REPORT ON THE IMPLEMENTATION OF P.A. 295 UTILITY ENERGY OPTIMIZATION PROGRAMS

*REVISED JANUARY 2011

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Department of Energy, Labor & Economic Growth

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Introduction

Report Criteria

In October 2008, the Governor signed Public Act 295 of 2008 (PA 295 or the Act) into law. Section 95(2)(e) of the Act requires that by November 30, 2009, and each year thereafter, the Michigan Public Service Commission (MPSC or Commission) is to submit to the standing committees of the Senate and House of Representatives with primary responsibility for energy and environmental issues, a report on the Commission's effort to implement energy conservation and energy efficiency programs or measures. The report may include any recommendations of the Commission for energy conservation legislation.

Background: Energy Optimization Plans and Commission Approval

Subpart B of the Act requires providers of electric or natural gas service to establish Energy Optimization (EO) programs for their customers. Energy providers subject to the EO provisions of the Act exclude electric Alternative Energy Suppliers (AESs) and natural gas retail marketers, since Retail Choice customers may participate in their local distribution utility programs.

In compliance with PA 295, on December 4, 2008, the Commission issued a temporary order in MPSC Case No. U-15800 to implement the provisions of the Act. The temporary order provided EO Plan filing guidelines and resolved implementation issues for EO and renewable energy plans. EO plan submittals were required from all gas and electric utilities in Michigan. The Commission approved Energy Optimization Plans for 15 investor owned utilities (IOUs) , 10 electric cooperatives, and 41 municipal electric utilities, for a total of 66 Energy Optimization Plans. In 2010, 12 utilities amended their EO Plans. A listing of case numbers, company names, and approval dates can be found in ***Appendix A-1***.

Fifty-three of the 66 utilities in Michigan are formally coordinating the design and implementation of their EO programs in order to reduce administrative costs, to create consistency among programs and to improve customer and contractor understanding of program offerings and administrative procedures. The remaining 13 utilities are independently administering their own programs.

Thirteen utilities opt to pay the PA 295 authorized alternative compliance payment. The Commission-selected administrator, Efficiency United (EU), is coordinating the programs for those utilities. The majority of utilities using EU to administer EO programming for their customers are Commission regulated gas and electric utilities. However, one electric cooperative and one municipal utility have also opted to pay the alternative compliance payment. The Michigan Electric Cooperative Association's (MECA) Upper Peninsula Energy Optimization Collaborative has 12 members consisting of eight electric cooperatives and four municipal utilities.

The six municipalities of Baraga, Crystal Falls, Gladstone, L'Anse, Negaunee, and Norway filed their plans with the Commission on April 3, 2009 as participants of the MECA Collaborative; however, on May 19, 2010, these municipalities filed a revised EOP advising the Commission of their decision to withdraw from MECA's Upper Peninsula Energy Optimization Collaborative. In the revised EO Plan approved by the Commission, these municipalities are jointly coordinating their energy optimization programs with marketing assistance and technical support provided by their wholesale power supplier, WPPI Energy. Programming is similar to WPPI designed energy efficiency programs that WPPI's Wisconsin municipal utilities offer their customers.

Lastly the Michigan Public Power Agency (MPPA) consists of 22 municipal utilities that have contracted with Franklin Energy to design and implement programming. A chart delineating these EO joint coordination groups, and their respective utility partners, can be found in ***Appendix A-2***.

Program Offerings and Implementation Dates by Utility

On November, 30, 2009, a major milestone in Michigan was achieved: all natural gas and electric utility customers in Michigan could participate in specific energy efficiency programs offered by their local utility. This milestone was achieved through the 2009 launch of utility-directed Energy Optimization programs and launch of the state-selected program, Efficiency United, which has continued throughout 2010. Importantly, this was the first time in over 14 years that utility energy-efficiency programs, funded via a public benefits fund approach, have been available to Michigan utility customers. There have been new programs available in 2010 and utilities will continue to phase-in the implementation of additional programs and expand existing programs over the next several years.

The Commission has gathered information from each utility regarding program offerings and implementation dates. Information from each utility on its specific residential and commercial programs including dates of implementation for each program has been compiled. In general, individual programs are divided into two broad categories: residential and commercial/industrial. Residential programs consist of four categories: lighting (compact fluorescent), heating ventilating and air conditioning (HVAC), weatherization, and energy education. Commercial/industrial programs consist of prescriptive and custom incentive programs and energy education. Prescriptive programs provide rebates for specific equipment replacement such as lighting, boilers, pumps, compressors, etc. Custom programs generally provide a rebate per kilowatt hours (kWh) savings or per million cubic feet (MCF) savings for a comprehensive system or industrial process improvement.

The first appliance recycling facility in Michigan began commercial operation in the summer of 2009 and continued operating in 2010. The JACO Environmental recycling center is located in Livonia and services customers of The Detroit Edison Company (Detroit Edison), Consumers Energy Company (Consumers Energy), Lansing Board of Water & Light (LBWL), and several small electric cooperatives and municipal utilities. Specific Programs offerings and implementation dates listed by utility can be found in ***Appendix B***.

Efficiency United: State Selected Administrator

Section 91 of PA 295, created an option for electric and natural gas providers to offer energy optimization services through a program administrator selected by the Commission. Section 91(6) requires the administrator to be a "qualified nonprofit organization" selected through a competitive bid process. To fund the program, which has been named Efficiency United, the administrator is paid directly by the participating providers using funds collected from customers (for regulated utilities, through Commission-approved surcharges on utility bills).

The Michigan Community Action Agency Association (MCAAA) was awarded the Efficiency United contract on August 10, 2009, following the required bid process. MCAAA is a membership organization of 30 local community action agencies covering the entire state of Michigan and has extensive experience. MCAAA is working in cooperation with its primary implementation contractor, CLEAResult Consulting Great Lakes and other subcontractors, in the design, implementation and administration of the PA 295 energy optimization programs.

Efficiency United energy optimization programs were launched in December, 2009. Services and offerings are similar to, and coordinated with, those of other providers. The intent is to have as much consistency as possible across the state, reducing confusion among customers and trade allies, and resulting in greater efficacy in achieving the energy efficiency goals of PA 295. However, due to the diversity in size of the providers participating in Efficiency United, not all customers of providers participating with EU can have access to the entire array of energy optimization program services. The statutory directive (Section 91(4)) ensures that, to the extent feasible, charges collected from a particular customer rate class are spent on energy optimization programs and services for that rate class. Therefore, the array of services offered to customers of the smallest providers cannot be as comprehensive as those offered to customers of the larger providers. Annual budgets range from approximately $500 to $3,000,000 for the electric providers and from approximately $100,000 to $7,000,000 for the natural gas providers. The estimated total budget for Efficiency United from the contract award date in 2009 through December 2011 is $30,842,486.

Although Efficiency United program services are not subject to the PA 295 statutory savings targets, equivalent contractual targets were imposed by the Commission. Since the Efficiency United programs did not begin until December 2009, the first meaningful annual energy savings results will be for the combined 2009/2010 program years. The combined 2009/2010 energy savings targets for Efficiency United are 63,810 megawatt hours (MWh) of electricity and 309,609 Mcf of natural gas.[1] Target energy savings for 2011 are 59,171 MWh of electricity and 442,455 Mcf of natural gas.

[1] 24,362 MWh (2009 electric target) + 39,448 MWh (2010 electric target) = 63,810 MWh;
88,382 Mcf (2009 gas target) + 221,227 Mcf (2010 gas target) = 309,609 Mcf

There are 13 gas and electric providers who opted to offer energy optimization services to their customers through Efficiency United. The electric providers are: Alpena Power Company, Bayfield Electric Cooperative, Village of Daggett Electric Department, Cloverland Electric Cooperative (formerly Edison Sault Electric Company),[2] Indiana-Michigan Power Company (I-M), Upper Peninsula Power Company, Wisconsin Electric Power Company, Wisconsin Public Service Corporation (WPSC), Northern States Power Company (Xcel). The natural gas providers are: Michigan Gas Utilities Corporation (MGU), SEMCO Energy Incorporated, Wisconsin Public Service Corporation, Northern States Power Company (Xcel).

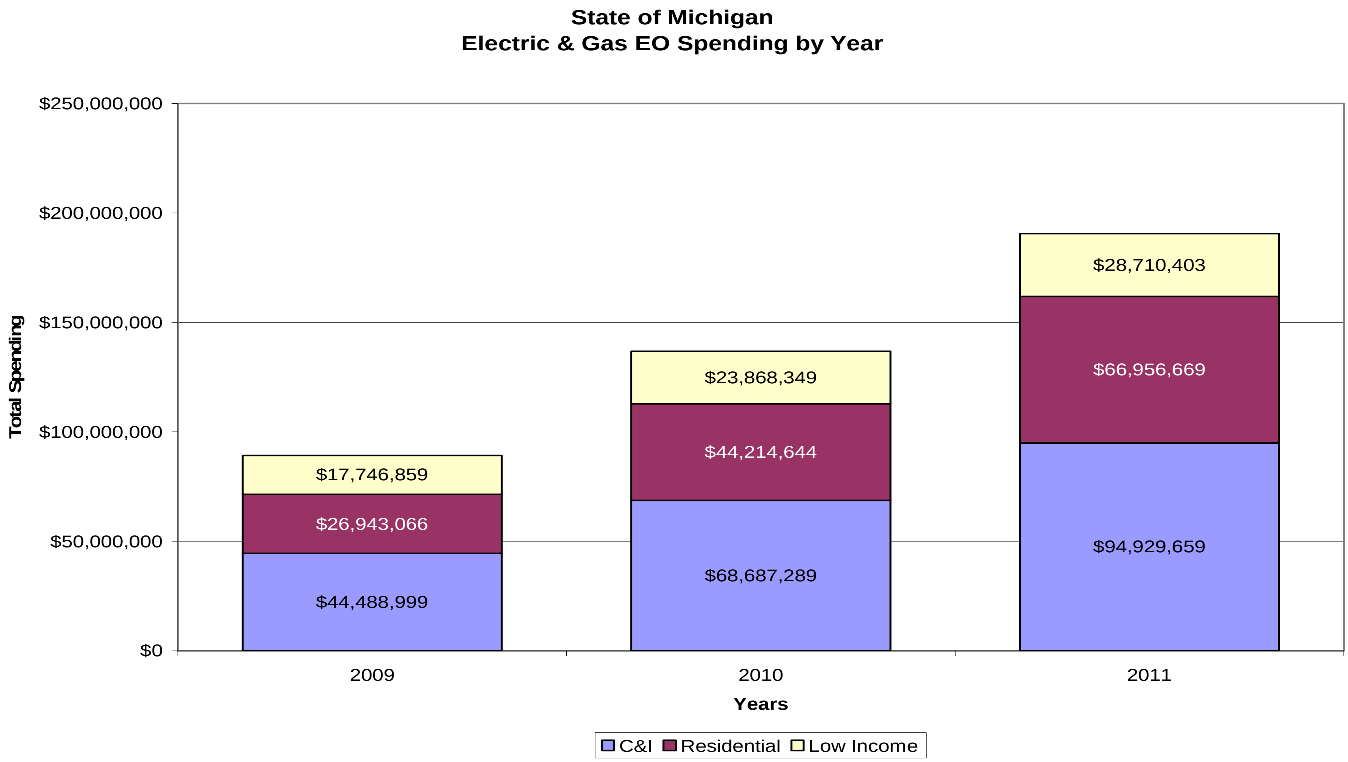
After 2011, providers have the option to reassess their participation in Efficiency United and either continue or withdraw. If the population of providers electing to offer energy optimization services through Efficiency United changes, program budgets and targets will need to be modified. The funding and targets of Efficiency United are broken out by provider in ***Appendix C***.

Summary of EO Spending and Targets: Statewide and by Utility

Spending: Based upon EO Plan filings with the Commission for calendar year 2009, the aggregate statewide funding for Energy Optimization programs was $89,424,528. For calendar year 2010, the statewide Energy Optimization budget is $137,216,121. For calendar year 2011, the statewide Energy Optimization budget is expected to be $191,448,132. The statewide three-year cumulative funding level for Energy Optimization programs is $418,088,780. The three-year cumulative funding level can be divided into three categories: $138,114,379 designated for residential (excluding low-income) programs, $208,105,947 designated for commercial and

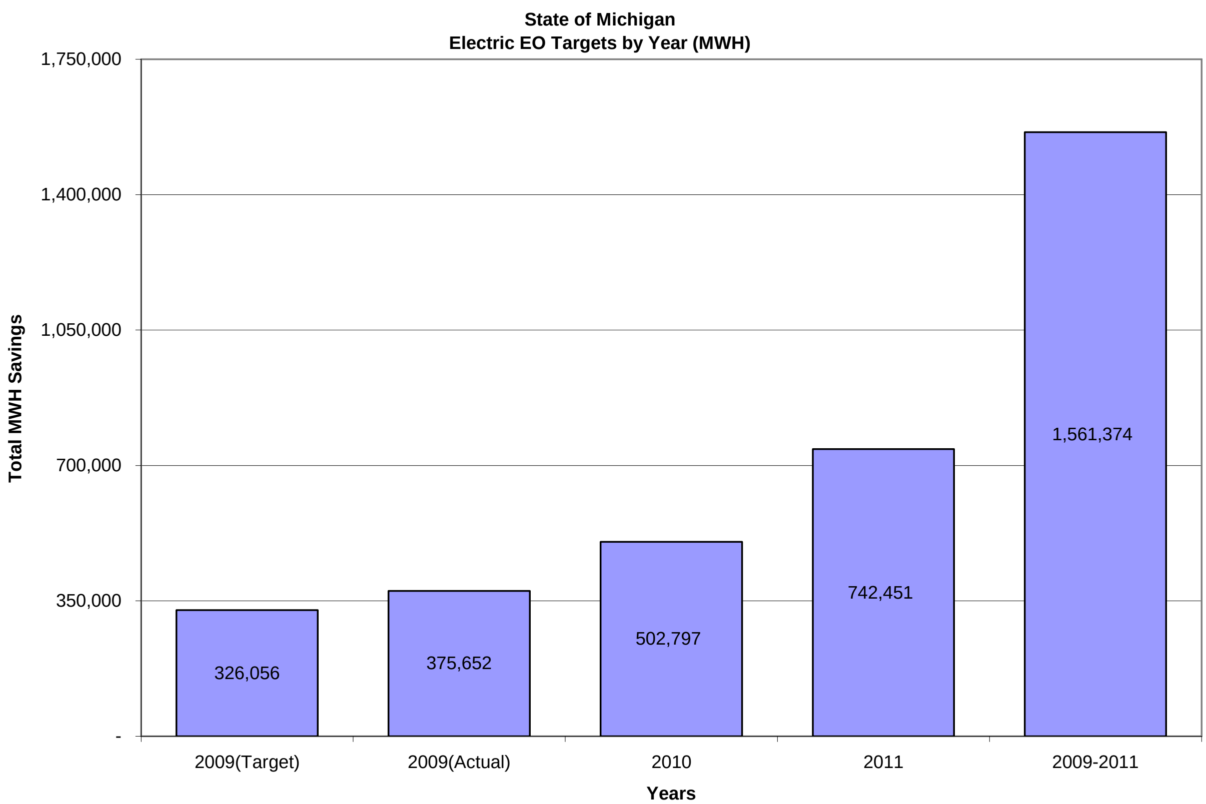
[2] In April 2010, Edison Sault Electric Company was acquired by Cloverland Electric Cooperative. *See* MPSC Case No. U-16035. Energy optimization service offerings have been standardized for all customers of the enlarged Cloverland Electric Cooperative.

industrial programs, and $70,325,612 for low income programs. For a detailed spreadsheet of spending information by utility please see ***Appendix D-1***.



Targets: The Commission gathered information regarding gas and electric utility Mcf and MWh energy savings targets for 2009-2011. The mandatory minimum savings targets are based upon a stipulated percentage of calendar-year retail sales for each utility. An annual schedule is delineated in PA 295 that progressively increases required energy savings over a four-year period. The Commission reviewed the utility annual reports, concluding that overall, 2009 EO program savings achieved for electric and gas were each 129 percent of the target, as set forth in Section 77 of the Act. For 2009 the IOUs achieved 130 percent of their savings target, while the municipal electric utilities reached 107 percent of their savings targets and the electric cooperatives met 17 percent of their target.

For 2010, the PA 295 stipulated target of .50 percent of sales are projected to be 502,797 MWh and for 2011 .75 percent of sales are projected to be 742,451 MWh. Therefore for the years 2009-2011 target savings are projected to be 1,551,317 MWh. Figure 1 below shows each annual savings target from 2009 -2011. Regulated IOU's represent 88.9 percent of the statewide electric savings targets; electric cooperatives, 3.4 percent of savings; and municipal utilities represent 7.8 percent of savings.



Natural gas utilities filed EO plans with MCfF targets, also based upon a stipulated percentage of calendar year retail sales levels. Five out of the six natural gas utilities operating in Michigan have gas transportation customers. Approximately one-third of the natural gas load in Michigan is related to the gas transportation customer class, (primarily large commercial and industrial customers). Thus, gas utility EO targets are heavily dependent on the level of gas transportation load. Note, that the Commission authorized Michigan Consolidated Gas to prorate its gas transportation targets to reflect the much lower level of EO program operating revenues derived from the gas transportation class. It is expected that in the future, the other four utilities having gas transportation rate schedules will similarly request proration.

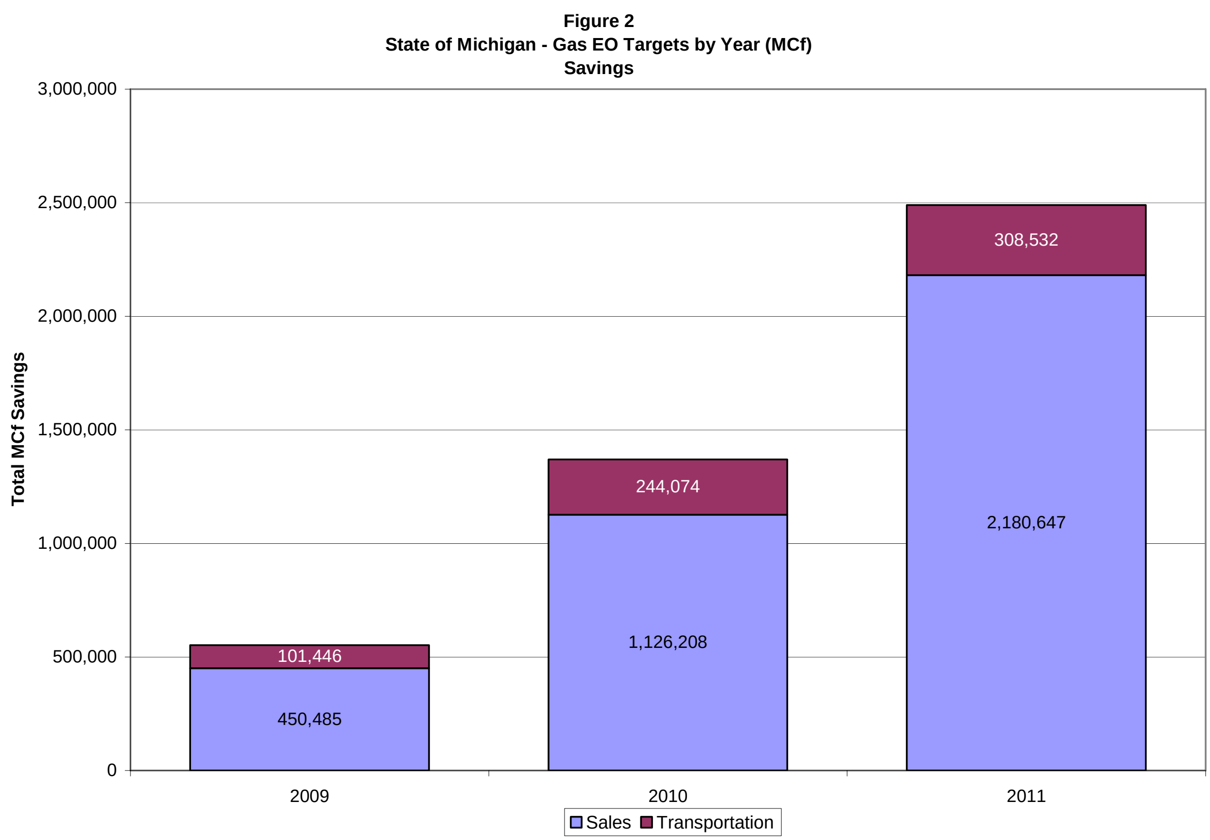
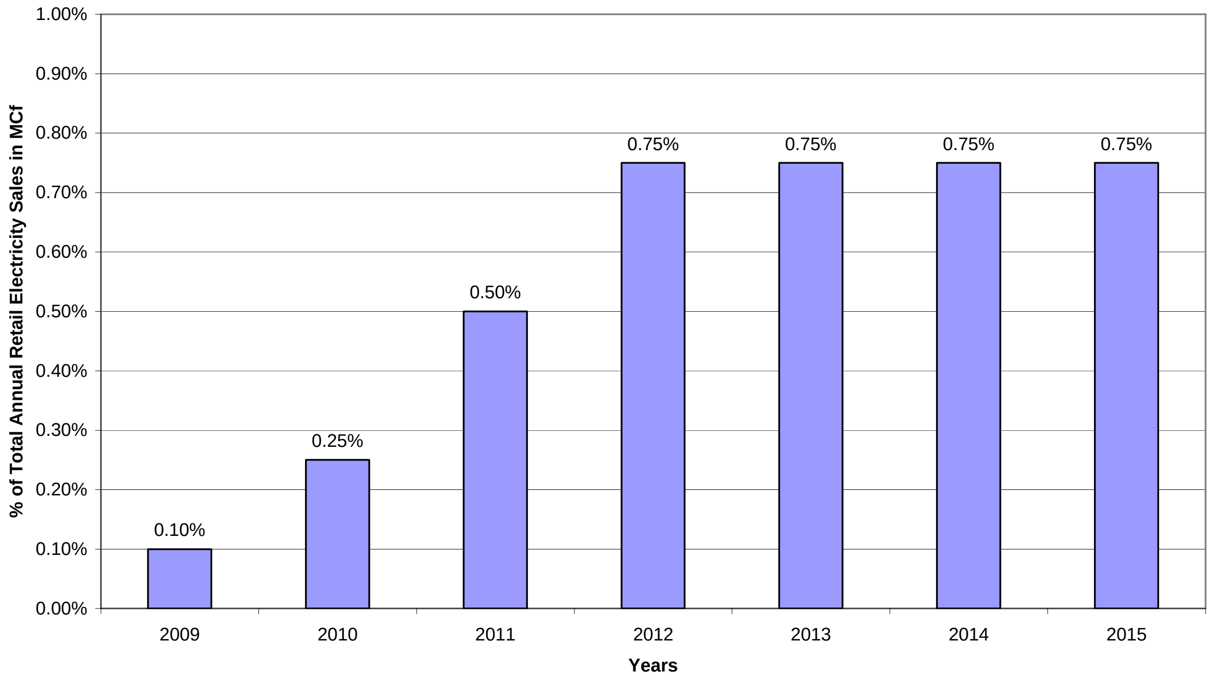


Figure 3
State of Michigan
PA 295 Gas Energy Savings Targets



In 2009 the aggregate statewide gas energy savings target was 551,931 Mcf. This is approximately 0.1 percent of the statewide retail gas sales level. The 2010 and 2011 statewide energy savings levels progressively rise to 1,370,282 Mcf and 2,489,179 Mcf. This is 0.25 percent of retail sales and 0.50 percent of retail sales respectively. Figure 2 (above) breaks down the calendar year savings targets by sales (including gas Customer Choice) and gas transportation. All of the targets are related to regulated investor owned utilities, in that Michigan's sole gas cooperative, Presque Isle, is not subject to PA 295. For a detailed spreadsheet of target information by utility please see ***Appendix D-2 and D-3***.

Energy Optimization Surcharges/Rates

The following seven companies requested and received Commission approval for surcharge changes for 2010: Detroit Edison, Alpena, Indiana-Michigan Power Company, Wisconsin Electric Power, Michigan Gas Utilities Corporation, SEMCO, and Wisconsin Public Service Corporation. Consumers Energy has a pending EO plan amendment before the Commission.

From a rate-setting perspective, the computation of Energy Optimization surcharges for the residential customer class resulted in a similar level of rates from utility to utility, with greater variation in rates for commercial and industrial customer classes. For a typical residential customer using 500 kWh per month, the 2010 statewide arithmetic average surcharge is 75 cents per month, which is a two cent increase from the 2009 amount of 73 cents per month.

For the natural gas utilities, the statewide average surcharge per residential customer using 100 Ccf natural gas per month is $1.49 per month, a 12 cent increase from the 2009 amount of $1.37. For Consumers Energy and Michigan Consolidated Gas Company (MichCon), it remained the same as in 2009, $1.72 and $0.88 respectively. Michigan Gas Utilities increased to $1.54, a 30 cent increase from last year at $1.24; SEMCO Energy increased to $1.78, a 20 cent increase from last year at $1.52; and lastly Wisconsin Public Service Corporation increased to $1.59, a 19 cent increase from last year at $1.40.

As previously demonstrated, residential EO surcharges are calculated as per kWh charges; all other customer classes are required by statute to pay fixed monthly surcharges. For example, with respect to Alpena Electric, the monthly surcharge per meter for general service customers is $1.38 per month; the large power rate class surcharge is $196.95 per month, and for large industrial customers above 13 kV, the EO surcharge is $802.68 per month. The variation in charges is less in 2010 than it was in 2009. For example, Alpena Electric increased its surcharges a few cents for Residential, General Service, Standard and Large Power to lower the cost by hundreds of dollars for Large Industrial above 13kV and special contract. For a detailed spreadsheet of EO electric surcharges by utility customer class, and an estimate of the surcharge for a typical residential electric customer using 500 kWh/month, *see* ***Appendix E-1 and E-2*** respectively.

MPSC Energy Optimization Collaborative

The Commission's orders in Case Nos. U-15805 and U-15806 directed the Commission Staff to establish a statewide energy optimization collaborative which required the participation of all gas and electric providers and offered the opportunity for a variety of additional stakeholders to participate. The structure and goals of the EO collaborative were outlined in the Commission's 2009 report to the legislature. A key goal reached by the collaborative was the reduction of the extent and cost of the formal contested hearing process through stakeholder consensus and industry peer review of standards and procedures. Three workgroups continue to make up the collaborative: Program Design and Implementation, Program Evaluation, and Low Income. Each of these three workgroups reports to the Collaborative Steering Committee, which oversees the Collaborative.

As intended, the Program Design and Implementation Workgroup meetings have facilitated information sharing among stakeholders in the EO programs and related efforts. The meetings have been well-attended and are a useful forum for discussions between installation contractors and utility providers on issues ranging from contractor participation requirements to program design elements. This Workgroup has collaborated on the rules for self-directed customers and the approval process for EO service companies, a formalized process for updating the Michigan Energy Measures Database (MEMD), and a variety of issues relating to the coordination of EO and related programs. The Program Design and Implementation Workgroup met nine times in 2010, generally on a monthly basis, and meetings are planned for November and December.

The Program Evaluation Workgroup's mission is to facilitate coordination, communication and education among program evaluators working in Michigan and between Commission staff, program administrators, program implementation contractors and other interested stakeholders on evaluation-related topics. Over the past year, the group has reviewed the draft rules and collaborated in editing areas pertaining to evaluation measures, MEMD and the Net to Gross (NTG) application. The Evaluation Workgroup advised the Steering Committee on issues related to program evaluation and on establishing a transparent process for adding measures, reviewing and updating deemed savings of existing measures, and inputs into the derivation of deemed values. The workgroup also educated stakeholders on the technical details of program evaluation including: the roles of evaluation; methodologies; and the use of evaluation results. The Evaluation Workgroup has held nine meetings in 2010 and meetings are scheduled in November and December.

The Low-Income Workgroup focused on information coordination and sharing throughout 2010. With an unprecedented influx of funds impacting the State's utilities, non-profits and governmental agencies, (*e.g.*, Energy Optimization, American Recovery and Reinvestment Act (ARRA), Low-Income and Energy Efficiency Funds (LIEEF) and Low-Income Home Energy Assistance Program (LIHEAP)), the need for a forum for information exchange quickly became apparent. Updates and progress reports centered on initiatives such as DELEG's Retrofit Ramp-Up, the Michigan Benefits Access Initiative, utility bill payment assistance, and the Michigan Baseline Study. The use of Internet-based social media was explored in order to expand the reach of utility bill payment assistance information to appeal to the increasing numbers of citizens in need for these services. The Low Income Workgroup met seven times in 2010 with meetings scheduled for November and December.

Participation in the Steering Committee is by invitation only and includes stakeholders representing gas and electric providers, interveners in EO plan cases, energy efficiency advocates, and others. Each collaborative group (Program Design and Implementation, Evaluation and Low Income) report to the Steering Committee on the issues and happenings of that particular workgroup and decisions were addressed by the Steering Committee. The Steering Committee met biannually, with the first meeting being in January 2010 and the second one in August 2010. The next Steering Committee meeting is schedule for January 2011. A flow chart of the EO Collaborative workgroup structure is located in ***Appendix F***.

Partners/Implementation Contractors by Utility

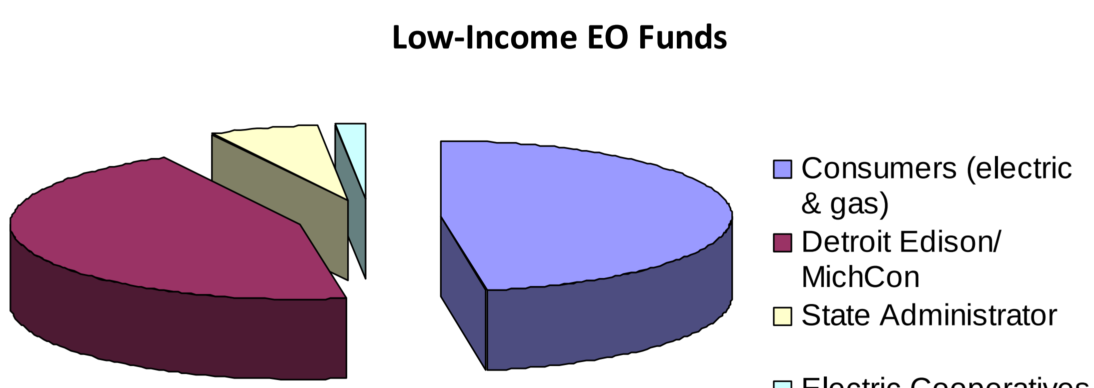
Because of the absence of energy efficiency programming in Michigan over the past decade and a half, Michigan lost its energy efficiency implementation contractor industry which migrated to other states that continued energy efficiency programs. The near vacuum of professional energy efficiency consulting businesses in Michigan has required utilities to obtain out of state design and implementation contractors. In 2009, most contractors were still located out of state, however over the past year these companies have opened businesses in Michigan. For example, CLEAResult, a Texas-based organization, has opened an office in Okemos, Michigan to serve its Michigan clients. Also, most of the utility companies in Michigan have contracted with JACO Environmental for their refrigerator recycling program, which is a Washington-based company that now has recycling centers in Michigan. KEMA, which conducted the evaluation work for many Michigan utilities, is an international company that now

has offices in Okemos, Detroit and Clark Lake, Michigan. Further, with respect to sub-contractors, utilities have required recruitment of local labor for all field work.
A review of implementation contractors reveals that most implementation work in Michigan is being performed by a handful of businesses. Finally, it should be noted that many utility EO low-income programs in the state, including the Efficiency United program, will rely on the MCAAA to implement low-income programs. Several utilities are implementing low-income programs using local community action agencies, or other non-profits. Information on partners and contractors by specific utility company can be found in ***Appendix B*** along with program offerings by utility.

Low-Income Programs

Sections 71, 89 and 93 of 2008 PA 295 require utilities to offer EO programs for each customer class, including low-income. Each rate class must contribute proportionally to low-income program costs, based on its funding of the utility's total EO program. Low-income EO programs are excluded from the requirement to meet the cost-benefit test. Figure 4 shows the contribution to low-income program costs for rate-regulated utilties.

Figure 4



Low-Income Residential Program Funds 2009-2011	
Consumers (electric & gas)	$29.9 Million
Detroit Edison/ MichCon	$28.1 Million
Electric Cooperatives	$1.1 Million
State Administrator	$3.8 Million
Total:	$62.9 Million

Michigan Saves Grant Program

Michigan Saves was established in June 2009 by a grant from the Michigan Public Service Commission's Low Income and Energy Efficiency Fund. This grant, awarded to Public Sector Consultants and the Delta Institute, sought to establish a new organization to design and launch an innovative financing program for energy efficiency and small-scale renewable energy technologies. Michigan Saves programs are intended to serve all types of energy consumers in the state. The Michigan Saves Home Energy Loan Program and several pilot programs are currently operational. The basic program model applies the grant dollars to a loan loss reserve fund. The loss reserve is made available to lenders that offer loans that meet Michigan Saves standards for rates, underwriting, and other criteria. Michigan Saves also maintains a network of authorized contractors that are screened for licensing, insurance, and third-party certifications, and are monitored for quality assurance. Customers gain access to Michigan Saves loans by working with authorized contractors. The framework allows public dollars to be recycled into the program to continue leveraging private investment.

Michigan Saves is a nonprofit organization in the state of Michigan. Public Sector Consultants and the Delta Institute continue to build the organization's capacity, financing programs, and operational procedures. The nonprofit organization, which is currently governed by 11 voting board members and a special policy advisor appointed by the MPSC, will become a fully independent organization when the MPSC grant expires on September 30, 2011.

In June 2010, the U.S. Department of Energy awarded a three-year grant to Michigan Saves, together with the Michigan Department of Energy, Labor & Economic Growth, Southeast Michigan Regional Energy Office, Detroit Economic Growth Corporation, and the City of Grand Rapids, for BetterBuildings for Michigan (previously known as Michigan Retrofit Ramp-up Initiative). This project will make energy efficiency improvements on a neighborhood-by-neighborhood basis in targeted areas around the state.

Self-directed EO program

Under Section 93 of PA 295, electric customers who meet certain eligibility requirements may create and implement a customized energy optimization plan and thus be exempt from paying an EO surcharge to their utility providers. Electric customer eligibility to participate in the self-directed EO plans is determined by the customer's annual peak demand. For 2011, the Act allows customers with 1 MW annual peak demand in the preceding year or 5 MW aggregate at all of the customer's sites within a service provider's territory to participate. These are lowered from the 2010 thresholds of 2 MW annual peak demand or 10 MW in aggregate. For the 2010 plan period, 79 utility customers in Michigan enrolled to self-direct their own EO program, compared to 77 in 2009.

Reported and projected energy savings for these large commercial and industrial customers are summarized in the table below.

Projected Energy Savings for Large Commercial and Industrial Customers

Provider	2009 Customers	2010 Customers	2009 reported load reduction (MWh)	2010 expected load reduction (MWh)
Detroit Edison	26	26	12,486	20,079
Consumers	30	30	8,515	14,192
State Administrator	9	11	5,196	14,568
Cooperative	3	3	899	1,498
Municipal	9	9	2,006	3,343
Total	**77**	**79**	**29,102**	**53,680**

Each fall, an open enrollment period begins allowing new customers to opt into the self-directed program. Although the numbers are not yet available for 2011, the Commission's general observation at this time is that overall numbers are relatively stable even though the peak demand threshold was lowered. Small utilities are seeing additional migration of customers to the self-directed program due to the larger EO surcharges for the primary customer classes. Several electric utilities including Consumers Energy, Detroit Edison, and Lansing Board of Water & Light, in contrast, are seeing some customer interest in terminating self-directed programs in light of the relatively low EO surcharges for their largest electric customers.

Following a public hearing process, the Commission recently enacted an approval process, required by PA 295, for energy optimization service companies (EOSCs). Per PA 295, customers with less than 2 MW annual peak demand per site or 10 MW in aggregate must utilize an approved EOSC to design and implement their EO programs. The approval process and application can be found on the Commission's website. As of this writing, the Commission has not received an application from a potential EOSC.

Financial Incentive Mechanism

On September 29, 2009, the Michigan Public Service Commission approved financial incentive mechanisms for Detroit Edison (U-15806), MichCon (U-15890) and Consumers Energy (U-15805 & U-15889). The Commission authorized a mechanism that it believed would incent utilities to pursue cost effective energy efficiency programs that significantly exceed the statutory minimum. The incentive mechanism requires a utility to simultaneously meet two thresholds: exceed the statutory minimum targets; and exceed a benefit cost test called the Utility System Resource Cost Test (USRCT), of 1.0. The incentive payout is computed as a percent of program spending, and is a linear interpolation between the minimums and maximum achievement level of 115 percent of the energy savings target and a USRCT of 1.25. The maximum incentive is capped at 15 percent of program spending. If the maximum criteria are met, a utility spending $50 million in a given year, for example could be awarded $7,500,000. For 2009, Consumers Energy, Detroit Edison and Michigan Consolidated Gas Company requested an incentive amount for exceeding their minimum targets and exceeding the Utility System Resource Cost Test. The specific amounts are listed below:

Utility:	**Incentive Amount:**
Consumers Energy (Electric)	$3,323,612
Consumers Energy (Gas)	$2,361,693
Detroit Edison	$3,008,829
Michigan Consolidated Gas	$913,374

For more detailed information, including the financial incentive mechanism nomograph, see ***Appendix G-1: G-3***.

Revenue Decoupling

PA 295 requires the Commission to establish revenue decoupling mechanisms (RDMs) for regulated gas utilities that implement an Energy Optimization program and that request such a mechanism. Section 89(6) states in part: "The commission shall authorize a natural gas provider that spends a minimum of 0.5 percent of total natural gas retail sales revenues, including natural gas commodity costs, in a year on commission approved energy optimization programs to implement a symmetrical revenue decoupling mechanism …" Pursuant to PA 295, a gas utility must file a request for such a mechanism with the Commission, albeit the Commission may authorize an alternative mechanism that the Commission deems to be in the public interest.

With respect to regulated electric utilities, the statute required the Commission to file a report with the legislature on its finding of whether electric utility RDMs would be cost effective and would reduce the overall use of fossil fuels in the state. The Commission filed its report with the legislature, on October 6, 2009, finding that electric utility RDMs would in fact be cost effective and would reduce the use of fossil fuels in the state. The Commission found that electric utilities would be inclined to expand energy optimization programs because of the reduced risk of revenue losses produced by RDMs. Further, the Commission determined that it does have the authority to approve electric utility RDMs on the basis of its general ratemaking authority granted by PA 3 of 1939. The Commission determined that it would consider electric utility RDMs for any utility that requested one. .

On and after November 2, 2009, the Commission approved revenue decoupling mechanisms for seven utilities. One additional request is pending before the Commission. Of the approved mechanisms, four are electric utility RDMs: Consumers Energy (Electric), Detroit

Edison, Upper Peninsula Power, and Indiana Michigan Power Company. Three RDMs are for gas utilities: Consumers Energy (Gas), Michigan Consolidated Gas, and Michigan Gas Utilities. Southeastern Michigan Gas Company's request is pending. All RDMs were approved on a pilot basis. Several different mechanisms were approved to obtain experience and information that would enable the Commission to refine the algorithms, annual reconciliation calculation, revenue allocations, and surcharge rate design. In particular, all gas utility RDMs would incorporate weather normalized data. Additionally, the RDMs for utilities implementing their own Energy Optimization programs were conditioned upon: (1) meeting certain reporting requirements; (2) exceeding the benchmarks for energy optimization programs established by PA 295; (3) committing to provide enhanced energy efficiency programs and demand side resources that enable all customer classes to effectively manage rising energy costs; and (4) surpassing minimum reliability standards under rule and law.

In its first order approving a RDM, which was for CE electric in Case No. U-15645, the Commission determined that: "A well-crafted decoupling mechanism will likely mean that changes in revenue resulting from changes in consumption will no longer cause a utility to file a general rate case. Rather, a utility's need to file a general rate case will be driven by changes in the utility's underlying costs." It has been determined that the sales forecast continues to be an important issue in utility general rate cases, despite the existence of a broad-based RDM. On November 4, 2010, in its order for Consumer Energy's most current rate case, Case No. U-16191, the Commission ordered the Staff to work with all stakeholders and parties to discuss varying issues related to RDM pilot implementation and to submit a report on all of the positions taken, including areas of consensus on particular issues.

PA 295 Energy Optimization Rules

As provided in MCL 460.1191(2), the Commission must promulgate rules within one year of the effective date of PA 295. On October 7, 2008, the Commission filed a request for rulemaking (RFR) with the State Office of Administrative Hearings and Rules (SOAHR). On the same date, SOAHR approved the RFR, which has been assigned the SOAHR docket number 2008-042 LG. On October 6, 2009, the Commission submitted the draft of the PA 295 rules to SOAHR. On April 27, 2010 the Commission issued an order and notice of hearing to receive comments on the rule in Case No. U-15900. The hearing was held on June 22, 2010 with written comments received on July 14, 2010. After evaluating the comments, substantial edits were made to the rules necessitating a subsequent submission to SOAHR and LSB for informal approvals to be followed by a second round of public comment.

Conclusion

The Commission views the state's utility EO programs as a resounding success. During 2010, utilities in Michigan significantly ramped-up energy efficiency programming for their customers, expanding spending from $89 million to $137million, an increase of 54 percent over 2009. All 66 utilities in the state are now implementing EO programs.

Utilities continue to refine programming as they gain experience. For example, both DTE and CE filed amended EO plans this year to increase program spending and expand program offerings. In addition, all utilities will be filing their next biennial EO plans in 2011, which will cover 2012 and beyond. The Commission is confident that these efforts will improve the competitive position of Michigan businesses and improve the financial standing of its residents.

Several areas of potential improvement to EO programs are being explored by the Commission through the EO Collaborative. One is the concept of creating a statewide buying consortium for efficient lighting, such as compact fluorescents. The concept could, if successful, be expanded to other efficient appliances. A statewide buying consortium holds particular promise for the customers of small utilities such as electric cooperatives and municipal utilities who cannot obtain price reductions through economies of scale.

A second area being explored by the EO Collaborative relates to fuel switching, with particular emphasis on new technologies such as geothermal heating (ground-sourced heat pumps), advanced air-to-air heat pumps, solar hot water, and industrial fuel switching technologies. The Commission Staff, through the EO Collaborative is in the process of preparing a formal white-paper on the subject. The paper will address policy issues, legal issues, technology issues, and will contain several technical appendices. The paper will also provide findings and recommendations that could be employed by the Commission to selectively promote such efficient technologies.

A third area being explored by the EO Collaborative relates to the option of trading EO credits, similar to the trading of renewable energy credits (REC's). Section 85 (1) of PA 295 prohibits the transfer of EO credits, but Section 85(2) requires the Commission to make recommendations for transferability in its 2011 EO report. At this time, it appears that trading of EO credits has merit and could be used by utilities that jointly implement EO programming via a collaborative to transfer EO credits from member utilities that exceed targets to utilities that are short. In addition, an alternative to the large electric customer self-directed program could be created on the basis of tradable EO credits where large customers (or aggregators) sell EO credits to the customers' utility as a way to partially fund energy efficiency improvements. This approach could also be used to create an EO program for large gas transportation customers. The Commission expects to have additional findings and recommendations in the 2011 EO report.

Lastly, the Commission notes that its decision to recognize large gas transportation customers as "retail sales customers" has been taken to the Michigan Court of Appeals. The Commission is exploring a permanent solution to this issue such as reduced EO surcharges for large gas transportation customers (greater than 100,000 Mcf), defining (for the purposes of implementing PA 295) large gas transportation as wholesale customers and/ or creating an alternative voluntary EO programs for this segment. The Commission believes that as gas transportation constitutes nearly one-third of total gas use in Michigan, that appropriate public policy would not ignore those industries in Michigan that desire help in reducing energy costs.

In overall conclusion, the Commission is pleased with Public Act 295 and proud to promote the development of clean and renewable energy and energy optimization through the standards that were implemented. The Commission looks forward to the adoption of the Energy Optimization Rules and future administration of Public Act 295. Furthermore, at this time the Commission is not recommending additional energy conservation legislation, nor is it recommending any amendments to PA 295. The Commission believes it prudent to obtain additional experience with actual implementation of utility EO programs before it develops such recommendations.

	CASE #	COMPANY	2009 Plan Approval	Group
IOUs				
1	U-15804	Alpena Power Company	5/12/2009	Efficiency United
2	U-15805	Consumers Energy Company	5/26/2009	Independent
3	U-15806	Detroit Edison Company	6/2/2009	Independent
4	U-15807	Edison Sault Electric Company	5/12/2009	Efficiency United
5	U-15808	Indiana Michigan Power Company	5/12/2009	Efficiency United
6	U-15809	Northern States Power Company-Wisconsin	5/12/2009	Efficiency United
7	U-15810	Upper Peninsula Power Company	5/26/2010	Efficiency United
8	U-15811	Wisconsin Public Service Corporation	5/26/2010	Efficiency United
9	U-15812	Wisconsin Electric Power Company **	5/26/2010	Efficiency United
Co-ops				
10	U-15813	Alger Delta Cooperative Electric Association	5/12/2009	MECA
11	U-15814	Bayfield Electric Cooperative	6/2/2009	Efficiency United
12	U-15815	Cherryland Electric Cooperative	5/12/2009	Independent
13	U-15816	Cloverland Electric Cooperative	5/12/2009	MECA
14	U-15817	Great Lakes Energy Cooperative	5/12/2009	MECA
15	U-15818	Midwest Energy Cooperative	5/12/2009	MECA
16	U-15819	Ontonagon Co. Rural Electricification Assoc.	5/12/2009	MECA
17	U-15820	Presque Isle Electric and Gas Co-op	5/12/2009	MECA
18	U-15821	Thumb Electric Cooperative	5/12/2009	MECA
19	U-15822	Tri-County Electric Cooperative	5/12/2009	MECA
Municipals				
20	U-15848	Village of Baraga	7/1/2009	WPPI
21	U-15849	City of Bay City	7/1/2009	MPPA
22	U-15850	City of Charlevoix	7/1/2009	MPPA
23	U-15851	Chelsea Department of Electric and Water	7/1/2009	MPPA
24	U-15852	Village of Clinton	7/1/2009	Independent
25	U-15853	Coldwater Board of Public Utilities	7/1/2009	Independent
26	U-15854	Croswell Municipal Light & Power Department	7/1/2009	MPPA
27	U-15855	City of Crystal Falls	7/1/2009	WPPI
28	U-15856	Daggett Electric Department	10/13/2009	Efficiency United
29	U-15857	Detroit Public Lighting Department	7/1/2009	MPPA
30	U-15858	City of Dowagiac	7/1/2009	MPPA
31	U-15859	City of Eaton Rapids	7/1/2009	MPPA
32	U-15860	City of Escanaba	7/1/2009	MECA
33	U-15861	City of Gladstone	7/1/2009	WPPI
34	U-15862	Grand Haven Board of Light and Power	7/1/2009	MPPA
35	U-15863	City of Harbor Springs	7/1/2009	MPPA
36	U-15864	City of Hart Hydro	7/1/2009	MPPA
37	U-15865	Hillsdale Board of Public Utilities	7/1/2009	Independent
38	U-15866	Holland Board of Public Works	7/1/2009	MPPA
39	U-15867	Village of L'Anse	7/1/2009	WPPI
40	U-15868	Lansing Board of Water & Light	7/1/2009	Independent
41	U-15869	Lowell Light and Power	7/1/2009	MPPA
42	U-15870	Marquette Board of Light and Power	7/1/2009	MECA
43	U-15871	Marshall Electric Department	7/1/2009	Independent
44	U-15872	Negaunee Department of Public Works	7/1/2009	WPPI
45	U-15873	Newberry Water and Light Board	7/1/2009	MECA
46	U-15874	Niles Utility Department	7/1/2009	MPPA
47	U-15875	City of Norway	7/1/2009	WPPI
48	U-15876	City of Paw Paw	7/1/2009	MPPA
49	U-15877	City of Petoskey	7/1/2009	MPPA
50	U-15878	City of Portland	7/1/2009	MPPA
51	U-15879	City of Sebewaing	7/1/2009	Independent
52	U-15880	City of South Haven	7/1/2009	MPPA
53	U-15881	City of St. Louis	7/1/2009	MPPA
54	U-15882	City of Stephenson	7/1/2009	MECA
55	U-15883	City of Sturgis	7/1/2009	MPPA
56	U-15884	Traverse City Light & Power	7/1/2009	MPPA
57	U-15885	Union City Electric Department	7/1/2009	Independent
58	U-15886	City of Wakefield	7/1/2009	Independent
59	U-15887	Wyandotte Department of Municipal Service	7/1/2009	MPPA
60	U-15888	Zeeland Board of Public Works	7/1/2009	MPPA
Retail Rate-Regulated Natural Gas Providers				
61	U-15805	Consumers Energy Company	5/26/2009	Independent
62	U-15890	Michigan Consolidated Gas Company	6/2/2009	Independent
63	U-15891	Michigan Gas Utilities Corporation	5/26/2009	Efficiency United
64	U-15892	Northern States Power Co - Wisconsin	5/12/2009	Efficiency United
65	U-15893	SEMCO Energy, Inc.	5/26/2009	Efficiency United
66	U-15894	Wisconsin Public Service Corporation	5/26/2009	Efficiency United

Appendix A-2

- **Michigan EO Program (66)**
  - Efficiency United (13)
    - Electric IOUs (7)
      - Alpena
      - Edison Sault
      - NSP (Xcel Electric
      - Upper Peninsula Power Co.
      - Wisconsin PSC
      - Wisconsin Electric Power Co.
      - Indiana Michigan Power Co.
    - Co-Ops (1)
      - Bayfield Electric Coop
    - Munis (1)
      - Daggett Electric Dept.
    - Gas IOUs (4)
      - Michigan Gas Utilities
      - NSP (Xcel) Electric
      - Wisconsin PSC
      - Semco
  - Independently Administered (13)
    - Electric IOUs: (2)
      - Consumers Energy
      - Detroit Edison
    - Co-Ops (1)
      - Cherryland Electric
    - Munis (8)
      - Clinton
      - Coldwater
      - Hillsdale
      - Lansing Board of Water & Light
      - Marshall
      - Sebawaing
      - Union City
      - WakeField
    - Gas IOUs (2)
      - Consumers Energy
      - MichCon
  - MECA (12)
    - Co-Ops (8)
      - Alger Delta
      - Cloverland
      - Great Lakes
      - Midwest
      - Ontonagon
      - Presque Isle
      - Thumb Electric
      - Homeworks Tri-County
    - Munis (4)
      - City of Escanaba
      - Marquette Board of Light and Power
      - Newberry Water and Light
      - City of Stephenson
  - WPPI (6)
    - Munis (6)
      - Baraga
      - Crystal Falls
      - Gladstone
      - L'Anse
      - Negaunee
      - Norway
  - MPPA (22)
    - Munis (22)
      - Bay City ---------- Charlevoix
      - Chelsea ------------------ Croswell
      - Detroit Public ------------------ Dowagiac
      - Eaton Rapids ------------------ Grand Haven
      - Harbor Springs ------------------ Hart Hydro
      - Holland ------------------ Lowell
      - Niles ------------------ Paw Paw
      - Petoskey ------------------ Portland
      - South Haven ------------------ St. Louis
      - Sturgis ------------------ Traverse City
      - Wyandotte ------------------ Zeeland

UTILITY TYPE TOTALS IN MICHIGAN	
Electric IOUs	9
Municipals	41
Cooperatives	10
Gas IOUs	6
TOTAL	**66**

Appendix B

Utility	Sector		Program Type	Year Imp.	Implementation Contractors
INDEPENDENTLY ADMINISTERING					
IOUS					
Consumers	Residential	1	Appliance Recycling	2009	JACO Environmental
		2	Multifamily Direct Install	2009	ICF
		3	Income Qualified	2009	CLEAResult
		4	Energy Education	2009	National Energy Foundation
		5	Energy Star Lighting	2009	ICF
		6	Energy Star Appliances	2009	ICF
		7	HVAC & Water Heating	2009	ICF
		8	New Construction	2009	CLEAResult
		9	Existing Home Retrofit	2010	ICF
		10	Residential Pilots	2009	ICF
	C & I	1	Custom Business Solutions Program	2009	KEMA
		2	Comprehensive Business Solutions	2009	KEMA
		3	Small Business Direct Install	2009	KEMA
		4	Business Pilots	2009	KEMA
DTE	Residential	1	Energy Star	2009	ICF
		2	Audit & Weatherization	2009	CLEAResult and SEEL
		3	HVAC	2009	ICF
		4	Appliance Recycling	2009	JACO Environmental
		5	Multifamily Direct Install	2009	SEEL
		6	New Construction	2009	CLEAResult
		7	Education	2009	Internally
		8	Pilot Programs	2009	Internally
		9	Low Income	2009	CLEAResult
	C & I	1	Prescriptive	2009	KEMA
		2	Custom Business Solutions Program	2009	KEMA
		3	New Construction	2009	KEMA
		4	RFP	2009	KEMA
		5	Education	2009	Internally
		6	Pilot Programs	2009	Internally
Co-Ops					
Cherryland	Residential	1	Residential Low Income	2009	Northwest Community Action Agency
		2	Efficient Lighting Program	2009	Internally
		3	Refrigerator/Freezer Turn-In/Recycle	2009	Internally
		4	HVAC - Water Heater Program	2009	Internally
		5	Residential Education Services	2009	Internally
		6	Residential Pre-Pay Program Pilot	2010	Internally
	C & I	1	Commercial and Industrial Prescriptive Incentive	2009	Internally
		2	Business Education Services	2009	Internally
Munis					
Clinton	Residential	1	Residential Low Income	2009	Administration and Implementation done by village of Clinton. Evaluation: Done by a local police officer
		2	Efficient Lighting	2009	
		3	Refrigerator/Freezer Recycling	2010	
		4	Efficient Appliances & HVAC	2010	
		5	Multifamily In-Unit Efficiency	2010	
		6	Educational Services	2009	
		7	Pilot/Emerging Technology	2010	
	C & I	1	Efficient Lighting	2009	
		2	Prescriptive Incentive Program	2010	
		3	Custom Incentive Program	2010	
		4	Educational Services	2009	
		5	Pilot/Emerging Technology	2010	
Coldwater	Residential	1	Efficient Lighting	2009	Overall administration and implementaion was done internally. Residential Low Income was done by City of Coldwater grant administration and Community Action Agency.
		2	Refrigerator/Freezer Recycling	2009	
		3	Education Services	2009	
		4	Residential Appliances and HVAC	2010	
		5	Electric Water Heating Kits	2010	
		6	Residential Pilot/Emerging Technology	2010	
		7	Residential Low Income	2009	
	C & I	1	Prescriptive Incentive	2009	
		2	Custom Incentive	2009	
		3	Business Education	2009	
		4	Business Pilot/Emerging Technology	2010	
Hillsdale	Residential	1	Efficient Lighting	209	Overall administration was done by Hillsdale Board of Public Utilities personnel. Contracted with Hillsdale Community Action Agency to implement the Residential Low Income.
		2	Refrigerator/Freezer Recycling	2009	
		3	Education Services	2009	
		4	Efficient Appliances & HVAC	2010	
	C & I	1	Prescriptive Incentive Program	2009	
		2	Custom Incentive	2009	
		3	Education Services	2009	
		4	Residential Low Income	2009	

Appendix B

Utility	Sector		Program Type	Year Imp.	Implementation Contractors
Lansing Board Of Water & Light (BWL)	Residential	1	Efficient Lighting	2010	Internally
		2	Refrigerator/Freezer Recycling	2009	Franklin Energy
		3	Education Services	2009	Internally
		4	Residential Appliances and HVAC	2010	Franklin Energy
		5	Residential Multi-Family In-Unit Efficiency	2010	Franklin Energy
		6	Residential Low Income	2009	Capital Area Community Services
		7	Pilot/Emerging Technology	2010	Internally
	C & I	1	Multi-Family Common Area	2010	Franklin Energy
		2	Prescriptive Incentive Program	2009	Franklin Energy
		3	Custom Incentive Program	2009	Franklin Energy
		4	Educational Services	2009	Internally
		5	Pilot/Emerging Technology	2010	Internally
Marshall	Residential	1	Residential Low Income	2009	Community Action Agency
		2	Efficient Lighting Program	2009	Internally
		3	Residential Education	2009	Internally
	C & I	1	Business Education	2009	Internally
		2	Prescriptive Incentive Program	2010	Internally
		3	Custom Incentive Program	2010	Internally
Sebawaing	Residential	1	Residential Low Income	2009	Internally
		2	Efficient Lighting Program	2009	Internally
		3	Refrigerator/Freezer Recycling	2009	Internally
		4	Educational Services	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
		6	Residential Multi-Family In-Unit Efficiency	2010	Internally
		7	Residential Pilot/Emerging Technology	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Internally
		2	Custom Incentive	2009	Internally
		3	Business Education	2009	Internally
		4	Business Multi-Family Common Area Efficiency	2010	Internally
		5	Business Pilot/Emerging Technology	2010	Internally
Union City	Residential	1	Residential Low Income	2009	Internally
		2	Efficient Lighting Program	2009	Internally
		3	Residential Education	2009	Internally
		4	Refrigerator/Freezer Recycling	2010	Internally
		5	Efficient Appliances/Electronics	2010	Internally
		6	Efficient HVAC	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Internally
		2	Education Services	2009	Internally
Wakefield	Residential	1	Residential Low Income	2010	Internally
		2	Efficient Lighting Program	2010	Internally
		3	Refrigerator/Freezer Recycling	2010	Internally
		4	Efficient Appliances/Electronics	2010	Internally
		5	Water Heater Savings Kits	2010	Internally
		6	Educational Services	2010	Internally
	C & I	1	Prescriptive Incentive Program	2010	Internally
		2	Custom Incentive	2010	Internally
		3	Education Services	2010	Internally
Gas					
Consumers (Gas)	(See Consumers Info Above)				
MichCon (Gas)	Residential	1	Energy Star Products	2009	ICF
		2	Residential HVAC	2009	ICF
		3	Multifamily	2009	SEEL
		4	Audit and Weatherization	2009	CLEAResult & SEEL
		5	New Home Construction	2009	CLEAResult
		6	Low Income Education	2009	Internally
		7	Education	2009	Internally
		8	Pilots	2009	Internally
	C & I	1	Prescriptive	2009	KEMA
		2	Custom	2009	KEMA
		3	Education	2009	Internally
		4	Pilots	2009	Internally
Efficiency United					
IOUs: Alpena Edison Sault NSP(Xcel) UPP Co. Wisconsin PSC Wisconsin Elec. Indiana Michigan **Co-Op:** Bayfied **Muni:** Daggett **Gas IOUs:** MGU NSP (Xcel) Wisconsin PSC Semco	Residential	1	Low Income	2010	MCAAA
		2	Residential Energy Star Program	2010	CLEAResult
		3	Appliance Recycling	2010	JACO
		4	Online/Onsite Audit	2010	Enercom
		5	HVAC	2010	CLEAResult
		6	Multi-Family	2010	CLEAResult
		7	New Construction	2010	CLEAResult
		8	Education	2010	CLEAResult
		9	Pilots	2010	CLEAResult
	C & I	1	Prescriptive	2010	Franklin Energy
		2	Custom	2010	Franklin Energy
		3	Education	2010	Franklin Energy
		4	Pilots	2010	Franklin Energy

Utility	Sector		Program Type	Year Imp.	Implementation Contractors
WPPI COLLABORATIVE (Munis)					
WPPI Municipal Members: Baraga, Crystal Falls, Gladstone, L'Anse, Negaunee, Norway	Residential & Commercial	1	Home Energy Suite	2010	WPPI
		2	National Theatre for Children	2010	WPPI
		3	The Local Circuit	2010	WPPI
		4	eco@home	2010	WPPI
		5	GreenMax Home Program	2010	WPPI
		6	Renewable Energy Customer Incentives	2010	WPPI
		7	Study Grants	2010	WPPI
	Residential	1	Efficient Lighting Program	2009	WPPI
		2	ENERGY STAR Appliance Rebates	2009	WPPI
		3	Residential Low Income Services	2010	Michigan Energy Options
		4	ENERGY STAR Lighting Incentives	2010	WPPI
		5	Responsible Appliance Recycling Program	2010	WPPI
		6	HVAC Incentives	2010	WPPI
	C & I	1	Commercial and Industrial Custom Incentive	2009	WPPI
		2	Prescriptive Incentives	2010	WPPI
		3	RFP for Wenergy Efficiency	2010	WPPI
		4	Shared Savings Program	2010	WPPI
		5	New Construction Design Assistance	2010	WPPI
MECA					
Co-Ops					
Alger Delta, Cloverland, Great Lakes, Midwest, Ontonagon, Presque, Thumb, Homeworks	Residential	1	Residential Energy Efficiency Assistance Program	2009	MCAAA & CLEAResult
		2	Residential Appliance Recycling	2010	CLEAResult
		3	Residential Audit and Weatherization	2009	CLEAResult
		4	Residential Energy Star Appliance	2009	CLEAResult
		5	Residential New Construction	2010	CLEAResult
		6	Residential Multi-Family	2009	CLEAResult
		7	Residential HVAC	2010	CLEAResult
		8	Residential Pilot Programs	2010	CLEAResult
		9	Residential Education	2010	Internally
	C & I	1	C & I Prescriptive	2009	Franklin Energy
		2	C & I Custom	2010	Franklin Energy
		3	C & I RFP	2010	CLEAResult
		4	C & I New Construction	2010	CLEAResult
		5	C & I Pilot	2010	CLEAResult
		6	C & I Education	2010	Internally
Munis					
Escanaba, Marquette	Residential	1	Residential Low Income Services	2009	MECA
		2	Efficient Lighting Program	2009	MECA
		3	Refrigerator/Freezer Turn-In	2009	MECA
		4	Residential Education	2009	Internally
		5	Residential Appliances and HVAC	2010	MECA
		6	Residential Multi-Family and In-Unit Efficiency	2010	MECA
		7	Residential Pilot/Emerging Technology	2010	MECA
	C & I	1	Commercial and Industrial Prescriptive	2009	MECA
		2	Commercial and Industrial Custom Incentive	2009	MECA
		3	Business Education	2009	Internally
		4	Business Pilot/Emerging Technology	2010	MECA
		5	Business Multi-Family Common Area Efficiency	2010	MECA
Newberry	Residential	1	Residential Low Income	2009	MECA
		2	Appliance Recycling	2009	MECA
		3	Residential Education Services	2009	Internally
		4	Residential Audit & Weatherization	2009	MECA
		5	Residential Appliances and HVAC	2010	MECA
		6	Residential Multi-Family In-Unit Efficiency	2010	MECA
		7	Residential New Construction	2010	MECA
		8	Residential Pilot Programs	2010	MECA
	C & I	1	Commercial and Industrial Prescriptive Incentive	2009	MECA
		2	Commercial and Industrial Custom Incentive	2009	MECA
		3	Business Education	2009	Internally
		4	Business Pilot Programs	2010	MECA
Stephenson	Residential	1	Appliance Recycling	2009	MECA
		2	Residential Education	2009	Internally
		3	Residential Audit & Weatherization	2010	MECA
		4	Residential Multi-Family In-Unit Efficiency	2010	MECA
		5	Residential New Construction	2010	MECA
		6	Residential Pilot Programs	2010	MECA
	C & I	1	Commercial and Industrial Prescriptive Incentive	2009	MECA
		2	Commercial and Industrial Custom Incentive	2009	MECA
		3	Commercial Pilot Programs	2010	MECA
MPPA Collaborative (Munis)					
Bay City	Residential	1	Residential Low Income	2009	Habitat for Humanity Local Division on Aging Red Cross
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Residential Education Services	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
		6	Electric Hot Water Heater Savings Kits	2010	Internally
		7	Pilot Programs	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education Services	2009	Internally
		4	Pilot Programs	2010	Internally

Utility	Sector		Program Type	Year Imp.	Implementation Contractors
Charlevoix	Residential	1	Residential Low Income	2009	Northwest MCAA
		2	Efficient Lighting Program	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Residential Appliances and HVAC	2010	Internally
		5	Education	2009	Internally
	C & I	1	Prescriptive	2009	Franklin Energy
		2	Custom	2009	Franklin Energy
		3	Education	2009	Internally
Chelsea	Residential	1	Residential Low Income	2009	Looking for Partners
		2	Efficient Lighting Program	2009	Franklin Energy
		3	Education	2009	Franklin Energy
		4	Residential Appliances and HVAC	2010	Internally
		5	Residential Multi-Family In-Unit Efficiency	2010	Chelsea Internally
		6	Residential Pilot/Emerging Technology	2010	Chelsea Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
		4	Multi-Family Common Area	2010	Internally
		5	Business Pilot/Emerging Technology	2010	Internally
Croswell	Residential	1	Residential Low Income	2010	Lion's Club for 2010
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Efficient Appliances & HVAC	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
Detroit Public Lighting	Residential	1	Residential Low Income	2010	Internally
		2	Efficient Lighting	2010	Internally
	C & I	1	Prescriptive Incentive	2010	Internally
		2	Custom Incentive	2010	Internally
		3	Education	2010	Internally
Dowagiac	Residential	1	Residential Low Income	2009	Looking for Partners
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
	C & I	1	Business Incentives	2009	Franklin Energy
		2	Education Services	2009	Internally
		3	C & I Incentive Programs	2010	Franklin Energy
Eaton Rapids	Residential	1	Residential Low Income	2009	Looking for Partners
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
		6	Residential Multi-Family In-Unit Efficiency	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
		4	Business Pilot/Emerging Technology	2010	Internally
Grand Haven	Residential	1	Residential Low Income	2009	Community Action Agency & The Salvation Army
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
		6	Residential Multi-Family In-Unit Efficiency	2010	Internally
		7	Residential Pilot/Emerging Technology	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
		4	Business Multi-Family Common Area Efficiency	2010	Internally
		5	Business Pilot/Emerging Technology	2010	Internally
Harbor Springs	Residential	1	Residential Low Income	2010	MCAAA
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
Hart Hydro	Residential	1	Residential Low Income	2010	Oceana's Home Partnership
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Residential Appliances and HVAC	2010	Hart Hydro, MPPA & Franklin
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Hart Hydro, MPPA & Franklin

Appendix B

Utility	Sector		Program Type	Year Imp.	Implementation Contractors
Holland	Residential	1	Residential Low Income	2009	West Michigan Environmental Action Council & West Michigan Creation Care
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
		6	Residential Multi-Family In-Unit Efficiency	2010	Internally
		7	Residential Pilot/Emerging Technology	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
		4	Business Pilot/Emerging Technology	2010	Internally
Lowell	Residential	1	Residential Low Income	2009	Local Community Action Agencies
		2	Efficient Lighting	2009	Internally
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
		6	Residential Multi-Family In-Unit Efficiency	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
		4	Business Pilot/Emerging Technology	2009	Internally
Niles	Residential	1	Residential Low Income	2010	Local Community Action Agencies
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
Paw Paw	Residential	1	Residential Low Income	2009	MCAAA
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
Petoskey & South Haven	Residential	1	Residential Low Income	2009	Northwest & Southwest Community Action Agency
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
		6	Pilot/Emerging Technology	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
		4	Pilot/Emerging Technology	2010	Internally
Portland	Residential	1	Residential Low Income	2010	Looking for Partners
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
		6	Residential Multi-Family In-Unit Efficiency	2010	Internally
		7	Residential Pilot/Emerging Technology	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
		4	Business Multi-Family Common Area Efficiency	2010	Internally
		5	Business Pilot/Emerging Technology	2010	Internally
St. Louis	Residential	1	Residential Low Income	2009	EightCAP
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
Sturgis	Residential	1	Residential Low Income	2009	Looking for Partners
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally

Appendix B

Utility	Sector		Program Type	Year Imp.	Implementation Contractors
Traverse City	Residential	1	Residential Low Income	2009	Traverse City Housing Commission
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	CFL's State Grant	2009	Internally
		6	Residential Appliances and HVAC	2010	Internally
		7	Residential Multi-Family In-Unit Efficiency	2010	Internally
		8	Residential Pilot/Emerging Technology	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
		4	Business Multi-Family Common Area Efficiency	2010	Internally
		5	Business Pilot/Emerging Technology	2010	Internally
Wyandotte	Residential	1	Residential Low Income	2009	Looking for Partners
		2	Efficient Lighting	2009	Franklin Energy
		3	Refrigerator/Freezer Recycling	2009	Franklin Energy
		4	Education	2009	Internally
		5	Residential Appliances and HVAC	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Franklin Energy
		2	Custom Incentive	2009	Franklin Energy
		3	Education	2009	Internally
		4	Lighting Upgrade State Grant	2009	Internally
Zeeland	Residential	1	Residential Low Income	2009	Solid Rock Ministries
		2	Efficient Lighting	2009	Internally
		3	Education	2009	Internally
		4	Residential Appliances and HVAC	2010	Internally
		5	Refrigerator/Freezer Turn in & Recycle	2010	Internally
	C & I	1	Prescriptive Incentive	2009	Internally
		2	Custom Incentive	2009	Internally
		3	Education	2009	Internally
		4	Pilot & Emerging Technology	2009	Internally

Appendix C

STATE OF MICHIGAN
Commission Selected Administrator
Efficiency United

	Payments to Efficiency United	0.75%	1.0%	1.5%	
		2009	2010	2011	2009-2011
1	Alpena**	$200,594	$228,990	$354,942	$784,526
2	Bayfield (coop)	$240	$336	$668	$1,244
3	Daggett (muni)	$870	$1,160	$1,764	$3,794
4	Edison Sault **	$279,998	$378,335	$605,075	$1,263,407
5	Indiana Michigan	$1,442,706	$1,859,141	$2,706,738	$6,008,585
6	Northern States Xcel	$89,002	$115,837	$177,509	$382,348
7	UP Power	$719,362	$971,884	$1,433,567	$3,124,813
8	Wisconsin Electric **	$264,328	$321,835	$562,277	$1,148,440
9	WPSCorp	$139,495	$215,224	$289,914	$644,632
10	MGU (Gas)	$1,532,721	$2,427,332	$2,983,018	$6,943,071
11	SEMCO Energy (Gas)	$3,218,624	$4,798,745	$5,842,220	$13,859,589
12	WPSCorp (Gas)	$49,087	$72,674	$93,687	$215,448
13	Northern States Xcel (Gas)	$60,440	$100,711	$128,215	$289,365
13	Total	$7,997,466	$11,492,203	$15,179,594	$34,669,263
	Incremental Energy Savings Targets MWh - Electric Utilities	0.30%	0.50%	0.75%	
		2008-2009	**2010**	**2011**	**2009-2011**
1	Alpena***	973	1,613	2,419	5,005
2	Bayfield (coop)	1	1	1	3
3	Daggett (muni)	5	8	11	23
4	Edison Sault ***	2,014	3,350	5,026	10,389
5	Indiana Michigan	9,159	14,952	22,427	46,538
6	Northern States Xcel	413	687	1,031	2,131
7	UP Power	2,509	4,242	6,363	13,113
8	Wisconsin Electric ***	8,414	13,200	19,800	41,414
9	WPSCorp	876	1,395	2,093	4,364
9	Total	24,362	39,447	59,171	122,981
	Incremental Energy Savings Targets Mcf - Gas Utilities	0.10%	0.25%	0.50%	
		2008-2009	**2010**	**2011**	**2009-2011**
1	MGU	30,172	75,150	150,300	255,623
2	SEMCO Energy	55,781	140,079	280,158	476,018
3	WPSCorp *	1,544	3,758	7,515	12,817
4	Northern States Xcel *	885	2,241	4,481	7,607
4	Total	88,382	221,227	442,455	752,064

KEY

* Converted from therms assuming 10 Th = 1 Mcf
** Self-direct deducted
*** Includes self-direct goal

Appendix D-1

STATE OF MICHIGAN - Energy Optimization Program Spending

	Planned Spending	Total				Residential				Residential				C&I				Low Income			
	% of Retail Revenues	0.75%	1.0%	1.5%		(Without Low Income)				(Including Low Income)											
		2009	2010	2011	2009-2011	2009	2010	2011	2009-2011	2009	2010	2011	2009-2011	2009	2010	2011	2009-2011	2009	2010	2011	2009-2011
	Electric IOUs																				
1	Alpena	$200,594	$228,990	$354,942	$784,526	$50,149	$57,248	$88,736	$196,132	$70,208	$80,147	$124,230	$274,584	$130,386	$148,844	$230,712	$509,942	$20,059	$22,899	$35,494	$78,453
2	Consumers	$23,400,000	$33,900,000	$47,200,000	$104,500,000	$5,898,547	$8,989,340	$13,569,555	$28,457,442	$7,956,000	$11,526,000	$16,048,000	$35,530,000	$15,444,000	$22,374,000	$31,152,000	$68,970,000	$2,057,453	$2,536,660	$2,478,445	$7,072,558
3	Detroit Edison	$26,743,000	$44,100,000	$58,138,000	$128,981,000	$7,408,520	$12,780,875	$16,556,570	$36,745,965	$10,429,770	$17,199,000	$22,673,820	$50,302,590	$16,313,230	$26,901,000	$35,464,180	$78,678,410	$3,021,250	$4,418,125	$6,117,250	$13,556,625
4	Edison Sault	$279,998	$378,335	$605,075	$1,263,407	$75,599	$102,150	$163,370	$341,120	$103,599	$139,984	$223,878	$467,461	$176,399	$238,351	$381,197	$795,947	$28,000	$37,833	$60,508	$126,341
5	Indiana Michigan	$1,442,706	$1,859,141	$2,706,738	$6,008,585	$461,666	$594,925	$866,156	$1,922,747	$605,936	$780,839	$1,136,830	$2,523,606	$836,769	$1,078,302	$1,569,908	$3,484,979	$144,271	$185,914	$270,674	$600,858
6	Northern States Wisc	$89,002	$115,837	$177,509	$382,348	$30,261	$39,385	$60,353	$129,998	$39,161	$50,968	$78,104	$168,233	$49,841	$64,869	$99,405	$214,115	$8,900	$11,584	$17,751	$38,235
7	UP Power	$719,362	$971,884	$1,433,567	$3,124,813	$230,196	$311,003	$458,741	$999,940	$302,132	$408,191	$602,098	$1,312,421	$417,230	$563,693	$831,469	$1,812,392	$71,936	$97,188	$143,357	$312,481
8	Wisconsin Electric	$264,328	$321,835	$562,277	$1,148,440	$113,661	$138,389	$241,779	$493,829	$140,094	$170,572	$298,007	$608,673	$124,234	$151,262	$264,270	$539,767	$26,433	$32,183	$56,228	$114,844
9	WPSCorp	$139,495	$215,224	$289,914	$644,633	$29,294	$45,197	$60,882	$135,373	$43,243	$66,719	$89,873	$199,836	$96,252	$148,505	$200,041	$444,797	$13,950	$21,522	$28,991	$64,463
	Subtotal Electric IOUs	**$53,278,485**	**$82,091,245**	**$111,468,022**	**$246,837,752**	**$14,297,892**	**$23,058,511**	**$32,066,142**	**$69,422,546**	**$19,690,144**	**$30,422,421**	**$41,274,840**	**$91,387,404**	**$33,588,341**	**$51,668,824**	**$70,193,182**	**$155,450,348**	**$5,392,251**	**$7,363,910**	**$9,208,697**	**$21,964,858**
	Electric Coops																				
10	Alger Delta	$73,256	$97,674	$146,512	$317,442	$37,360	$49,814	$74,721	$161,895	$44,686	$59,581	$89,372	$193,640	$28,570	$38,093	$57,140	$123,802	$7,326	$9,767	$14,651	$31,744
11	Bayfield	$240	$336	$668	$1,244	$122	$171	$341	$634	$146	$205	$407	$759	$94	$131	$261	$485	$24	$34	$67	$124
12	Cherryland	$272,092	$362,789	$544,183	$1,179,064	$138,767	$185,022	$277,534	$601,323	$165,976	$221,301	$331,952	$719,229	$106,116	$141,488	$212,232	$459,835	$27,209	$36,279	$54,418	$117,906
13	Cloverland	$146,169	$194,893	$292,339	$633,401	$74,546	$99,395	$149,093	$323,035	$89,163	$118,885	$178,327	$386,375	$57,006	$76,008	$114,012	$247,026	$14,617	$19,489	$29,234	$63,340
14	Great Lakes	$1,039,527	$1,386,036	$2,079,054	$4,504,617	$530,159	$706,878	$1,060,318	$2,297,355	$634,112	$845,482	$1,268,223	$2,747,817	$405,416	$540,554	$810,831	$1,756,801	$103,953	$138,604	$207,905	$450,462
15	Midwest	$393,915	$525,220	$787,829	$1,706,963	$200,896	$267,862	$401,793	$870,551	$240,288	$320,384	$480,576	$1,041,248	$153,627	$204,836	$307,253	$665,716	$39,391	$52,522	$78,783	$170,696
16	Ontonagon	$35,265	$47,020	$70,530	$152,816	$17,985	$23,980	$35,971	$77,936	$21,512	$28,682	$43,024	$93,218	$13,753	$18,338	$27,507	$59,598	$3,527	$4,702	$7,053	$15,282
17	Presque Isle	$207,579	$276,772	$415,158	$899,510	$105,865	$141,154	$211,731	$458,750	$126,623	$168,831	$253,247	$548,701	$80,956	$107,941	$161,912	$350,809	$20,758	$27,677	$41,516	$89,951
18	Thumb	$113,324	$151,099	$226,649	$491,073	$57,795	$77,061	$115,591	$250,447	$69,128	$92,171	$138,256	$299,554	$44,197	$58,929	$88,393	$191,518	$11,332	$15,110	$22,665	$49,107
19	Tri-County	$260,039	$346,718	$520,077	$1,126,834	$132,620	$176,826	$265,239	$574,686	$158,624	$211,498	$317,247	$687,369	$101,415	$135,220	$202,830	$439,465	$26,004	$34,672	$52,008	$112,683
	Subtotal Electric Coops	**$2,541,406**	**$3,388,558**	**$5,083,001**	**$11,012,965**	**$1,296,117**	**$1,728,165**	**$2,592,330**	**$5,616,612**	**$1,550,258**	**$2,067,020**	**$3,100,630**	**$6,717,909**	**$991,148**	**$1,321,538**	**$1,982,370**	**$4,295,056**	**$254,141**	**$338,856**	**$508,300**	**$1,101,296**
	Municipals																				
20	*Baraga*	$15,818	$21,210	$35,150	$72,178		*$8,203*	*$13,594*	*$21,797*		*$10,260*	*$17,004*	*$27,264*		*$10,314*	*$17,092*	*$27,406*		*$2,057*	*$3,410*	*$5,467*
21	*Crystal Falls*	$12,578	$16,900	$26,125	$55,603		*$9,133*	*$14,118*	*$23,251*		*$10,772*	*$16,652*	*$27,424*		*$5,621*	*$8,690*	*$14,311*		*$1,639*	*$2,534*	*$4,173*
22	*Gladstone*	$25,230	$36,682	$60,613	$122,525		*$22,865*	*$37,781*	*$60,646*		*$26,423*	*$43,660*	*$70,083*		*$9,159*	*$15,134*	*$24,293*		*$3,558*	*$5,879*	*$9,437*
23	*L'Anse*	$11,198	$14,680	$24,266	$50,144		*$5,998*	*$9,914*	*$15,912*		*$7,422*	*$12,268*	*$19,690*		*$6,818*	*$11,270*	*$18,088*		*$1,424*	*$2,354*	*$3,778*
24	*Negaunee*	$20,880	$32,735	$56,445	$110,060		*$22,262*	*$38,386*	*$60,648*		*$25,437*	*$43,861*	*$69,298*		*$6,316*	*$10,890*	*$17,206*		*$3,175*	*$5,475*	*$8,650*
25	*Norway*	$23,828	$33,511	$55,828	$113,167		*$20,771*	*$34,604*	*$55,375*		*$24,022*	*$40,019*	*$64,041*		*$8,484*	*$14,134*	*$22,618*		*$3,251*	*$5,415*	*$8,666*
26	Escanaba	$103,410	$134,090	$211,340	$448,840																
27	Marquette	$165,308	$241,669	$382,153	$789,130	*$118,017*	*$90,264*	*$99,499*	*$307,780*	*$101,815*	*$169,473*	*$179,042*	*$450,330*	*$206,151*	*$296,225*	*$379,632*	*$882,008*	*$22,005*	*$19,254*	*$21,643*	*$62,902*
28	Newberry	$13,327	$18,135	$28,462	$59,924																
29	Stephenson	$4,433	$6,165	$10,040	$20,638																
30	Bay City	$138,032	$248,748	$437,876	$824,656	$43,217	$89,087	$156,177	$288,481	$63,917	$126,362	$221,802	$412,081	$61,695	$100,020	$176,699	$338,414	$20,700	$37,275	$65,625	$123,600
31	Charlevoix	$30,887	$51,319	$78,841	$161,047	$6,702	$13,800	$21,206	$41,708	$8,562	$16,890	$25,946	$51,398	$19,535	$29,794	$45,785	$95,114	$1,860	$3,090	$4,740	$9,690
32	Chelsea	$40,150	$76,474	$118,653	$235,277	$8,203	$14,205	$21,606	$44,014	$10,203	$18,030	$27,531	$55,764	$26,346	$51,559	$80,457	$158,362	$2,000	$3,825	$5,925	$11,750
33	Clinton	$13,016	$17,998	$27,049	$58,063	$4,251	$7,368	$10,830	$22,449	$4,901	$8,268	$12,180	$25,349	$6,945	$8,110	$12,439	$27,494	$650	$900	$1,350	$2,900
34	Coldwater	$138,164	$244,601	$376,245	$759,010	$15,139	$37,506	$58,875	$111,520	$26,179	$57,066	$88,955	$172,200	$99,565	$165,530	$253,450	$518,545	$11,040	$19,560	$30,080	$60,680
35	Croswell	$17,309	$30,767	$46,656	$94,732	$2,890	$4,910	$7,836	$15,636	$4,640	$7,990	$12,486	$25,116	$11,094	$20,005	$29,985	$61,084	$1,750	$3,080	$4,650	$9,480
36	Detroit PLD	$248,223	$382,541	$557,496	$1,188,260	$110	$164	$300	$574	$358	$547	$858	$1,763	$225,545	$347,569	$506,463	$1,079,577	$248	$383	$558	$1,189
37	Dowagiac	$37,055	$57,352	$85,062	$179,469	$7,810	$11,749	$17,141	$36,700	$9,660	$14,624	$21,391	$45,675	$24,065	$37,552	$56,021	$117,638	$1,850	$2,875	$4,250	$8,975
38	Eaton Rapids	$23,362	$37,966	$60,849	$122,177	$7,877	$13,441	$18,217	$39,535	$9,757	$16,481	$23,097	$49,335	$11,490	$18,065	$32,262	$61,817	$1,880	$3,040	$4,880	$9,800
39	Grand Haven	$127,820	$214,586	$331,878	$674,284	$38,728	$69,210	$107,646	$215,584	$42,568	$75,645	$117,606	$235,819	$73,732	$119,636	$184,393	$377,761	$3,840	$6,435	$9,960	$20,235
40	Harbor Springs	$15,588	$28,757	$45,255	$89,600	$6,883	$12,201	$17,336	$36,420	$7,038	$12,491	$17,796	$37,325	$7,155	$13,656	$23,319	$44,130	$155	$290	$460	$905
41	Hart	$17,543	$30,329	$45,445	$93,317	$3,160	$5,166	$7,286	$15,612	$3,685	$6,081	$8,651	$18,417	$12,283	$21,502	$32,699	$66,484	$525	$915	$1,365	$2,805
42	Hillsdale	$48,283	$116,893	$180,761	$345,937	$14,698	$26,531	$38,987	$80,216	$19,498	$38,231	$57,037	$114,766	$24,465	$68,132	$107,479	$200,076	$4,800	$11,700	$18,050	$34,550
43	Holland	$481,021	$758,511	$1,175,025	$2,414,557	$87,462	$175,015	$270,547	$533,024	$125,942	$235,695	$364,547	$726,184	$311,789	$454,511	$704,728	$1,471,028	$38,480	$60,680	$94,000	$193,160
44	LBWL	$1,233,638	$1,727,656	$2,743,503	$5,704,797	$400,282	$499,900	$771,264	$1,671,446	$485,892	$616,310	$969,924	$2,072,126	$632,638	$902,145	$1,620,486	$3,155,269	$85,610	$116,410	$198,660	$400,680
45	Lowell	$28,142	$50,719	$79,306	$158,167	$6,627	$16,037	$19,152	$41,816	$8,867	$20,077	$25,472	$54,416	$16,755	$26,098	$46,724	$89,577	$2,240	$4,040	$6,320	$12,600
46	Marshall	$53,134	$80,949	$128,007	$262,090	$5,905	$15,854	$23,789	$45,548	$8,555	$19,904	$30,189	$58,648	$39,810	$53,755	$86,298	$179,863	$2,650	$4,050	$6,400	$13,100
47	Niles	$65,309	$108,633	$170,160	$344,102	$20,841	$35,875	$61,060	$117,776	$24,116	$41,475	$70,060	$135,651	$35,298	$57,078	$83,900	$176,276	$3,275	$5,600	$9,000	$17,875
48	Paw Paw	$18,406	$32,112	$48,880	$99,398	$4,375	$6,892	$10,561	$21,828	$6,225	$10,092	$15,461	$31,778	$10,516	$19,140	$29,009	$58,665	$1,850	$3,200	$4,900	$9,950
49	Petoskey	$34,052	$91,262	$141,055	$266,369	$9,650	$16,954	$26,841	$53,445	$12,370	$24,234	$38,121	$74,725	$18,622	$58,838	$90,244	$167,704	$2,720	$7,280	$11,280	$21,280
50	Portland	$15,262	$27,598	$43,750	$86,610	$7,181	$11,465	$18,136	$36,782	$7,931	$12,840	$20,311	$41,082	$5,981	$12,282	$19,524	$37,787	$750	$1,375	$2,175	$4,300
51	Sebewaing	$23,936	$32,448	$49,412	$105,796	$3,654	$8,747	$10,912	$23,313	$5,887	$12,597	$16,632	$35,116	$12,517	$19,237	$30,748	$62,502	$2,233	$3,850	$5,720	$11,803
52	South Haven	$60,859	$105,805	$164,559	$331,223	$13,423	$24,016	$42,548	$79,987	$14,643	$26,136	$45,838	$86,617	$40,726	$70,129	$103,916	$214,771	$1,220	$2,120	$3,290	$6,630
53	St. Louis	$19,067	$33,451	$51,172	$103,690	$4,974	$8,148	$12,748	$25,870	$6,494	$10,828	$16,828	$34,150	$10,863	$19,607	$29,754	$60,224	$1,520	$2,680	$4,080	$8,280
54	Sturgis	$108,982	$188,781	$283,879	$581,642	$23,288	$34,176	$49,058	$106,522	$28,738	$43,626	$63,258	$135,622	$70,434	$128,145	$195,061	$393,640	$5,450	$9,450	$14,200	$29,100
55	Traverse City	$89,484	$222,618	$391,094	$703,196	$11,649	$32,047	$74,699	$118,395	$15,229	$40,947	$90,339	$146,515	$66,200	$161,646	$265,565	$493,411	$3,580	$8,900	$15,640	$28,120
56	Union City	$6,693	$12,836	$20,712	$40,241	$2,990	$5,413	$9,188	$17,591	$3,325	$6,038	$10,163	$19,526	$2,801	$5,158	$7,699	$15,658	$335	$625	$975	$1,935
57	Wakefield	$6,022	$9,848	$16,251	$32,121	$1,900	$5,220	$7,324	$14,444	$2,620	$6,420	$9,244	$18,284	$2,861	$2,528	$5,567	$10,956	$720	$1,200	$1,920	$3,840
58	Wyandotte	$124,706	$217,168	$356,059	$697,933	$91,570	$114,750	$112,454	$318,774	$99,070	$127,770	$133,814	$360,654	$129,780	$180,458	$190,206	$500,444	$7,500	$13,020	$21,360	$41,880
59	Zeeland	$121,701	$209,486	$329,330	$660,517	$22,400	$29,322	$42,338	$94,060	$27,400	$36,822	$55,848	$120,070	$84,301	$159,714	$243,828	$487,843	$5,000	$7,500	$13,510	$26,010
60	Daggett	$870	$1,160	$1,764	$3,794	$575	$652	$1,064	$2,291	$662	$750	$1,225	$2,637	$210	$228	$336	$774	$87	$98	$161	$346
	Subtotal Municipals	**$3,782,726**	**$6,005,149**	**$9,476,406**	**$19,264,281**	**$996,431**	**$1,517,114**	**$2,281,428**	**$4,794,973**	**$1,196,747**	**$1,954,816**	**$2,948,112**	**$6,099,675**	**$2,302,168**	**$3,664,450**	**$5,734,794**	**$11,701,412**	**$238,523**	**$377,747**	**$608,784**	**$1,225,054**
	Subtotal Electric	**$59,602,617**	**$91,484,952**	**$126,027,429**	**$277,114,998**	**$16,590,441**	**$26,303,790**	**$36,939,901**	**$79,834,131**	**$22,437,149**	**$34,444,257**	**$47,323,582**	**$104,204,988**	**$36,881,657**	**$56,654,812**	**$77,910,347**	**$171,446,816**	**$5,884,915**	**$8,080,512**	**$10,325,781**	**$24,291,209**
	Gas																				
61	Consumers	$16,000,000	$22,600,000	$33,500,000	$72,100,000	$4,521,643	$8,611,359	$17,185,092	$30,318,094	$13,280,000	$18,758,000	$27,805,000	$59,843,000	$2,720,000	$3,842,000	$5,695,000	$12,257,000	$8,758,357	$10,146,641	$10,619,908	$29,524,906
62	MichCon	$8,961,039	$15,731,707	$22,873,563	$47,566,309	$3,117,565	$5,167,042	$7,779,080	$16,063,688	$5,735,065	$10,068,292	$14,639,080	$30,442,438	$3,225,974	$5,663,415	$8,234,483	$17,123,871	$2,617,500	$4,901,250	$6,860,000	$14,378,750
63	MGU	$1,532,721	$2,427,332	$2,983,018	$6,943,071	$888,978	$1,407,853	$1,730,151	$4,026,981	$1,042,250	$1,650,586	$2,028,452	$4,721,288	$490,471	$776,746	$954,566	$2,221,783	$153,272	$242,733	$298,302	$694,307
64	SEMCO Energy	$3,218,624	$4,798,745	$5,842,220	$13,859,589	$1,770,243	$2,639,310	$3,213,221	$7,622,774	$2,092,105	$3,119,184	$3,797,443	$9,008,733	$1,126,518	$1,679,561	$2,044,777	$4,850,856	$321,862	$479,875	$584,222	$1,385,959
65	WPSCorp	$49,087	$72,674	$93,687	$215,448	$26,998	$39,971	$51,528	$118,496	$31,907	$47,238	$60,897	$140,041	$17,181	$25,436	$32,790	$75,407	$4,909	$7,267	$9,369	$21,545
66	Northern States Wisc	$60,440	$100,711	$128,215	$289,365	$27,198	$45,320	$57,697	$130,214	$33,242	$55,391	$70,518	$159,151	$27,198	$45,320	$57,697	$130,214	$6,044	$10,071	$12,821	$28,937
	Subtotal Gas	**$29,821,911**	**$45,731,168**	**$65,420,703**	**$140,973,782**	**$10,352,625**	**$17,910,854**	**$30,016,768**	**$58,280,248**	**$22,214,569**	**$33,698,691**	**$48,401,390**	**$104,314,651**	**$7,607,342**	**$12,032,477**	**$17,019,313**	**$36,659,131**	**$11,861,944**	**$15,787,837**	**$18,384,622**	**$46,034,403**
66	Total	$89,424,528	$137,216,121	$191,448,132	$418,088,780	$26,943,066	$44,214,644	$66,956,669	$138,114,379	$44,651,718	$68,142,949	$95,724,972	$208,519,639	$44,488,999	$68,687,289	$94,929,659	$208,105,947	$17,746,859	$23,868,349	$28,710,403	$70,325,612

Municipals 20-25 filed jointly for 2010-11 EO program spending (WPPI). Municipals 26-29 filed jointly for 2009-2011 (MECA).

STATE OF MICHIGAN

Energy Optimization MWH Targets

	MWH Targets	Total					
	% of MWH Sales	0.30%			0.50%	0.75%	
		2009(Target)	**2009(Actual)**	**% Achieved**	**2010**	**2011**	**2009-2011**
	Electric IOUs						
1	Alpena	973	16	2%	1,613	2,419	5,005
2	Consumers	107,939	145,118	134%	178,509	262,700	549,148
3	Detroit Edison	160,000	203,000	127%	227,153	339,208	726,361
4	Edison Sault	2,014	9	0%	3,350	5,026	10,390
5	Indiana Michigan	9,159	197	2%	14,952	22,427	46,538
6	Northern States Wisc	413	0	0%	687	1,031	2,131
7	UP Power	2,509	350	14%	4,181	6,271	12,961
8	Wisconsin Electric	8,414	44	1%	13,200	19,800	41,414
9	WPSCorp	876	2	0%	1,395	2,093	4,364
	Subtotal	**292,297**	**348,736**		**445,040**	**660,975**	**1,398,312**
	Electric Coops						
10	Alger Delta	303	22	7%			
12	Cherryland	791	751	95%			
13	Cloverland	589	46	8%			
14	Great Lakes	4,265	286	7%			
15	Midwest	1,618	234	14%	16,885	24,426	41,614
16	Ontonagon	160	5	3%			
17	Presque Isle	886	34	4%			
18	Thumb	529	64	12%			
19	Tri-County	1,092	262	24%			
11	Bayfield	1	0	0%	1	1	3
	Subtotal	**10,234**	**1,704**		**16,886**	**24,427**	**41,617**
	Municipals						
20	Baraga	60	97	162%	83	150	293
21	Crystal Falls	50	718	1436%	22	124	196
22	Escanaba	427	0	0%	1,207	1,104	2,738
23	Gladstone	97	407	420%	151	239	487
24	L'Anse	42	123	293%	118	88	248
25	Marquette	872	0	0%	2,528	2,435	5,835
26	Negaunee	67	274	409%	90	144	301
27	Newberry	17	0	0%	49	144	210
28	Norway	94	120	128%	160	240	494
29	Stephenson	17	0	0%	49	45	111
30	Bay City	896	715	80%	1,823	2,425	5,144
31	Charlevoix	203	79	39%	443	482	1,128
32	Chelsea	266	409	154%	365	722	1,353
33	Clinton	146	173	118%	113	162	421
34	Coldwater	865	37	4%	1,904	2,274	5,043
35	Croswell	110	247	225%	133	281	524
36	Detroit PLD	2	2	100%	2,524	3,673	6,199
37	Dowagiac	239	52	22%	547	519	1,305
38	Eaton Rapids	154	61	40%	347	696	1,197
39	Grand Haven	873	921	105%	1,373	2,092	4,338
40	Harbor Springs	112	150	134%	171	282	565
41	Hart	115	101	88%	204	278	597
42	Hillsdale	429	415	97%	726	1,061	2,216
43	Holland	3,089	3,382	109%	4,849	7,136	15,074
44	LBWL	6,831	6,972	102%	11,165	16,236	34,232
45	Lowell	180	289	161%	224	478	882
46	Marshall	357	363	102%	579	861	1,797
47	Niles	440	234	53%	805	1,030	2,275
48	Paw Paw	116	109	94%	201	287	604
49	Petoskey	232	880	379%	389	836	1,457
50	Portland	107	103	96%	183	268	558
51	Sebewaing	125	531	425%	158	304	587
52	South Haven	411	423	103%	688	1,048	2,147
53	St. Louis	120	77	64%	242	294	656
54	Sturgis	720	797	111%	1,198	1,753	3,671
55	Traverse City	991	1,735	175%	1,148	2,428	4,567
56	Union City	47	53	113%	79	118	243
57	Wakefield	38	0	0%	103	99	240
58	Wyandotte	2,464	3,034	123%	2,388	2,181	7,033
59	Zeeland	1,099	1,122	102%	1,335	2,022	4,456
60	Daggett	5	7	140%	8	11	24
	Subtotal	**23,525**	**25,212**		**40,871**	**57,049**	**121,445**
60	Total	326,056	375,652		502,797	742,451	1,561,374

Electric Coops 10-19 filed seperatly but are using a joint plan for EO program targets.

Appendix D-3

STATE OF MICHIGAN
MCF Targets for Gas Companies

	MCF Targets	Total			
	% of MCF Sales	0.10%	0.25%	0.50%	
		2009	**2010**	**2011**	**2009-2011**
1	Consumers				
	Sales	233,965	585,828	1,121,195	1,940,988
	Transportation	65,658	158,115	136,080	359,853
	Consumers Total	299,623	743,943	1,257,275	2,300,841
2	MichCon				
	Sales	156,463	387,160	753,015	1,296,638
	Transportation	7,540	17,950	36,435	61,925
	MichCon Total	164,003	405,110	789,450	1,358,563
3	MGU				
	Sales	19,659	50,136	100,271	170,066
	Transportation	10,445	25,015	50,029	85,489
	MGU Total	30,104	75,151	150,300	255,555
4	SEMCO Energy				
	Sales	38,872	99,197	198,394	336,463
	Transportation	16,900	40,882	81,764	139,546
	SEMCO Energy Total	55,772	140,079	280,158	476,009
5	WPSCorp				
	Sales	641	1,646	3,291	5,578
	Transportation	903	2,112	4,224	7,239
	WPSCorp Total	1,544	3,758	7,515	12,817
6	Northern States Wisc				
	Sales	885	2,241	4,481	7,607
	Transportation	0	0	0	0
	Northern State Wisc Total	885	2,241	4,481	7,607
	Subtotal Sales	450,485	1,126,208	2,180,647	3,757,340
	Subtotal Transportation	101,446	244,074	308,532	654,052
6	Total	551,931	1,370,282	2,489,179	4,411,392

EO Surcharges by Company

Electric Coops	Case No.	Plan Approved	Group												
Alger Delta Coop Elec	**U-15813**	**5/12/2009**	**MECA**	**Farm and Home (A)**	**Seasonal Residential (AS)**	**Combined Residential**	**Commercial & Small Power (B)**	**Large Power (LP)**							
Rate				0.00218 $/kwh			$1.97	$35.48							
Cherryland Elec Coop	**U-15815**	**5/12/2009**	**Independent**	**Farm and Home (A)**	**Seasonal Residential (A-S)**	**Combined Residential**	**General Service (C)**	**Optional Irrigation TOD (OTD)**	**Large Power (LP)**	**Optional Large Power TOD (LPTOD)**	**Large Commercial & Industrial (LC&I)**	**Primary Substation (PSDS)**			
Rate				0.00143 $/kwh			$1.64		$26.36		$247.81	$497.36			
Cloverland Electric Coop.	**U-15816**	**5/12/2009**	**MECA**	**Farm and Home (FH) (ES)**	**Seasonal Residential (SR)**	**Combined Residential**	**General Service (GS)**	**Seasonal General Service (SG)**	**Commercial Heating and A/C (HA)**	**Large Power (LP)**	**Large Power Mining (LP-MO)**	**Primary Service (PSDS)**			
Rate				$0.00139			$1.53			$54.92					
Great Lakes Energy Coop	**U-15817**	**5/12/2009**	**MECA**	**Residential (A)**	**Seasonal Residential (AS)**	**Combined Residential**	**General Service (GS)**	**Large Power (LP)**	**C&I APM (C-APM)**	**C&I APM (D-APM)**	**Primary Service (PSDS)**				
Rate				0.00158 $/kwh			$2.85			$533.14					
Midwest Energy Coop	**U-15818**	**5/12/2009**	**MECA**	**Farm and Home Service (A) $/kwh**	**Int Duel Heating (I-DSH)**	**Combined Residential**	**General Service (GS)**	**Irrigation (IRR)**	**Large Power Service (LP)**	**Large Power >200 kW (CD-1)**	**Primary & Contracts (LPPS)**				
Rate				$1.25	$0.56	$1.24	$1.34	$3.34	$31.39	$196.03	$1,416.58				
Ontonagon County Rural Elec.	**U-15819**	**5/12/2009**	**MECA**	**Residential (A, AH)**	**Seasonal Residential (A-S)**	**Combined Residential**	**General Service (B)**	**Large Power (LP)**	**Large Power (LP-1)**						
Rate				0.00242 $/kwh			$2.26	$14.93	$77.70						
Presque Isle Elec & Coop	**U-15820**	**5/12/2009**	**MECA**	**Residential (A)**	**Seasonal Residential (AS)**	**Combined Residential**	**General Service (GS)**	**Large General Service (LG and LPTOD)**	**Primary Service (PSDS)**						
Rate				0.00164 $/kwh			$2.68	$45.73	$430.87						
Thumb Elec. Coop	**U-15821**	**5/12/2009**	**MECA**	**Farm and Home (A)**	**S)**	**Combined Residential**	**(GS)**	**(LGS)**	**Dist. Substation**	**Service TOD**	**General Service**				
Rate				0.00133 $/kwh			$2.07	$118.35	$167.00	$1.89	$0.63				
Tri-County Elec. Coop/Homeworks	**U-15822**	**5/12/2009**	**MECA**	**Farm and Home Service (A) $/kwh**	**General Service**	**Irrigation TOD Service**	**Large Power Service (CD)**	**Large Power TOD Service (CD-1)**	**Primary Service (PSDS)**						
Rate				$0.00149	$1.29	$15.67	$30.21	$29.43	$889.24						
Electric IOUs															
Alpena Power*	**U-15804**	**5/12/2009**	**EU**	**Residential $/kwh**	**General Service**	**Standard**	**Large Power**	**Large Power**	**Large Industrial below 13 kV**	**Large Industrial above 13 kV**	**Alt Energy Econ Dev**	**Outdoor Protective Lighting 100 watt**	**Outdoor Protective Lighting 250 watt**	**Street & Highway**	**Special Contract**
New 2010 Rate				$0.00136	$1.3835	$22.3575	$196.95	$196.95	same	$802.68	$324.92	$0.144	$0.2284	$0.135	$575.41
2009 Rate				$0.0013	$1.33	$18.83	$162.72	$162.72	$573.50	$2,744.32	same	$0.13	$0.23	$0.12	$3,775.03
Consumers Energy*	**U-15805**	**5/26/2009**	**Independent**	**Residential $/kwh**	**Secondary 0-1250 kwh**	**Secondary 1251-5000 kwh**	**Secondary 5001-30000 kwh**	**Secondary 30001-50000 kwh**	**Secondary Above 50000 kwh**	**Primary 0-5000 kwh**	**Primary 5001-10000 kwh**	**Primary 10001-30000 kwh**	**Primary 30001-50000 kwh**	**Primary above 50000 kwh**	
New 2010 Proposed Rate**				$0.00143	$0.96	$5.38	$32.27	$32.27	$32.27	$2.99	$22.84	$57.04	$113.51	$629.08	
2009 Rate														$422.23	
Detroit Edison*	**U-15806**	**6/2/2009**	**Independent**	**Residential $/kwh**	**Secondary 0 - 850 kWh/mo**	**Secondary 851-1650 kWh/mo**	**Sec Above 1650 kWh/mo**	**Primary 0 - 11500 kwh/mo**	**Primary Above 11501 kWh/mo**						
New 2010 Rate				$0.00243	$0.26	$1.59	$6.88	$19.63	$203.06						
2009 Rate				$0.00108	$0.24	$1.42	$6.16	$28.32	$283.32						

Edison Sault	U-15807	5/12/2009	EU	Residential $/kwh	Small Commercial	Large Commercial	Industrial	Industrial TOD	Outdoor Lighting	Street Lighting
Rate				$0.001168	$3.40	$118.65	$423.16	$937.02	$0.11	$0.12

Indiana Michigan*	U-15808	5/12/2009	EU	Residential $/kwh	C&I SGS	C&I SEC MGS TOD	C&I MGS PRI WSS PRI	C&I LGS SEC LGS PRI	C&I MS	C&I WSS SEC	C&I LP PRI SUB	C&I LP Tran	C&I QP PRI	C&I QP SUB
New 2010 Rate				$0.00085	$2.68	$2.68	$2.68	$154.21	$2.68	$2.68	$154.21	$154.21	$154.21	$154.21
2009 Rate				$0.00081	$2.76	$2.76	$2.76	$157.39	$2.76	$2.76	$157.39	$157.39	$157.39	$157.39

NSP-Wisc (Elec.)	U-15809	5/12/2009	EU	Residential CO1,2 $/kwh	Small Commercial C9,10,	Commercial C11 TOD	Commercial C12, 21	Industrial C13,20 sec	Industrial C20 trans	Lighting CO4, 30	Muni Pump Service
Rate				$0.0013	$1.48	$1.48	$14.15	$92.51	$1,020.87	$0.13	$1.48

Wisc. Elec Power Co*	U-15812	5/26/2009	EU	Residential $/kwh	Cg1	Cg2	Cg3 & Cg3C	Cg5	Cp1	Cp2, Cp3 & Cp4	Schedule A	Spec Con (CpLC)	Mg1	Unmetered lamps Gl1	Unmetered lamps Ms21	Unmetered lamps Ms3	LED1
New 2010 Rate				$0.00134	$0.10642	$0.19486	$2.05980	$0.16619	$9.49678	$41.37339	$511.14649	$1,325.02526	$0.050	$0.08-0.45	$0.06-0.45	$0.06-1.13	$0.00321
2009 Rate				$0.00130	$0.10113	$0.18515	$2.21664	$0.18413	$9.56129	$71.08290	$502.85126	$1,055.49909	$0.03692	.05-.40	.05-.40	.05-.40	n/a

Wisc. PSC (Elec)	U-15811	5/26/2009	EU	Residential RG1,RG1T,RG2,RG2T $/kwh	Small Comm CG1MI, CG1TMI, CG2MI, CG2TMI	Small Comm Cg1M seasonal, Cg24m seasonal, Cg-OTOU1M seasonal	Medium Comm Cg3M, Cg4M, Mp1M	Medium Comm Cg3M seasonal, Cg4M seasonal	Large C&I PG3, PG2, NatR, NatF	Lighting, MS3, MS1,GY3,GY1
Rate				$0.0013	$2.13	$4.26	$27.58	$55.16	$256.05	$0.14

Upper Peninsula Power	U-15810	5/26/2009	EU	Residential A1,2,AH1,2 $/kwh	Small Comm C1,1W, 2,2W,H1,2	Medium Commercial P1,2	Lg Commercial CPI, ERER, SCH A, UGDS, UT1, CPRRMI, RTMPMI, WP1D, WP1T, WP2, WP3	Lighting SL, Z	Special Contract
Rate				$0.0021	$2.47	$27.67	$442.82	$0.18	$632.32

Natural Gas IOUs

Consumers Energy Gas	U-15889	5/26/2009	Independent	Residential (Ccf)	General Service (0-100,000 Mcf)	General Service (Above 100,000 Mcf)	Transportation (0 100,000 Mcf)	Transportation (Above 100,000 Mcf)
Rate				$0.01722	$0.1588	$0.0053	$0.1588	$0.0053

MichCon Gas	U-15890	6/2/2009	Independent	Residential A, AS (Ccf)	Residential 2A,GS1 (Ccf)	Large Volume <100,000 Mcf per Ccf	Large Volume >100,000 per Ccf	School, per Ccf	Small Volume Transport per Ccf	Large, Extra Large Volume Transport per Ccf
Rate				$0.0088	$0.0116	$0.0116	$0.0007	$0.0116	$0.0007	$0.0007

MGU*	U-15891	5/26/2009	EU	Residential (Ccf)	Multi-Family	Sm General Service	Lg General Service	Commercial Lighting	Special Contracts	Transportation, TR-1	Transportation, TR-2	Transportation, TR-3
New 2010 Rate				$0.01544		$4.41	$98.76	$7.77	$136.94	$26.82	$76.40	$349.37
2009 Rate				$0.0124		$3.82	$77.09	$4.70	$111.12	$18.66	$50.81	$114.61

NSP-Wisc	U-15892	5/12/2009	EU	Residential $/therm	C&I 302 /meter	C&I 303 /meter	C&I 304 /meter	C&I Transportation /meter
Rate				$0.0145	$5.02	$86.39	$468.79	$5.02

SEMCO Energy*	U-15893	5/26/2009	EU	Residential (Ccf)	GS-1	GS-2	GS-3	TR-1	TR-2	TR-3
New 2010 Rate				$0.01778	$2.41	$13.26	$67.23	$26.84	$89.70	$313.58
2009 Rate				$0.0152	$2.41	$13.94	$66.09	$30.56	$93.98	$197.26

Wisc. PSC (Gas)	U-15894	5/26/2009	EU	Residential $/Therm	C&I small	C&I small seasonal	C&I large	Tran medium	Transport Large	Transport Super Large
New 2010 Rate				$0.0159	$2.22	$4.44	$25.64	------	$12.75	$311.17

Residential EO Surcharges & Average Monthly Total				
Electric Municipals	**Case No.**	**Plan Approval Date**	**EO Surcharge $/mo. Residential - Assume 500 kwh/mo customer**	**EO Residential surcharge per $/kwh**
Village of Baraga	U-15848	7/1/2009	$0.7000	0.0014
City of Bay City	U-15849	7/1/2009	$0.4125	0.000825
City of Charlevoix	U-15850	7/1/2009	$0.5750	0.00115
Chelsea Department of Electric and Water	U-15851	7/1/2009	$0.5000	0.001
Village of Clinton	U-15852	7/1/2009	$0.6500	0.0013
Coldwater Board of Public Utilities	U-15853	7/1/2009	$1.2600	0.00252
Croswell Municipal Light & Power Department	U-15854	7/1/2009	$0.8450	0.00169
City of Crystal Falls	U-15855	7/1/2009	$0.7300	0.00146
Daggett Electric Department	U-15856	10/13/2009	TBD	
Detroit Public Lighting Department	U-15857	7/1/2009	$0.7500	0.0015
City of Dowagiac	U-15858	7/1/2009	$0.5000	0.001
City of Eaton Rapids	U-15859	7/1/2009	$0.4000	0.0008
City of Escanaba	U-15860	7/1/2009	$0.6850	0.00137
City of Gladstone	U-15861	7/1/2009	$0.8000	0.0016
Grand Haven Board of Light and Power	U-15862	7/1/2009	$0.6900	0.00138
City of Harbor Springs	U-15863	7/1/2009	$0.4300	0.00086
City of Hart Hydro	U-15864	7/1/2009	$0.6500	0.0013
Hillsdale Board of Public Utilities	U-15865	7/1/2009	$0.8200	0.00164
Holland Board of Public Works	U-15866	7/1/2009	$0.6865	0.001373
Village of L'Anse	U-15867	7/1/2009	$0.7900	0.00158
Lansing Board of Water & Light	U-15868	7/1/2009	$0.7390	0.001478
Lowell Light and Power	U-15869	7/1/2009	$0.4020	0.000804
Marquette Board of Light and Power	U-15870	7/1/2009	$0.5450	0.00109
Marshall Electric Department	U-15871	7/1/2009	$0.1285	0.000257
Negaunee Department of Public Works	U-15872	7/1/2009	$0.8200	0.00164
Newberry Water and Light Board	U-15873	7/1/2009	$0.6850	0.00137
Niles Utility Department	U-15874	7/1/2009	$0.5350	0.00107
City of Norway	U-15875	7/1/2009	$0.8200	0.00164
City of Paw Paw	U-15876	7/1/2009	$0.5995	0.001199
City of Petoskey	U-15877	7/1/2009	$0.9107	0.0018214
City of Portland	U-15878	7/1/2009	$0.6600	0.00132
City of Sebewaing	U-15879	7/1/2009	$0.8700	0.00174
City of South Haven	U-15880	7/1/2009	$0.3800	0.00076
City of St. Louis	U-15881	7/1/2009	$0.3250	0.00065
City of Stephenson	U-15882	7/1/2009	$0.6400	0.00128
City of Sturgis	U-15883	7/1/2009	$0.5600	0.00112
Traverse City Light & Power	U-15884	7/1/2009	$0.5650	0.00113
Union City Electric Department	U-15885	7/1/2009	$0.4475	0.000895
City of Wakefield	U-15886	7/1/2009	$0.2500	0.0005
Wyandotte Department of Municipal Service	U-15887	7/1/2009	$0.7405	0.001481
Zeeland Board of Public Works	U-15888	7/1/2009	0.35/meter	
		2010 Muni Average:	**$0.6281**	**$0.0013**
		2009 Muni Average:	**$0.6281**	**$0.0013**
Electric Coops	**Case No.**	**Plan Approval Date**	**EO Surcharge $/mo Residential Assume 500 kwh/mo customer**	**EO Residential surcharge per $/kwh**
Alger Delta Coop Elec	U-15813	5/12/2009	$1.09	0.00218
Cherryland Elec Coop	U-15815	5/12/2009	$0.72	0.00143
Cloverland Electric Coop.	U-15816	5/12/2009	$0.70	0.00139
Great Lakes Energy Coop	U-15817	5/12/2009	$0.79	0.00158
Midwest Energy Coop	U-15818	5/12/2009	$0.62	0.00124
Ontonagon County Rural Elec.	U-15819	5/12/2009	$1.21	0.00242
Presque Isle Elec & Coop	U-15820	5/12/2009	$0.82	0.00164
Thumb Elec. Coop	U-15821	5/12/2009	$0.67	0.00133
Tri-County Elec. Coop/Homeworks	U-15822	5/12/2009	$0.75	0.00149
Bayfield Elec. Coop	U-15814	6/2/2009		
		2010 Co-Op Average:	**$0.82**	**0.001633333**
		2009 Co-Op Average:	**$0.82**	**0.001633333**
Electric IOUs	**Case No.**	**Plan Approval Date**	**EO Surcharge $/mo Residential Assume 500 kwh/mo customer**	**EO Residential surcharge per $/kwh**
Alpena Power*	U-15804	5/12/2009	$0.68	0.00136
2009 Alpena Power Surcharge:			$0.65	0.00130
Consumers Energy*	U-15805	5/26/2009	$0.72	0.00143
2009 Consumers Energy Surcharge (surcharge change is for primary above 50000 kwh-no change in residential)			$0.72	0.00143
Detroit Edison*	U-15806	6/2/2009	$1.22	0.00243
2009 Detroit Edison Surcharge:			$0.54	
Edison Sault	U-15807	5/12/2009	$0.58	0.00117
Indiana Michigan*	U-15808	5/12/2009	$0.43	0.00085
2009 Indiana Michigan Surcharge			$0.41	
NSP-Wisc (Elec.)	U-15809	5/12/2009	$0.65	0.00130
Wisc. Elec Power Co*	U-15812	5/26/2009	$0.67	0.00134
2009 Wisc. Electric Power Co. Surcharge			$0.65	
Wisc. PSC (Elec)	U-15811	5/26/2009	$0.65	0.00130
Upper Peninsula Power	U-15810	5/26/2009	$1.05	0.00210
		2010 Electric IOU Average:	**$0.74**	**0.001455636**
		2009 Electric IOU Average:	**$0.65**	**0.001633333**
Natural Gas IOUs	**Case No.**	**Plan Approval Date**	**EO Surcharge $/mo Residential - Assume 100 CCf/mo customer**	**EO Residential surcharge $/ccf**
Consumers Energy Gas	U-15889	5/26/3009	$1.72	0.01722
MichCon Gas	U-15890	6/2/2009	$0.88	0.0088
MGU*	U-15891	5/26/2009	$1.54	0.01544
2009 MGU Surcharge			$1.24	0.01239
NSP-Wisc	U-15892	5/12/2009	$1.45	0.0145
SEMCO Energy*	U-15893	5/26/2009	$1.78	0.01778
2009 SEMCO Surcharge			$1.52	0.01520
Wisc. PSC (Gas)*	U-15894	5/26/2009	$1.59	0.01590
2009 Wisc. PSC (Gas) Surcharge			$1.40	0.01400
		2010 Gas IOU Average:	**$1.49**	**0.01494**
		2009 Gas IOU Average:	**$1.37**	**0.013685**
2010 STATE OVERALL AVERAGE:			**$0.75**	**0.0048**
2009 STATE OVERALL AVERAGE:			**$0.73**	**0.0045**

*Indicates Surcharge Change

Appendix F

Michigan Public Service Commission
Energy Optimization Collaborative Workgroup Structure

Steering Committee
- Meets Biannually
- Decides upon high level issues reported on from the (3) workgroups.

Program Design & Implementation Workgroup
- Meets Monthly
- Reports to Steering Committee

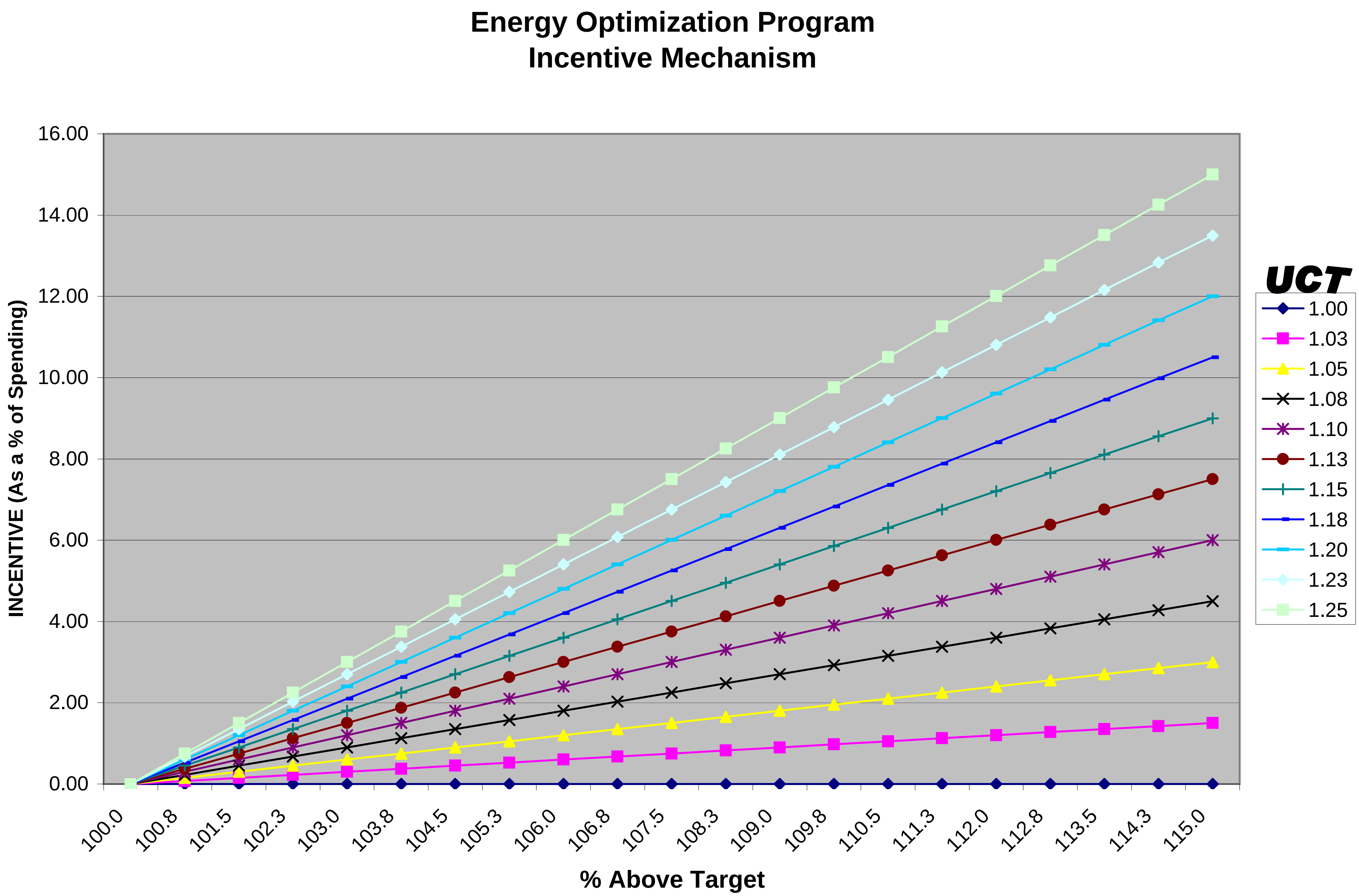
Website Link:
http://www.michigan.gov/mpsc/0,1607,7-159-52495_53750_54587-217194--,00.html

Evaluation Workgroup
- Meets Monthly
- Reports to Steering Committee

Website Link:
http://www.michigan.gov/mpsc/0,1607,7-159-52495_53750_54587-217193--,00.html

Low Income Workgroup
- Meets Monthly
- Reports to Steering Committee

Website Link:
http://www.michigan.gov/mpsc/0,1607,7-159-52495_53750_54587-223556--,00.html


Energy Optimization Program
Incentive Mechanism
INCENTIVE (As a % of Spending)
16.00
14.00
12.00
10.00
8.00
6.00
4.00
2.00
0.00
100.0
100.8
101.5
102.3
103.0
103.8
104.5
105.3
106.0
106.8
107.5
108.3
109.0
109.8
110.5
111.3
112.0
112.8
113.5
114.3
115.0
% Above Target
UCT
1.00
1.03
1.05
1.08
1.10
1.13
1.15
1.18
1.20
1.23
1.25

EO Incentive Mechanism
EO Incentive as a % of Program Spending

	UCT										
Target	1.00	1.03	1.05	1.08	1.10	1.13	1.15	1.18	1.20	1.23	1.25
100.0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.8	0.00	0.08	0.15	0.23	0.30	0.38	0.45	0.53	0.60	0.68	0.75
101.5	0.00	0.15	0.30	0.45	0.60	0.75	0.90	1.05	1.20	1.35	1.50
102.3	0.00	0.23	0.45	0.68	0.90	1.13	1.35	1.58	1.80	2.03	2.25
103.0	0.00	0.30	0.60	0.90	1.20	1.50	1.80	2.10	2.40	2.70	3.00
103.8	0.00	0.38	0.75	1.13	1.50	1.88	2.25	2.63	3.00	3.38	3.75
104.5	0.00	0.45	0.90	1.35	1.80	2.25	2.70	3.15	3.60	4.05	4.50
105.3	0.00	0.53	1.05	1.58	2.10	2.63	3.15	3.68	4.20	4.73	5.25
106.0	0.00	0.60	1.20	1.80	2.40	3.00	3.60	4.20	4.80	5.40	6.00
106.8	0.00	0.68	1.35	2.03	2.70	3.38	4.05	4.73	5.40	6.08	6.75
107.5	0.00	0.75	1.50	2.25	3.00	3.75	4.50	5.25	6.00	6.75	7.51
108.3	0.00	0.83	1.65	2.48	3.30	4.13	4.95	5.78	6.60	7.43	8.26
109.0	0.00	0.90	1.80	2.70	3.60	4.50	5.40	6.30	7.20	8.11	9.01
109.8	0.00	0.98	1.95	2.93	3.90	4.88	5.85	6.83	7.81	8.78	9.76
110.5	0.00	1.05	2.10	3.15	4.20	5.25	6.30	7.35	8.41	9.46	10.51
111.3	0.00	1.13	2.25	3.38	4.50	5.63	6.75	7.88	9.01	10.13	11.26
112.0	0.00	1.20	2.40	3.60	4.80	6.00	7.20	8.41	9.61	10.81	12.01
112.8	0.00	1.28	2.55	3.83	5.10	6.38	7.66	8.93	10.21	11.48	12.76
113.5	0.00	1.35	2.70	4.05	5.40	6.75	8.11	9.46	10.81	12.16	13.51
114.3	0.00	1.43	2.85	4.28	5.70	7.13	8.56	9.98	11.41	12.83	14.26
115.0	0.00	1.50	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00

FOR MORE INFORMATION ON THE FINANCIAL INCENTIVE MECHANISM:

- **Detroit Edison (U-15806):**
http://efile.mpsc.state.mi.us/efile/viewcase.php?casenum=15806

- **Michigan Consolidated Gas Company (U-15890):**
http://efile.mpsc.state.mi.us/efile/viewcase.php?casenum=15890

- **Consumers Energy: (U-15805/U-15889):**
http://efile.mpsc.state.mi.us/efile/viewcase.php?casenum=15805