia which had established 'voluntary' renewable goals--

RPS 2007 Base Year Data

VA GWh Sales to Jurisdictional Retail Customers	15,586	Notes 1 & 2
VA Primary Energy Sales Attributed to Nuclear	1,133	Note 3
VA GWh Jurisdictional Retail Sales excluding VA Share of Nuclear	14,453	

Portfolio Standard Goals as Described In 56-585.2	Year	Cumulative Wind Energy GWh (Note 4)	(Double) Credit for Wind	Credits for Run of River Hydro (Note 4 & 5)	APCo VA Retail Energy Allocation Factor (2020)		VA Share of Credits Created	Renewable Energy Credits Held Back for WWS (Note 8)	Renewable Energy Credits Required to Meet Goal (Note 6)	VA Share of Credits Added To/ (Depleted From) Bank	VA Share of Banked Credits Balance
					D	E = D x (B+C)					
	2020	784	1,568	1,312	46.86%	1,350	65	1,012	273	1,514	
7% Requirement (GWh)											

Note 1 - APCo Virginia Jurisdictional Energy Sales to Residential, Commercial and Industrial customers. Excludes Wholesale sales, losses and Other Ultimate Customers.
 Note 2 - No reduction in VA retail sales for nuclear energy received from APCo affiliate I&M, as allowed by the statute.

Note 3 - Average of 2004, 2005 and 2006 Primary Energy delivered to APCo VA retail jurisdiction from AEP Affiliate I&M attributed to DC Cook Nuclear Plant multiplied by 2007 Virginia Jurisdictional Retail allocation percentage.

Note 4 - APCo wind and Hydro GWh represent the amount purchased or generated by APCo during 2020. Some or all of the associated Renewable Energy Credits (RECs) may have been sold and replaced with purchases of VA compliant RECs.

Note 5 - APCO Hydro Generation includes owned run of river facilities, Summersville PPA and Smith Mountain "free water" calculation.

Note 6 - Equals Goal % for respective year multiplied by 2007 VA GWh sales to jurisdictional retail customers. Example: for 2020 = 0.07 X 14,453 = 1,012.

Note 7 - This is the cumulative amount of banked VA credits from years 2010 through 2019.

Note 8 - The APCo VA Wind Water Sunlight (WWS) program requires that RECs from the Company's renewable resources offset 100% of subscribing customer's energy usage

Determination of Meeting Voluntary Renewable Goals - 2020

1. VA Share of Credits Created Net WWS RECs **1,285 GWh**
2. VA GWh Jurisdictional Retail Sales excluding VA Share of Nuclear **14,453 GWh**
3. Renewable Credits as a percentage of 2007 Base Year Sales **8.89%**
4. Banked Credits Used to Meet 7% Goal **- GWh**

**Attachment 2: Appalachian Power Company Report to the Commission Pursuant to
Code of Virginia 56-585.2 H for the Year 2020**

H. Each investor-owned incumbent electric utility shall report to the Commission annually by November 1 identifying:

1. The utility's efforts, if any, to meet the RPS Goals, specifically identifying:

A. A list of all states where the purchased or owned renewable energy was generated, specifying the number of megawatt hours (MWh) or renewable energy certificates (RECs) originating from each state;

Purchased RECs are the GATS inventory balance for 2020 as reported to the Commission in PUR-2021-00048

<u>Originating State of Generation</u>	<u>MWh (1MWh = 1 REC)</u>	<u>VA Retail Jurisdiction</u> ¹	<u>Owned / Purchased</u>
North Carolina	-		Purchased RECs
Pennsylvania	219,560		Purchased RECs
Maryland	250,000		Purchased RECs
West Virginia	196,556		Purchased RECs
Virginia	-		Purchased RECs
Kentucky	146,090		Purchased RECs
New Jersey	-		Purchased RECs
Virginia	358,842		Owned Generation
<u>West Virginia</u>	<u>163,729</u>		Owned Generation and Purchased
Total	1,334,777		

B. A list of the decades in which the purchased or owned renewable energy generating units were placed in service, specifying the number of MWh or RECs originating from those units; and

C. A list of fuel types used to generate the purchased or owned renewable energy, specifying the number of MWh or RECs originating from each fuel type;

<u>Renewable Generator</u>	<u>Beginning Decade Placed into Service</u>	<u>Fuel Type</u>	<u>2020 MWh</u>	
			<u>2020 MWh Generated APCo Total Company</u>	<u>Generated APCo VA Jurisdiction</u>
Camp Grove Purchase	2000	Wind	193,099	90,484
Fowler Ridge Purchase	2000	Wind	220,299	103,230
Bluff Point Purchase	2010	Wind	370,849	173,776
Buck	1910	Water	54,277	25,434
Byllesby	1910	Water	56,370	26,414
Claytor	1930	Water	361,311	169,306
Leesville	1960	Water	106,314	49,818
London	1930	Water	68,003	31,865
Marmet	1930	Water	75,398	35,331
Niagara	1900	Water	8,033	3,764
Ruesens	1900	Water	-	-
Summersville Purchase	2000	Water	234,869	110,057
Smith Mountain	1960	Water	245,855	115,205 ³
Winfield	1930	Water	101,746	47,677
Total			2,096,423	982,361

2. The utility's overall generation of renewable energy; and

APCo Owned Renewable Generation MWh:	1,077,307 ^{2,5}
<u>APCo Purchased Renewable Generation MWh:</u>	<u>1,770,841⁴</u>
Total APCo Renewable Generation MWh:	2,848,148 ⁴

3. Advances in renewable generation technology that affect activities described in subdivisions 1 and 2

None at this time.

Notes:

¹ Amount of MWh or RECs may not match amount of Virginia RPS credits because wind RECs count double for RPS compliance

² This is a total Company APCo amount, other volumes in this report are on an APCo VA retail basis

³ Total "run of river" Smith Mountain generation

⁴ This is a total Company APCo amount, includes renewable wind energy purchases from Grand Ridge and Beech Ridge wind farms (512,464 MWh) that are not included in the Company's Virginia RPS plan

⁵ This is the amount of MWh generated by the renewable energy facilities, some or all of the RECs associated with this generation may have been sold and replaced by market REC Purchases