

EXECUTIVE ORDER

No. 2019-14

UP Energy Task Force

Department of Environment, Great Lakes, and Energy

The residents of Michigan's Upper Peninsula ("UP") deserve an energy supply that is affordable, secure, and environmentally sound. Today, however, they face significant challenges in these respects. For several reasons, including the region's expansive geographic reach and low population density, the UP has struggled with energy affordability and infrastructure development, and parts of the UP have some of the highest electricity rates in the nation. These prices, coupled with relatively high poverty rates in certain areas, have resulted in UP residents paying a disproportionate amount of their monthly income on energy costs.

Moreover, about 25% of UP residents use propane to heat their homes. Most of these residents rely on propane delivered through a single pipeline: Line 5, miles of which run through the waters of the Great Lakes, posing an ever-present threat to those waters and all who depend on them. Just this week a report by the National Transportation Safety Board about last year's anchor strike on Line 5 demonstrated that Michigan is one mistake away from a catastrophic oil spill in the Great Lakes. While no established alternative system for distributing propane exists now, with focused effort a system can be put in place.

The strength of Michigan's economy, and the health of its Great Lakes and residents, would benefit from a close examination of how the UP's energy needs can be best met, with a focus on affordability, reliability, security, and environmental soundness.

Section 1 of article 5 of the Michigan Constitution of 1963 vests the executive power of the State of Michigan in the governor.

Section 8 of article 5 of the Michigan Constitution of 1963 obligates the governor to take care that the laws be faithfully executed.

Acting pursuant to the Michigan Constitution of 1963 and Michigan law, I order the following:

1. Creation of the UP Energy Task Force

- a. The UP Energy Task Force ("Task Force") is created as an advisory body within the Department of Environment, Great Lakes, and Energy ("Department").
- b. The Task Force shall consist of at least 13 voting members appointed by the governor, representing the range of expertise relevant to this issue, and all of whom shall be residents of this state.
- c. A vacancy on the Task Force shall be filled in the same manner as the original appointment.

2. Charge to the Task Force

- a. The Task Force shall act in an advisory capacity to the governor and shall do the following:
 1. Assess the UP's overall energy needs and how they are currently being met.
 2. Formulate alternative solutions for meeting the UP's energy needs, with a focus on security, reliability, affordability, and environmental soundness. This shall

include, but is not limited to, alternative means to supply the energy sources currently used by UP residents, and alternatives to those energy sources.

3. Identify and evaluate potential changes that could occur to energy supply and distribution in the UP; the economic, environmental, and other impacts of such changes; and the alternatives for meeting the UP's energy needs in response to such changes.

(4) Provide other information or advice or take other actions as directed by the governor.

- b. The Task Force shall prepare a final report and submit it to the governor. The Task Force shall complete its final report in two stages. First, the Task Force shall submit a propane plan to the governor by March 31, 2020. This plan shall focus on alternative means to supply propane to the UP, consistent with section 2(a) of this order. Second, the Task Force shall submit the remainder of its report, also consistent with section 2(a), by March 31, 2021.

3. Operations of the Task Force

- a. The Department shall assist the Task Force in the performance of its duties and provide personnel to staff the Task Force. The Michigan Public Service Commission, and other departments or agencies with relevant expertise, may also assist the Task Force and provide personnel to staff the Task Force, in coordination with the director of the Department. The budgeting, procurement, and related management functions of the Task Force shall be performed under the direction and supervision of the director of the Department.
- b. The Task Force shall adopt procedures, consistent with this order and applicable law, governing its organization and operations.

- c. The Task Force shall comply with the Freedom of Information Act, 1976 PA 442, as amended, MCL 15.231 to 15.246.
- d. The Task Force shall comply with the Open Meetings Act, 1976 PA 267, as amended, MCL 15.261 to 15.275.
- e. The governor shall designate the chairperson of the Task Force.
- f. The Task Force may select from among its members a vice chairperson.
- g. The Task Force may select from among its members a secretary. Task Force staff shall assist the secretary with recordkeeping responsibilities.
- h. The Task Force shall meet at the call of its chairperson and as otherwise provided in the procedures adopted by the Task Force.
- i. A majority of the members of the Task Force serving constitutes a quorum for the transaction of the business of the Task Force. The Task Force must act by a majority vote of its serving members.
- j. The Task Force may establish advisory workgroups composed of individuals or entities participating in Task Force activities or other members of the public as deemed necessary by the Task Force to assist it in performing its duties and responsibilities. The Task Force may adopt, reject, or modify any recommendations proposed by an advisory workgroup.

- k. The Task Force may, as appropriate, make inquiries, studies, and investigations, hold hearings, and receive comments from the public. The Task Force also may consult with outside experts in order to perform its duties, including experts in the private sector, organized labor, government agencies, and at institutions of higher education.

- The Task Force may hire or retain contractors, sub-contractors, advisors, consultants, and agents, and may make and enter into contracts necessary or incidental to the exercise of the powers of the Task Force and the performance of its duties as the Director deems advisable and necessary, consistent with this order and applicable law, rules and procedures, subject to available funding.

- m. The Task Force may accept donations of labor, services, or other things of value from any public or private agency or person. Any donations shall be received and used in accordance with law.
 - Members of the Task Force shall serve without compensation, but may receive reimbursement for necessary travel and expenses consistent with applicable law, rules, and procedures, and subject to available funding.

 - Members of the Task Force shall refer all legal, legislative, and media contacts to the Department.

- p. Ninety days after issuance of its final report, the Task Force shall dissolve.

4. Implementation

- a. All departments, committees, commissioners, or officers of this state shall give to the Task Force, or to its chairperson, any necessary assistance required by the

Task Force, or its chairperson, in the performance of the duties of the Task Force so far as is compatible with their duties and consistent with this order and applicable law. Free access also must be given to any books, records, or documents in their custody relating to matters within the scope of inquiry, study, or review of the Task Force, consistent with applicable law.

- b. This order is not intended to abate a proceeding commenced by, against, or before an officer or entity affected by this order. A proceeding may be maintained by, against, or before the successor of any officer or entity affected by this order.
- c. If any portion of this order is found to be unenforceable, the unenforceable provision should be disregarded and the rest of the order should remain in effect as issued.
- d. This order is effective upon filing.

Given under my hand and the great seal of the State of Michigan.