

## UTILITY CONSUMER PARTICIPATION BOARD

April 1, 2009

### MINUTES

A meeting of the Utility Consumer Participation Board was held Wednesday, April 1, 2009 in the Ottawa Building, 4<sup>th</sup> Floor Training Room, Lansing, Michigan.

#### **I. Call to Order**

Vice Chairman Marc Shulman called the meeting to order at 10:22 a.m. Board members present: Alexander Isaac (telephonically); Harry Trebing (telephonically); Sister Monica Kostielney and Marc Shulman. Members absent: None. Others present: Michelle Wilsey, Board Assistant; Chris Bzdok, Michigan Environmental Council; James Clift, Michigan Environmental Council; Don Keskey, Michigan Environmental Council and Michigan Community Action Agency Association; Terri Eklund, DLEG Finance; LeAnn Droste, DLEG Purchasing; Wes VanMalsen, DLEG Purchasing; John Liskey, Assistant Attorney General; David Shaltz, Residential Ratepayer Consortium; James Ault, Michigan Electric & Gas Association.

#### **II. Agenda**

The agenda was accepted as printed.

#### **III. Public Comment**

LeAnn Droste introduced Wes VanMalsen, DLEG. VanMalsen works on UCPB grantees on payment processing. He will attend the Utility Board meetings to better understand the decision making and approvals proceedings.

#### **IV. Minutes**

Isaac moved, second by Kostielney to approve minutes of February 9, 2009 minutes UCPB meeting.

#### **V. Correspondences (Received and placed on file)**

- A. Email 2/8/09 - U.S. Supreme Court Petition in appeal of DECO case U-13808 (Keskey)
- B. Email 2/8/09 - U.S. Supreme Court Petition in appeal of DECO case, U-13808 (reference materials) (Keskey)
- C. Email 2/8/09 - attachment 276 MICH APP 216 – 1875.001.pdf (Keskey)
- D. Email 2/8/09 - New Energy Act and Act 304 (Keskey)
- E. Email 2/8/09- attachment Enrolled Senate Bill No. 213 – 1876.001.pdf (Keskey)
- F. MEC Change of Counsel Letter to Board (Clift)
- G. Email 2/10/09 RE: U-13808 appeal to US Supreme Court (Droste)
- H. Email 2/10/09 FW: U-13808 appeal to U.S. Supreme Court (Liskey)
- I. Email 2/10/09 - attachment MEC invoice 1919.001.pdf (Keskey)
- J. Email 2/11/09 RE: U-13808 appeal to US Supreme Court – Payment suspension (Droste)
- K. Transcript 2/9/09 UCPB Meeting (Metro Court Reporters)
- L. Email 3/4/09 MEC Request for Extension of Materials for 4/1/09 Meeting (Bzdok)
- M. Email 3/11/09 RRC Submissions for the UCPB's 4/1/09 Meeting
- N. Email 3/11/09 attachment –RRC Case Status Report 3/09
- O. Email 3/11/09 attachment – UCRF 09-06 Request for Budget Revision 4-1-09.pdf

- P. Email 3/11/09 attachment – UCRF 08-02 Request for Budget Revision 4-1-09.pdf
- Q. Email 3/11/09 attachment – RRC Grant Application 3/11/09.pdf
- R. Email 3/11/09 attachment – RRC Input to UCRF 2008 Annual Report.doc
- S. Email 3/12/09 Attorney General's objection to MCAAA's intervention U-15890.pdf (Liskey)
- T. Email 3/12/09 electronic copy of MEC Change of Counsel Letter (Clift)
- U. UCPB Meeting Minutes 2/9/09 (Wilsey)
- V. UCPB Meeting 2/9/09 Major Action Summary (Wilsey)
- W. Email 3/17/09 Notice of Meeting (Bennett)
- X. Email 3/20/09 MEC Submissions for the UCPB's 4/1/09 Meeting (Bzdok)
- Y. Email 3/20/09 attachment 03-20-09 ltr to UCPB re March 2009 status report.wpd (Bzdok)
- Z. Email 3/20/09 attachment 1 - MEC Case Status Table (Bzdok)
- AA. Email 3/20/09 attachment 2 – MEC 09-04 Request for Amendment to include power supply costs in U-15805, 15806 (Bzdok)
- BB. Email 3/20/09 attachment 3 – MEC 09-03, 09-04 Request for Amendment to include decoupling issues U-15768 (Bzdok)
- CC. Email 3/20/09 resumes for Sansoucy, Polich, Lesh, Stone, and Bzdok (Bzdok)
- DD. Email 3/23/09 FW: CECO rate case U-15645 (Keskey)
- EE. Email 3/23/09 MEC Request for Amendment 09-02 CECO U-15645 (Keskey)
- FF. UCPB Financial Report 3\_10\_09 (Eklund)
- GG. Email 3/25/09 and attachment - case budget sheet amendment request u-15645 (Keskey)
- HH. Email 3/25/09 – clarification that budget sheet for U-15645 does not include previous 47,000 approved funding.
- II. MEC Letter 3/26/09 – amendment changing authorized negotiators on grants. (Clift)
- JJ. Email 3/28/09 MEC Case status report grants 09-01-09-04.
- KK. Mailed copy of MEC Case status report on grants 09-01-09-04 with corresponding summary memos.
- LL. Email 3/28/09 MCAAA Case status report grant 09-05.
- MM. Mailed copy of MCAAA Case status report on grant 09-05 with corresponding summary memos.
- NN. UCPB Review Memo 4\_1\_09 Meeting (Wilsey)
- OO. UCRF 2010 Grant Application (Wilsey)

Kostielney asked for clarification on item S regarding the attorney general objection to MCAAA's intervention U-15890. Liskey responded that there was an objection by the attorney general to MCAAA participating in that case, and the administrative law judge denied the objection and admitted MCAAA.

## **VI. Old Business**

**A.** 2008 Annual Report - Wilsey noted that input for the 2008 annual report was received from RRC. She invited input from MEC. A draft report would be provided at the June board meeting. Trebing commented that the suggestions provided by RRC on content for the annual report were very helpful.

Isaac asked if any further consideration was given to educational seminars for grant applicants? Wilsey noted that a proposal was presented at the previous board meeting. The board extensively discussed the proposal but did not act. Costs were estimated at approximately \$6,000 to conduct the seminars around the state. Wilsey was prepared to act if the board approved the seminars. There was extensive discussion on the pros and cons of the seminars.

**VII. New Business**

A. RRC UCRF 09-06 Request for Budget Revision – Shaltz presented a request for budget revision to the board. No new funds were requested. The request was to reallocate dollars within the line items to match the expenses that we've actually incurred in the case. The case, U-15628, involved MichCon's proposal to sell a portion of its native base gas. Instead of going to litigation, the case was heavily negotiated, and reached a successful conclusion. The reallocation of dollars within this amended budget more closely matches how expenses were incurred. Isaac asked Wilsey for her recommendation on the request. Wilsey responded that the reallocation request appeared consistent with the settlement negotiation process and recommended approval. Isaac asked Liskey for his recommendation. Liskey stated that the AG office did not see any problems with the board’s approval of the request.

**Kostielney moved, second by Trebing and motion carried to approve RRC UCRF 09-06 Request for Budget Revision to reallocate \$3,000 from MichCon U-15628 expert witness line to the legal personnel line. The total authorized budget for this case is unchanged.**

B. RRC UCRF 08-02 Request for Budget Revision - Shaltz presented a request for budget revision to the board. No new funds were requested. The request was to reallocate dollars between four GCR reconciliation cases based on the expenses that they expect to incur in the cases. Shaltz reported that in working in these four GCR reconciliation cases, each of them has taken a path different than expected when the grant application was filed. He reported that two of the cases, the MGU and SEMCO cases, have a very high probability of settling without having to go to hearing and litigation. The MichCon case may be litigated. The Consumers Energy case will be more heavily litigated than expected when the testimony was filed. The expected hearing process and substantial issues for ratepayers were discussed. Recommendations from Wilsey and Liskey were requested. Wilsey responded that she reviewed the budget request and that she would recommend approval of the budget amendment based on expected case requirements. Liskey responded that the AG office had no concerns regarding the request.

**Kostielney moved, second by Trebing and motion carried to approve RRC UCRF 08-02 Request for Budget Revision for transfer of funds between cases in grant 08-02 to decrease budget for expert witness hours and legal personnel hours in the MGU U-15040-R, MichCon U-15042-R and SEMCO U-15043-R 2007-2008 GCR Reconciliation cases and increase budget Consumers Energy Company U-15041-R 2007-2008 GCR Reconciliation case as outlined below. The total authorized budget of \$ 109,080 for these cases is unchanged.**

**Approved Budget MGUC U-15040-R \$27,270(\$ 13,500 legal, 13,500 expert, 270 admin)**

**Amendment Request (\$ - 2,700 legal, -4,500 expert, -72 admin)**

**Total Budget \$19,998(\$ 10,800 legal, 9,000 expert, 198 admin)**

**Approved Budget MichCon U-15042-R \$27,270(\$ 13,500 legal, 13,500 expert, 270 admin)**

**Amendment Request (\$ NC legal, -4,500 expert, -45 admin)**

**Total Budget \$22,725(\$ 13,500 legal, 9,000 expert, 225 admin)**





an alliance between environmentalists and utilities which will have the net effect of shifting costs primarily on to residential customers. He also asked for Bzdok's thoughts on the cap trade model. He sees potential damage to the residential customer in the cap trade model, and also, if the gains from efficiency are treated through cross-subsidization. He inquired as to whether MEC is open-minded to look at this and then essentially look towards developing a system or some kind of model that controls cross-subsidization, which means preventing the shifting of these new costs of renewables and cap trade costs to the residential customer and /or preventing the gains of efficiency from being essentially taken away from the residential customer. Bzdok assured Trebing that there are no alliances with the utility industry. MEC will intervene in these cases when there is a nexus between controlling costs and promoting renewable energy and conservation. The focus in these cases will be to concentrate solely on where there's a synergy between the interests of ratepayers and some of these cost issues with renewables and certainly the promotion of efficiency as a cost saving measure. In response to Trebing's concern, Clift responded that the legislation passed last year in Michigan was very clear on caps on residential, commercial, industrial ratepayers. MEC has argued in their filing that the utilities have actually used an allocation method that pushes more of the cost on to residential ratepayers than those caps would suggest. MEC is objecting to those aspects of the plan that try to push further costs on to the ratepayers beyond that that was authorized in the legislation. MEC is very sensitive to the idea that residential ratepayers should not pay anymore for renewable energy than they have to, because we want them to appreciate renewable energy and adopt it and encourage more of it to happen. Trebing responded that he can understand MEC's general concern but he hopes that as they look at this issue they keep in mind that in the final analysis the utility has an inherent incentive to do two things; one, to reduce commercial competitive rates, because if the demand is elastic, you reduce rates, you raise revenue. On the other hand, if you go to the inelastic market, which is price insensitive, which is residential, and you raise rates, you raise revenue, so you've got those two goals. Trebing emphasized that his concern is, will MEC work towards some kind of constraint or a model that identifies cross-subsidization and how it can be controlled. If we don't do this, you're going to impose a regressive excise tax on residential customers at the very time when middle class incomes are stagnant or declining. Trebing stated that he would like to see MEC focus on a cost allocation technique which is reasonably acceptable, that shows that whatever the cost increases are for renewables or whatever the burden of the cap trade model is or whatever the gains for efficiency are, that the residential customer group participates and is treated fairly. Shulman asked Bzdok if he potentially saw any conflicts with UCRF cases and other clients that he represents, or, if there were, that a disclosure or a waiver of conflicts would be provided. Bzdok did not see any conflicts at this time but would deal with it appropriately if it were to arise. **Kostielney moved, second by Isaac and motion carried to approve MEC's request for addition of Chris Bzdok as counsel on UCRF grant funded cases.** Droste asked if there was a timeline for Keskey's participation. Bzdok responded that there was no hard end date for Keskey's participation. Droste wanted to clarify how the billing on grants would work. Clift responded that MEC would provide a memo explaining which cases attorney's are working on. All billings would be processed and reviewed through MEC and sent to DELEG with the approval memo attached. Droste noted that grant budget sheets include approved counsel and experts and they would have to be updated following the action today.

- b. MEC change of negotiators - Clift explained that pursuant to the change of MEC's executive director and change of counsel, they request changing negotiators on the 2009 grants to James Clift and Chris Bzdok. This would remove Pollack and Keskey as negotiators on 2009 grants. **Isaac moved, second by Trebing and motion carried to change negotiators on the 2009 MEC grants to James Clift and Chris Bzdok.**
- c. MEC change of experts –Wilsey noted that this is a request for an addition of experts on the MEC open grants. Credentials have been provided for board review. If those experts are approved, MEC would revise budget sheets to reflect in which cases those experts would participate. Shulman asked if there were any conflicts with proposed experts and testimony they may have provided on behalf of other groups they are affiliated with? Bzdok said there are none that he is aware of. He noted that Wilsey noted in her review that Pam Lesh is affiliated with a utility. Bzdok explained that Lesh is functioning on loan from a utility on the west coast to NRDC, but that she has no sort of Michigan involvement. MEC does not believe that there's a conflict. Trebing commented that he had no personal issue with Lesh but her extensive experience and continuing employment with a utility may cause concern. He was not sure what unique skills she brought to the work plan that couldn't be accomplished by someone without the utility affiliation. Shulman concurred that the board should avoid even the appearance of impropriety. Bzdok responded that while he felt her role was appropriate, her contribution was not central to the proposal. In light of the concerns expressed, he requested that she be removed from the MEC request for addition of experts. **Trebing moved, second by Kostielney and motion carried to add experts Sansoucy, Rich Polich, and Norman Stone to MEC cases.**

F. MEC 09-04 Request for Amendment to include power supply costs in U-15805, 15806 – Bzdok explained that this request was to amend a previously approved MEC grant to pursue issues in the Consumers' balanced energy initiative application some time ago, an application that was subsequently dismissed in light of the passage of Public Act 286 and 295 of last fall. MEC is seeking to transfer and use those funds to advocate a few specific power supply issues in the review of the renewable energy and energy optimization plans for Consumers Energy and Detroit Edison. The cases are filed. MEC and other groups have invested in review of the initial filing. This request is for funding to continue participation on Act 304 issues that have been identified. Bzdok stated that MEC is relying on the four corners of the binding attorney general opinion that says, if an issue is directly tied to the costs for residential consumers, and if these issues could be raised in power supply cases, then they're eligible for funding. He noted that some of these issues, particularly the cost established for renewable energy in Consumers' plan, once decided in these cases, will have long-term cost implications in future power supply cases. MEC therefore doesn't believe that they have the option of waiting and trying to address these issues in future PSCR cases. Significant PSCR relevant decisions will be made in the implementation cases now and the outcome of these cases will continue to ripple through the PSCR cases in the future. Trebing noted that the board has previously discussed whether the implementation cases are eligible for funding under Act 304. He asked if Liskey had any advice on the request. Liskey responded that MEC presented their case very well. However, the AG office looked at this very same issue to determine if the attorney general's office could access Act 304 funds to participate in these same cases. They concluded that, under the existing laws, the AG's office could not. They relied on a body of case law that has been decided since the attorney general's opinion was issued in 1995. The AG's office now takes a very literal view of the words in the Act which state that the funding can only be

used for participation, for proceedings under Sections 6(h), (i),(j) and (k), and really what matters here is 6(j). This case did not arise under 6(j), and so we concluded that we could not utilize Act 304 funding for participation. Liskey noted that this boils down to a legal disagreement between MEC and the attorney general's interpretation, and he would leave the decision to the board. Wilsey asked Liskey if that interpretation would apply equally to other cases that did not arise under 6(j) such as rate cases, the balanced energy initiative, etc.? Liskey responded that it would. He explained that that's how the AG's office is applying this Act to our actions in terms of whether or not we're seeking funding under Act 304. Bzdok responded that MEC has no quarrel with Liskey's analysis as it relates to the attorney general's request for his own funding. Bzdok commented that he believed the 1996 opinion of the attorney general was based on a statutory interpretation that looks to the purpose of the statute, that tries to give effect to the intent of the legislature, and there's a body of law that supports that approach. Bzdok believed that the attorney general's analysis as to its own funding is more of a straight textualist approach or a straight plain-meaning approach, which certainly was the guiding principle for the Michigan Supreme Court for a period of time. It is unclear what would have happened if the 1996 AG opinion made its way up, there may have been a different answer to that. Bzdok expressed the opinion that perhaps the balance on the court has shifted back and there will be a re-emphasis at purpose and intent as well. Bzdok further commented that MEC wouldn't have made this request if we didn't believe we had an opinion of the AG that's binding on state agencies. Shulman asked Liskey to respond. Liskey commented that he felt Bzdok gave an accurate description of the legal dispute in terms of relying on what was written at a time when the courts looked deeper into the legislative intent than they have in the last 10 years or 15 years. Liskey stated that the AG office made their determination based on what they view as the current law. He noted that certainly if the pendulum swings in a different direction, they will apply whatever the current case law is. Shultz noted that in regard to funding participation in a rate case, such as the one just approved by the board for RRC, specific issues are identified in the grant application that come directly into play in the GCR cases. Michigan Consolidated Gas Company's allocation of storage to its residential customers and the cost consequences of that to the customers is an example. So I think there are instances where you can show that a GCR plan and reconciliation issue are presented in the rate case, and those would be instances where the board could fund those things. It would not be appropriate to bring in cost of service and all these other things that have nothing to do with the Act 304 cases. But on specified issues that have cost consequences in the gas cost arena or the power supply arena, I think those are the exceptions to the rule. Shulman asked Liskey if he sees a distinction as just articulated by Mr. Shultz in terms of how certain rate cases could be funded and others might not? Liskey responded that he did not disagree with the facts of what the board has previously funded. Liskey stated that he could only convey what our interpretation is in terms of when we seek Act 304 funding. Clift commented that if you look the Consumer Energy filing under the RPS energy efficiency cases, basically about two-thirds of the cost of the renewable program they think would be recoverable through PSCR cases, and that is \$3 1/2 billion that they're asking for. MEC believes that number is above regional averages. It is approximately 45 percent above the numbers that Detroit Edison used for buying the same type of energy. Clift emphasized that the cost ramifications that will pass through the PSCR in these cases is in the billions. Shulman asked Wilsey for her comments. Wilsey responded that the board has deliberated possible participation in these cases since they were created by the new legislation. The issues that the board confronted with the previous proposals were two; one, the proposals were still at the hypothetical stage and no specific Act 304 issues identified because no filings had been made. What distinguishes this proposal, is that filings have now been made. Specific linkages with Act 304 issues can be presented. MEC has done so in their work plan. The second issue goes to the question of permissibility. Wilsey noted that she was not an attorney and was not speaking to the legal argumentation. However, the challenge for the board is UCRF funding has been frequently approved for Act 304 related cases that did not specifically arise under 6(j). If this

proposal establishes a direct, credible link to Act 304 issues, why would the board deny participation in this particular proceeding? Isaac said this was a good question and asked Liskey if he could answer why the circumstances were different here? Shulman noted that Liskey had articulated the position of the AG. Isaac noted that that presented a dilemma to the board. Bzdok commented that MEC believes that until the 1996 AG opinion is replaced by another published attorney general opinion or a contrary case, the controlling authority for purposes of this request is the AG opinion. Shulman asked if this was an item that could possibly be deferred until the June meeting? Wilsey responded that the cases are filed and may be concluded by then. Kostielney noted that the attorney general could have any number of reasons for taking a case or not. The main concern for this board is how the issue will affect the ratepayer. She asked for comment on how this issue would affect the ratepayer? Bzdok responded that one component of one plan is the how the 3 1/2 billion will be distributed over customer classes. The more these costs can be contained, the better that's going to be for all customers. Clift noted that also at issue in the case is our low-income assistance programs under the energy efficiency programs which we are reviewing and commenting on to ensure that, to the maximum extent possible, weatherization and low-income targeted energy efficiency program are included as part of the overall package as required by the statute. **Kostielney moved, second by Trebing, and motion to approve the MEC request for amendment 09-04 to include power supply costs in U-15805, U-15806. Roll call: Isaac – yes, Kostielney – yes; Trebing – yes; Shulman – yes.** In discussion after the motion and prior to the vote, Isaac again asked for the AG opinion on the board passing this request? Liskey responded that the attorney general staff is not making a recommendation. They are simply providing the board with an explanation of how we have interpreted it for their own purposes. Isaac commented that when asked for an opinion on other matters, he specifically stated that they had no objection. In this case the comments are more vague. Liskey stated that they were not advising one way or another whether the board was breaking the law. He stated that the board is an independent agency, created by the statute, and it has discretionary and deliberative authority. Liskey explained that he could only give the board the AG office's assessment as to how they have applied Act 304 funding to these cases for their own purposes. Beyond that, we are saying nothing else. Shulman asked Wilsey if, in her opinion, approving this would set a new precedent or open a floodgate? Wilsey noted that this board has routinely approved participation in cases not arising under 6(j), such as rate cases, the storage case U-14800, the SNF generic complaint proceeding, the balanced energy initiative, among others. Approval in this case was not a departure from the board's past record. Isaac again requested a clear answer as to the legality of the board approving this participation. Liskey responded that he could not answer specifically in this matter, but he pointed out that when the AG's office feels that there is something clearly unlawful, they advise the board of that. He cited retroactive payment as an example. Shulman called the question and requested a roll call vote.

#### G. MEC 09-03, 09-04 Request for Amendment to include decoupling issues U-15768

Bzdok presented MEC's request to transfer unused funds from Detroit Edison dockets to advocate on the structure of the revenue decoupling mechanism that has been proposed by Detroit Edison in its current general rate case. Bzdok explained that he made the request without prior knowledge of the board's previous discussion on decoupling proposals. Therefore, the submission does not directly address concerns raised by the board previously. They have reviewed the record and correspondence and are prepared to discuss those issues with the board. Trebing commented that he would not repeat his objections articulated in the past. He did not feel however, that this work plan represented a tough, effectively designed decoupling approach. He suggested that in order to pursue decoupling, at a minimum, one would need a very strong empirical test that the company is performing efficiently, it has performed efficiently, it's outperformed comparable firms, and that it's reasonable to expect this in the

future, and that you will get some kind of measure to assure that this is being sustained. Bzdok responded that the Public Service Commission in December ordered Detroit Edison to propose an RDM in this rate case. Edison has proposed that RDM without much detail. MEC's intent would be to advocate for a design that's going to be more tied to efficiency and better for residential customers. MEC's problem is that they do not have the resources to develop the details of a work plan without funding to do so. UCRF funding would be used to hire Sansoucy's firm to develop the design details. MEC would state that as a condition of any funding, that they would give the project to Sansoucy's firm for analysis. If they tell they can't improve upon the design in a way that improves efficiency and is better for residential customers, MEC would not proceed beyond that point, and would so inform the board. Trebing noted that he reviewed the information provided on the firm and was not confident that they offered the larger perspective needed to address the concerns he raised. Liskey commented that, to his knowledge, the attorney general's office has opposed decoupling in all of the cases so far. Kostielney commented that the perspective of a national firm may be more appropriate on this issue. Bzdok commented that MEC was aware of parties who were going to oppose decoupling in this case. They were not aware of anyone who planned to advocate on the design parameters of the Edison proposal, and therefore the perspective would not be represented. He also suggested that they were open to seeking another firm if that would be an acceptable condition for approval. Shulman requested a motion. None was offered. **The item failed for lack of a motion for approval.**

H. MEC Request for Amendment 09-02 CECO U-15645 - Bzdok indicated Keskey was handling the case and would present the request. Keskey explained that the board granted \$7,000 for review of the rate case and scoping out issues relative to Act 304. That review has established that Consumers Energy is attempting in this rate case to include approximately 157 million (increasing with interest) in rate base for what's called a DOE liability. That is a fee that Consumers Energy had collected from ratepayers for its spent nuclear fuel contract. The money has already been collected from the ratepayers. Consumers did not send to the nuclear waste fund that portion of fees collected relating to pre-1983 generation. They're also including that liability as a debt cost. That raises the cost of capital because it should be a zero cost because the ratepayers have already paid it. Act 304 expressly has provided for the vehicle to collect the contract fee, and in fact expressly states that nuclear disposal costs are an Act 304 cost review item. The sale of Consumers nuclear assets and shift of responsibilities to the new firm also represents a major change in circumstance that compels the commission to reconcile all of the effects. MEC seeks to advocate for the protection of ratepayers on that issue. The total budget requested to continue work on the case as presented in the work plan developed is \$10,100. **Kostielney moved, second by Isaac and motion carried to adopt MEC Request for Amendment 09-02 CECO U-15645 in the total amount of \$ 10,100.00 (\$ 5,840 legal, 4,160 expert, 100 admin).** Liskey asked for clarification that this approval is for the case and not for any appeals. Shulman agreed the motion applied to the case only. Keskey responded that this was only for participation in the case and any request for appeals would be brought to the board for approval.

I. Item taken up earlier.

J. 2010 UCRF Grant Announcement - Wilsey presented the draft grant announcement and application for the 2010 grant cycle. The appropriation requested was \$950,000. This is subject to the State of Michigan appropriation process. If approved, funds would be available for the fiscal year beginning October 1st. The 2010 grant application deadline is July 24th, 2009, in keeping with the schedule that

the board adopted for the year. Request for applications would be due June 30, 2009. Wilsey suggested issuing press releases to media, MPSC, and associations to advertise the grant. Shulman noted that he would like to see educational workshops conducted but agreed that press releases would be worthwhile. Board members noted that newspaper ads did not work in the past. Wilsey noted that she was not suggesting paid advertising. Isaac stressed his belief that there is a need for education on the opportunities that the grant program provides and how it works. Shulman agreed but felt wider distribution might serve as a means to determine if there is greater interest. Kostielney noted that she liked the idea of working through the MPSC web site. She again expressed reservations about conducting a public forum on the grant program. Isaac responded that he feels that the board should revisit how it is set up to see if the board has as many people, organizations, nonprofits and small governmental agencies involved in this particular proceeding as possible. Shulman noted that the board will pursue wider distribution and Wilsey can report back at the June meeting.

#### **VIII. Next Meeting**

Isaac announced the next regular meeting of the UCPB is scheduled Monday, June 1, 2009, 10:00 a.m.

#### **IX. Adjournment**

The meeting adjourned at 12:41 p.m.