



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PUBLIC SERVICE COMMISSION
GREG R. WHITE JOHN D. QUACKENBUSH SALLY A. TALBERG
COMMISSIONER CHAIRMAN COMMISSIONER

MIKE ZIMMER
DIRECTOR

March 2, 2015

Honorable Rick Snyder
Governor of Michigan

Honorable Members of the Michigan Senate

Honorable Members of the Michigan House of Representatives

The enclosed *2014 Annual Report* is submitted on behalf of the Michigan Public Service Commission (Commission) in accordance with Section 5a of 1989 PA 33; MCL 460.5a. The report is also available on the Commission's website.

The Commission extended its customer outreach efforts by participating in 75 events throughout the state ranging from utility-sponsored Customer Assistance Days to county fairs. The Commission continues to make its Commission meetings available via podcast. The Commission handled 17,208 consumer contacts and assisted consumers and businesses with more than 9,924 electric and natural gas complaints and inquiries, 2,171 telecommunications complaints and inquiries, and 1,574 video/cable complaints and inquiries.

The Commission issued 455 orders, consisting of 93 telecommunications orders, 303 electric orders, 55 natural gas orders, and four motor carrier orders. The Commission also issued 23 minute actions.

Commission gas safety engineers performed inspections and investigated all jurisdictional incidents that met the US Department of Transportation requirements. The Commission also assessed two civil penalties totaling \$90,000 to Consumers Energy Company for non-compliance with the Michigan Gas Safety Standards related to a 2013 investigation.

The Commission also revised the retail natural gas rates of Northern States Power Company and approved the transfer of ownership and control of Upper Peninsula Power Company from Integrys Energy Group to Balfour Beatty Infrastructure Partners, L.P.

Over 450 applications for motor carrier original intrastate operating authority were received and processed. More than 21,000 Unified Carrier Registration renewal notices were provided to private, for hire, and exempt carriers operating in interstate commerce, as well as interstate brokers, freight forwarders, and leasing companies in both Michigan and the Province of Ontario.

The Commission's work in the telecommunications area included approving or amending licenses for 11 telephone companies. The Commission also approved 64 carriers as eligible telecommunications carriers to apply for federal Universal Service funding. The Commission also approved the Mediation Resolution and Refund Distribution in the Michigan Pay Telephone Association complaint against AT&T Michigan.

Throughout 2014, the Commission maintained its commitment to address the needs of Michigan's low-income citizens, awarding approximately \$90,000,000 in MEAP grants for low-income energy assistance to thirteen organizations. The awards provide immediate assistance for heating needs as well as longer term assistance in reducing future heating costs for low-income citizens.

In 2014, the Commission undertook a series of process improvement initiatives, including streamlining the processing of for-hire motor carrier applications for intrastate authority, upgrading the intrastate telecommunications service provider database and software, and updating the MPSC Scorecard, a record of the Commission's performance on key indicators. Each division has metrics on the MPSC Scorecard to assess and be held accountable for its performance. The Scorecard is updated monthly. The January 2015 Scorecard is attached to the report as Exhibit 1. The Commission continues to strive for excellence in the performance of its services.

We continue to look forward to working with you on energy, telecommunications, motor carrier, and other matters to enhance services to and ensure adequate protection of Michigan residents and businesses.

Very truly yours,

John D. Quackenbush, Chairman
Michigan Public Service Commission

Greg R. White, Commissioner
Michigan Public Service Commission

Sally A. Talberg, Commissioner
Michigan Public Service Commission

MICHIGAN PUBLIC SERVICE COMMISSION

2014 ANNUAL REPORT

John D. Quackenbush, Chairman
Greg R. White, Commissioner
Sally A. Talberg, Commissioner

MICHIGAN PUBLIC SERVICE COMMISSION
Department of Licensing and Regulatory Affairs

March 2, 2015





John D. Quackenbush, Chairman

John D. Quackenbush was appointed by Governor Rick Snyder to serve as Chairman of the Michigan Public Service Commission on Sept. 15, 2011. His term ends July 2, 2017.

Prior to his appointment, Chairman Quackenbush worked for UBS Global Asset Management for 10 years, most recently as managing director and senior investment analyst responsible for equity research for the transportation, utilities and coal industries in the U.S. and Canada. He previously worked as manager of the Sprint Corporation Treasury Department and Sprint Corporation Local Telecom Division. Before that, he served in several senior financial analyst roles with the Illinois Commerce Commission.

Chairman Quackenbush was named a Top Gun U.S. Industrials Investment Mind in 2011 by Brendan Wood International. He earned certification as a Chartered Financial Analyst (CFA) in 1993 and is a member of the CFA Institute and CFA Society of Chicago. He previously served as a board member of the Society of Utility and Regulatory Financial Analysts. He earned a bachelor's degree in business economics from Calvin College and a master of business administration degree with a concentration in finance from Michigan State University.

Chairman Quackenbush is a member of the National Association of Regulatory Utility Commissioners and serves on several committees including the Committee on Gas, the Committee on Consumer Affairs, and the Subcommittee on Pipeline Safety. Chairman Quackenbush is also a member of the Advisory Council for the Gas Technology Institute, and was appointed to the Technical Hazardous Liquid Pipeline Safety Standards Committee of the U.S. Department of Transportation.



Greg R. White, Commissioner

Greg R. White was appointed by Governor Jennifer M. Granholm to serve on the Michigan Public Service Commission (MPSC) on December 4, 2009. His term ends July 2, 2015.

Prior to his appointment, Commissioner White served as the Legislative Liaison for the Michigan Public Service Commission, representing the MPSC before the Michigan Legislature and the U.S. Congress on matters related primarily to energy, utilities, telecommunications, and the motor carrier industries.

Previously, Commissioner White served as an Executive Assistant and Special Assistant for MPSC Commissioners, and served on the Commission's policy staff working on issues in all utility sectors, primarily managing congressional and federal relations for the Commission.

Commissioner White has provided expert testimony on matters concerning energy supply, energy utilities, electric transmission, nuclear power, and telecommunications before the U.S. Congress, the Federal Energy Regulatory Commission, the U.S. Nuclear Regulatory Commission, the U.S. Nuclear Waste Technical Review Board, and the Michigan Legislature.

Commissioner White serves on several committees of the National Association of Regulatory Utility Commissioners, including the Committee on Electricity, along with its Subcommittee on Nuclear Issues – Waste Disposal (Chair), Washington Action Program (Chair), the Committee on Critical Infrastructure, and the Subcommittee on Utility Marketplace Access. In addition, Commissioner White sits on the Board of Directors of the Organization of PJM States, Inc., is Chair of the Board of Directors of the National Regulatory Research Institute, and is a member of the Eastern Interconnection States Planning Council.

Commissioner White holds a bachelor of science degree from Michigan State University and a master's of public administration from Grand Valley State University.



Sally A. Talberg, Commissioner

Sally A. Talberg was appointed by Governor Rick Snyder to the Michigan Public Service Commission on July 3, 2013. Her term ends July 2, 2019.

Prior to her appointment, Commissioner Talberg worked in the public and private sectors with a focus on energy policy and utility regulation. Most recently, she served as a senior consultant at Public Sector Consultants where she conducted research and analyses and wrote reports on energy policy issues. During her tenure at Public Sector Consultants, she also helped establish the state's premier energy efficiency financing organization, Michigan Saves. Commissioner Talberg previously served as an analyst at the Michigan Public Service Commission, managed enforcement and contested cases at the Michigan Department of Environmental Quality, and advised commissioners at the Public Utility Commission of Texas. Her expertise includes energy issues at the state, regional, and federal level involving electric rates, retail and wholesale market design, transmission planning and siting, and energy efficiency.

Commissioner Talberg is a member of the National Association of Regulatory Utility Commissioners and serves on the Telecommunications Committee and the Interstate Telephone Relay Service (TRS) Advisory Council. She also serves on the board and executive committee of the Organization of MISO States, and represents the state regulatory sector on the Midcontinent ISO's Advisory Committee. She was also appointed in 2014 by the Federal Communications Commission to serve on the Federal-State Joint Board on Jurisdictional Separations.

Ms. Talberg holds a bachelor of science degree in Environmental and Natural Resources Policy Studies from Michigan State University and a master's degree in Public Affairs from the Lyndon B. Johnson School of Public Affairs, University of Texas-Austin.

Mission and Goals

The mission of the Michigan Public Service Commission is to grow Michigan's economy and enhance the quality of life of its communities by assuring safe and reliable energy, telecommunications, and transportation services at reasonable rates.

The goals of the Commission are to:

- Establish fair and reasonable rates for regulated services and adopt and administer fair terms and conditions of service for the state's utility customers.
- Assure adequate and reliable supplies of regulated services to all Michigan customers, and the safe and efficient production, distribution, and use of the state's energy, telecommunications, and transportation services.
- Assure the security of the state's critical infrastructure by promoting homeland security.
- Promote the state's economic growth and enhance the quality of life of its communities through adoption of new technologies like broadband telecommunications and efficient renewable energy resources.
- Provide customers with the opportunity to choose alternative electric, natural gas, telecommunications, and transportation providers.
- Provide regulatory oversight in a prudent and efficient manner while implementing legislative and constitutional requirements.

Staff Organization

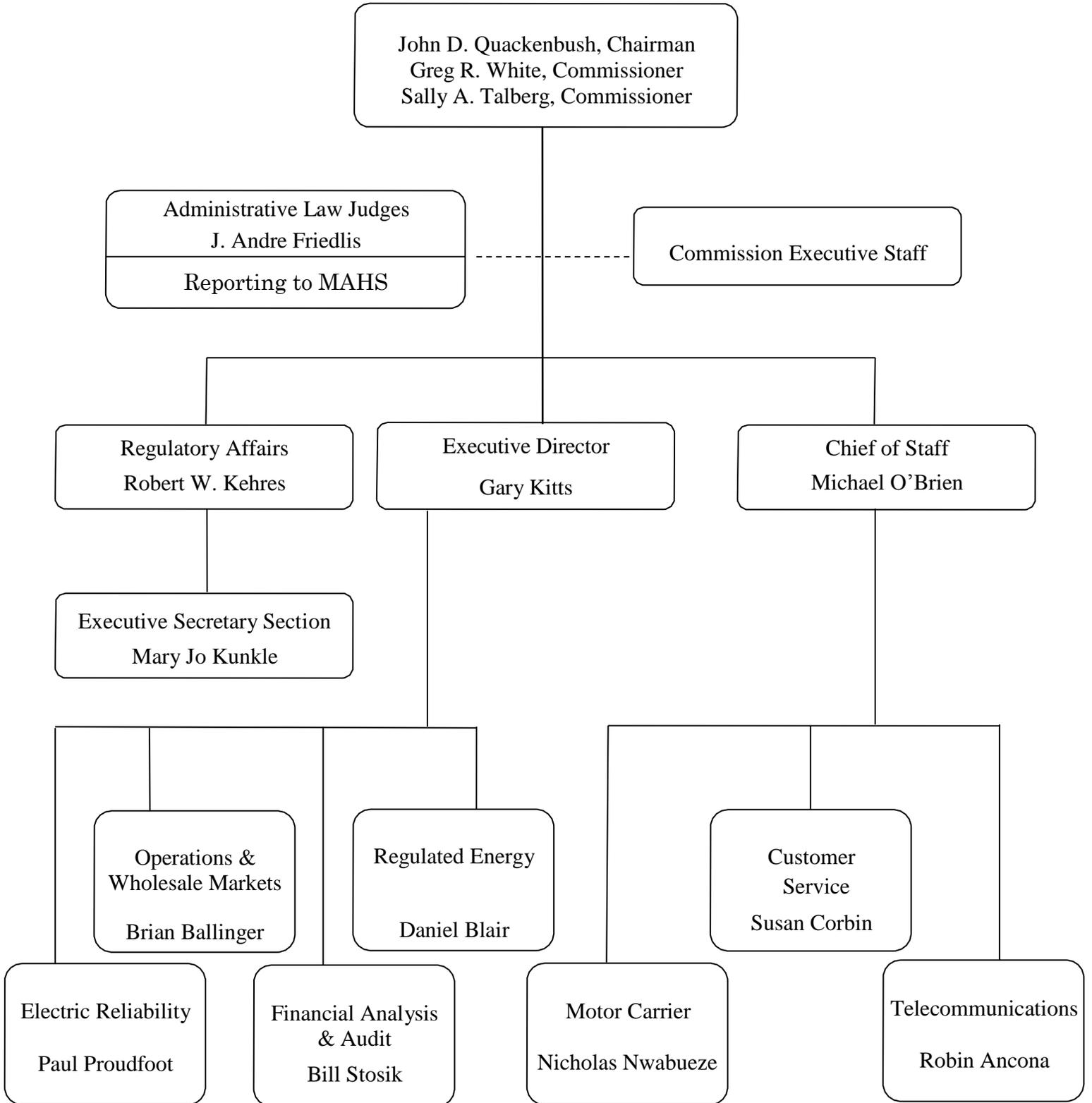
The Michigan Public Service Commission (MPSC) has a staff of 179, organized into eight divisions: (1) Regulatory Affairs Division, which is primarily responsible for the drafting of Commission orders and administrative rules, and maintaining the Commission's files and official dockets; (2) Customer Service Division, which is primarily responsible for assisting

utility customers, enforcement of Commission rules relating to customer service, video franchise matters, customer outreach, and energy grants; (3) Electric Reliability Division, which is primarily responsible for implementation of the state's renewable and energy efficiency laws and evaluating certificate of necessity filings; (4) Financial Analysis & Audit Division, which is primarily responsible for accounting and audit issues, reconciliations, financial statistics, annual reports, and administration of Michigan's gas and electric customer choice programs; (5) Motor Carrier Division, which is primarily responsible for licensing and regulation of motor carriers and regulation of water ferries; (6) Operations & Wholesale Markets Division, which is primarily responsible for ensuring safe, adequate, and reliable energy supplies, and energy data and security; (7) Regulated Energy Division, which is primarily responsible for electric, natural gas, and steam utility ratemaking functions; and (8) Telecommunications Division, which is primarily responsible for all aspects of the Commission's authority related to telecommunications services.

In addition to the Commission's eight divisions, the Michigan Administrative Hearing System maintains an office of Administrative Law Judges, who conduct hearings on Commission cases.

The Commission performs functions that are common to state government. Every state in the nation has a similar agency that is responsible for utility regulation and other functions handled by the Public Service Commission. However, in Michigan, the Commission is relatively small compared to others. For example, the Michigan Commission has a staff of 18.1 per million population compared to the national (including Washington, DC) average of 25.9 and an average of 22.0 in other Great Lakes states.

MPSC Organizational Chart



Introduction

Section 5a of Public Act 33 of 1989, MCL 460.5a, requires the Michigan Public Service Commission to file an annual report with the Governor and the Legislature on or before the first Monday of March each year. The report is a summary of Commission activities and may include rules, opinions, and orders promulgated or entered by the Commission during the calendar year covered by the report, as well as any other noteworthy information that the Commission deems appropriate.

Regulatory Process Improvement

Commensurate with the Governor's directive regarding Reinventing Performance in Michigan (RPM), the Commission has prioritized and completed regulatory process improvement projects using the Lean Process Improvement (LPI) Program. In 2014, the Commission continued its accountability and transparency efforts through the [MPSC Scorecard](#), which contains performance and accountability metrics for each division, is updated monthly, and is available on the Commission's website. The January 2015 Scorecard is attached to this report as Exhibit 1. Another significant project in the LPI Program is the streamlining of the application process of for-hire motor carrier applications for intrastate authority. The goals are to streamline delivery of the program, eliminating duplication of effort by multiple agencies, eliminate burdensome compliance, improve traffic safety, enhance industry customer service by promoting the one-stop philosophy, and promote a business-friendly educational environment. The Commission has been working with contractors to develop this web-based system and expects to launch it in June 2015. The Commission has also been developing a web-based intrastate telecommunications service provider (ITSP) database and software to upgrade the current ITSP registration process. The new database and software will make the collection of

registration information more efficient, increase the accuracy of information included in the database, and will be more customer friendly by providing more search options. The new ITSP system is scheduled to launch in Spring 2015. The Commission continues to work on other identified project areas, seek new project areas, and strive for excellence in the performance of its services.

Regulatory Affairs Division

Through the Regulatory Affairs Division, the Commission issued 455 orders in 2014, consisting of 93 telecommunications, 303 electric, 55 natural gas, and four motor carrier orders. The Commission also issued 23 minute actions. The Executive Secretary received and processed 8,125 official documents from applicants, complainants, respondents, intervenors, and other interested persons. This included documents resulting from 274 cases opened in 2014. Thirty-three formal complaints were served upon regulated telecommunications, electric, and gas providers. Also, 139 notices of hearing and notices of opportunity to comment were issued on behalf of the Commission. Court reporters were scheduled for 273 Commission hearings. More than 300 industry officials and interested persons were electronically notified of Commission's Own Motion orders through an automated electronic notification system. The Commission opened 249 E-docket cases and posted 7,876 electronic filings from utility companies, intervenors, Commission Staff, administrative law judges, the Attorney General, ratepayers, and court reporters in 2014. The Executive Secretary also responded to 134 Freedom of Information Act requests.

Customer Service Division

As of January 1, 2015, the Customer Service Division (formerly known as the Service Quality Division) implemented a staff re-alignment to enhance the way it does its work and

improve the customer experience. Employees of the division are being cross-trained to perform a variety of job functions, creating a more flexible work force where staff will be deployed to assist where their skills are most needed based on the division work load. In addition to the Commission Scorecard metrics and an existing internal dashboard, the director and managers are developing new individual and section workload metrics and expectations to encourage successful performance and improve the balance between complaint caseloads and outreach activity.

Through the Customer Service Division, the Commission received 17,208 customer contacts regarding customer complaints and inquiries. The division staff also coordinated 47 formal complaint cases for customers who were not satisfied with the resolution of their complaint at the informal level. The division handled 9,924 energy-related contacts, 2,171 telecommunication contacts, and 1,574 video/cable contacts. The division partnered with other state and local agencies, consumer groups, community organizations, and utility companies to provide customer education to Michigan customers. Commission staff participated in 75 outreach events throughout the state reaching approximately 11,900 citizens. The division also distributed consumer tips via mail, the Commission's website, press releases, social media, and the listserv. The outreach plan has increased the listserv subscribership 18 percent to 2,723 subscribers. Approximately \$90 million in grants were approved through the Michigan Energy Assistance Program to intervene in low-income household energy crisis situations and provide energy assistance program services that will enable low-income participants to become or move toward becoming self-sufficient. Fourteen grantees spent a total of \$88,618,448.68 serving 87,647 unduplicated low-income households. Pursuant to Public Act 95 of 2013 and the creation of the Low-Income Energy Assistance Fund (LIEAF), the Commission adopted a funding factor

of 97 cents per meter per month for all Michigan electric utilities opting to participate in the LIEAF program for FY 2015. The Commission approved MEAP grants totaling \$89,500,000 to 13 organizations.

Electric Reliability Division

Through the Electric Reliability Division, the Commission approved Energy Optimization reconciliations and received annual reports for 65 utilities, cooperatives, and municipal utilities. This division also co-sponsored the 2014 Michigan Advanced Lighting Conference. The Generation and Certificate of Need section staff worked with the Department of Environmental Quality on the evaluation of proposed rules under Section 111(d) of EPA's Clean Air Act (the Clean Power Plan). The Commission approved renewable energy plans for 17 electric providers, handled 11 renewable energy reconciliation cases, and approved four renewable energy contract applications. The staff conducted a Solar Working Group and issued a report highlighting the information gathered by the group. The Smart Grid section continued its efforts in reviewing and evaluating the reasonableness and prudence of utility proposals for smart grid projects, including a focus on data privacy and cyber security. The Smart Grid Collaborative Educational Forum featured continuing education sessions for smart grid stakeholders including utilities, regulators and vendors.

Financial Analysis & Audit Division

Through the Financial Analysis & Audit Division, the Commission issued a rate order approving natural gas rate changes for Northern States Power Company resulting in a rate increase of 8.3% to be phased in over two years. The Commission also approved an order transferring ownership and control of Upper Peninsula Power Company from Integrys Energy Group to Balfour Beatty Infrastructure Partners, L.P. The division notes that the number of both

electric choice customers and gas choice customers throughout the state decreased in 2014. In September 2014, the Commission adopted a Gas Choice Price Comparison website to be developed and implemented during the 2014-2015 heating season. The website is intended to help customers make informed decisions about whom to select as their natural gas provider. The Commission opened 25 Gas Cost Recovery Reconciliation, Gas Times Interest Earned Ratio (TIER), Power Supply Cost Recovery (PSCR) Reconciliation, cooperative PSCR/TIER, Steam Cost Recovery Reconciliation, Revenue Decoupling, Uncollectible Reconciliation, and miscellaneous reconciliation cases that were assigned to the Act 304 Reconciliations section of this division. Of these cases, nine remain open.

Motor Carrier Division

Through the Motor Carrier Division, the Commission received and processed 466 applications for original operating authority, 14 applications for transfer to new ownership, 20 changes of operating name, 21 temporary and 45 permanent discontinuances of authority, and four reinstatements of authority from discontinuance, and granted 321 requests for temporary operating authority. More than 5,270 Commission decals were issued to vehicles renewing intrastate operating authority. Intrastate carriers submitted over 2,600 public liability/property damage insurance endorsements, as required by law. The division also reviewed 482 applications for intrastate authority for compliance with safety regulations and dismissed 53 applicants for failure to prove compliance. Household goods carriers submitted 38 amendments and additions to tariff filings. Application packets were mailed to 118 household goods carriers suspected of operating without authority and 36 new applications for household goods authority were received and processed. Eight household goods carriers were referred to the Michigan State Police Commercial Vehicle Enforcement Division for investigation. More than 21,700

Unified Carrier Registration (UCR) renewal notices and application forms were mailed out for the 2015 renewal period. In 2014, the Commission also answered 1,841 calls regarding intrastate US Department of Transportation (USDOT) numbers, issued 217 new USDOT numbers and assisted 191 carriers with their USDOT number biennial update. This division also participated in the rewrite of the Michigan Motor Carrier Act, 1933 PA 254. The governor signed the amendment into law on January 13, 2015. Also, the new web-based motor carrier vehicle registration system developed through the Lean Process Improvement initiative is in the development stages and is expected to be deployed in June 2015.

Operations & Wholesale Markets Division

Through the Operations & Wholesale Markets Division, the Commission issued orders regarding two certificates of public convenience and necessity for gas utilities, one request for waiver of the Michigan Gas Safety Standards (MGSS), one underground facility damage and safety case, one electric case, and one electric complaint case. The Commission also adopted revisions to the MGSS rules. Gas Safety engineers inspected all jurisdictional natural gas pipeline operators as required, achieving a total of 704 inspection days, including the incident investigation of the rupture of an ANR natural gas transmission pipeline near Benton Harbor. Also, the Commission collected civil penalties totaling \$90,000 from Consumers Energy for non-compliance with the MGSS related to a 2013 complaint investigation. Pursuant to the 2013 update to the MISS DIG statute, the Commission reviewed claims regarding underground damage prevention disputes, worked with the public and private sector to address the issues accordingly, and prepared for the implementation of provisions for reporting and tracking damages to underground facilities and making that data publicly available on its website. The division also investigated Consumers Energy Company's and DTE Electric Company's

response to an unprecedented number of downed power lines and outages from the 2013 December ice storm. Both utilities were instructed to provide additional detailed information related to electric reliability improvement in annual reports, to develop hazardous tree removal programs, and to prominently display outage credit applications for electronic submission on their websites. The division was also called upon, based on a January 8, 2014 request to the Commission by the City of Lansing's mayor, to review the Lansing Board of Water and Light's internal review of its handling of the December 2013 ice storm and the external review of the Community Review Team Report. The division also monitors the state's overall energy supply as part of its responsibility for Michigan's energy emergency preparedness. Division staff maintains and updates emergency response plans and participates in a number of exercises and drills to test procedures, personnel, and communications. In October, staff participated in an advanced cyber security exercise that explored the implications of a widespread cyber-attack on critical sectors of Michigan's economy. The Commission continues to issue short-term energy forecasts of supply and demand in the summer and winter months, and conduct a weekly survey of residential heating oil and propane prices. The division assisted in the creation of a new propane website, a consumer tips sheet, and a public service announcement to help educate and inform propane customers. Propane customers responded with record early fills and price protection enrollments. The division continues the implementation of the Local Energy Assurance Plans in different regions of the state and serves in an advisory role to the State Police and Governor's office regarding energy emergency response and declaration. Also, the division monitors and participates in federal and regional electric and natural gas activities, and technical and policy issues involving the state of Michigan and the Commission in federal agency proceedings and regional stakeholder processes. Two Commissioners serve as members

and officers of state committees and are active in regional transmission organization stakeholder processes. The division has been extremely active in over 20 Federal Energy Regulatory Commission (FERC) dockets addressing long-term electricity reliability and affordability in the Upper Peninsula, and with Midcontinent Independent System Operator, Inc. regarding seams, resource adequacy, regional transmission planning, and capacity issues.

Regulated Energy Division

Through the Regulated Energy Division, the Commission opened 11 Power Supply Cost Recovery (PSCR) plan cases, seven Gas Cost Recovery (GCR) plan cases, and one Steam Supply Cost Recovery (SSCR) plan case in 2014. The Commission issued orders in 11 PSCR plan cases, eight GCR plan cases, and one SSCR plan case during 2014. The division also had the lead role in three electric depreciation cases, two cases for approval of long-term power purchase auction procedures, a request regarding accounting approvals for investment in certain assets, a request to reclassify certain assets from distribution to transmission, a request to recover deferred major maintenance expenses, and a request to reclassify certain transmission assets. The division also shares the responsibility for processing rate cases and times interest earned ratio (TIER) cases with the Financial Analysis & Audit Division by providing cost of service studies, rate design, tariff proposals, and various other inputs for all electric and natural gas rate cases. The division processed 324 electric and 163 natural gas tariff sheet filings, reviewed a recovery mechanism for costs associated with the transition of customers from the Detroit Public Lighting Department to DTE Electric, one complaint case alleging unjust and unfair distribution rates, and reviewed a gas transportation agreement that requested new transportation rates on the Antrim Expansion Pipeline. The division is currently handling three cases related to PA 169,

which modifies the cost allocation and rate design methods used to set rates. The Commission also reviewed and processed three requests to alter tariff provisions.

Telecommunications Division

Through the Telecommunications Division, the Commission granted licenses, or approved amendments to existing licenses, for 11 telephone companies. At the end of 2014, 587 companies were registered as intrastate telecommunications service providers in the state. The Commission also began the process of upgrading its intrastate telecommunications service provider database and software, which it expects to utilize in Spring 2015. METRO tax credits for 72 providers were approved in 2014. Also, the division processed 133 METRO/Rights-of-Way notices of permit applications from municipalities. Four new applications to become Eligible Telecommunications Carriers (ETCs) were approved and 60 wireline and wireless carriers' approvals as ETCs were continued. The Commission also dismissed three initial applications for ETC designation and approved three ETC relinquishments. Also, in 2014 the Commission approved the Mediation Resolution and Refund Distribution in the Michigan Pay Telephone Association complaint against AT&T Michigan, which had been ongoing since 1998 and was remanded back to the Commission by the Federal Communications Commission in February 2013. The parties resolved all outstanding issues in the case and the related court of appeals case was subsequently dismissed. The Commission initiated a case to investigate the status of Michigan's Telecommunications Relay Service on July 8, 2014. AT&T Michigan sent notification letters to providers informing them that AT&T Michigan planned to discontinue the service, effective February 1, 2015, that it provides to carriers throughout the State. While the transition is still ongoing, the Commission has been actively involved in this process to ensure that the deaf and hard-of-hearing community is not negatively impacted by this transition. The

division continues to handle the daily administration of the Intrastate Switched Toll Access Restructuring Mechanism, taking in contributions from 247 providers and disbursing \$15,792,168.54 to 35 eligible carriers in the fiscal year. The Michigan Telecommunications Act (MTA) was amended in 2014 through Public Act 52. Key changes to the MTA include new provider discontinuance of service requirements, changes to the Access Restructuring Mechanism Fund section, and a requirement for the Commission to maintain a publically available database of providers of toll and basic local exchange service in each exchange. The division also continued its work with Connect Michigan to expand broadband availability, adoption, and use throughout Michigan. Additional information about the project is available on the Commission website at www.michigan.gov/broadbandmapping.

MAHS Administrative law Judges

During 2014, MAHS ALJs assigned to Commission proceedings conducted 198 days of hearings and issued 32 Proposals for Decision. In addition, 132 settled or undisputed cases were processed and transmitted to the Commission for its consideration. Five rate cases were filed during the year. New this year, three cases were commenced under 2014 Act 169, requiring a review of the cost allocations and rate design for the largest electric utilities. Also, the ALJs mediated 11 consumer and provider disputes under the Michigan Telecommunications Act and the Uniform Video Services Local Franchise Act.

Media and Public Information

The Commission issued 96 press releases resulting from Commission orders, programs, and activities. In addition, the Commission provided information and assistance to over 420 media contacts.

For more information about Commission activities, please visit the Commission's website at www.michigan.gov/mpsc.

MiScorecard Performance Summary										
Business Unit: Michigan Public Service Commission Executive/Director Name: J. Quackenbush Reporting Period: Jan 2015		<div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: green; margin-right: 5px;"></div> Green </div> <div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: yellow; margin-right: 5px;"></div> Yellow </div> <div style="display: flex; align-items: center;"> <div style="width: 20px; height: 20px; background-color: red; margin-right: 5px;"></div> Red </div>			>90% of Target >= 75% - 90% of target < 75% of target Date Approved: 2/18/2015					
Metric ID	Metric	Status	Progress	Target	Current	Previous	Frequency	Metric Definition		
Rules										
MPSC-1	Average # of Days to Issue Final Orders in Electric & Gas Rate Cases		=	351 days	259	259	Monthly	The Cumulative Average Processing Time for all General Electric & Gas Rate Cases Decided after 10/6/08. Lower Number Means Faster Case Processing.		
Key Economic Indicators										
MPSC-5	Residential - Electric Price Rank within the United States		=	N/A	40	40	Monthly	Rank 1 is the Lowest Price, Rank 51 the Highest. Source: EIA Data (November 2014 - 2 month lag)		
MPSC-6	Commercial - Electric Price Rank within the United States		=	N/A	38	38	Monthly	Rank 1 is the Lowest Price, Rank 51 is the Highest. Source: EIA Data (November 2014 - 2 months lag)		
MPSC-7	Industrial - Electric Price Rank within the United States		=	N/A	36	36	Monthly	Rank 1 is the Lowest Price, Rank 51 the Highest. Source: EIA Data (November 2014 - 2 month lag)		
MPSC-8	Residential - Total Average Annual Combined Electric and Natural Gas Bill Rank within the United States		👎	N/A	35	30	CY Annually	Rank 1 is the Lowest Price, Rank 51 the Highest. Source: EIA Data (Calendar Year 2012; 2013 data expected Feb 2015 from EIA)		
Customer/Constituent										
MPSC-12	% of Households with Access to Broadband at 3 mbs or Better	Green	👍	95%	98%	97%	Twice a Year	As Referred to Connect Michigan Link (through April 2014)		
MPSC-13	% of Households Purchasing Broadband Services	Green	👍	85%	79%	71%	CY Annually	As Referred to Connect Michigan Link (2013 data)		
MPSC-14	% of Businesses Purchasing Broadband Services	Green	👍	85%	75%	69%	CY Annually	As Referred to Connect Michigan Link (2013 data)		
MPSC-15	% of State Covered by Approved 211 Calling Plans	Green	=	90%	99%	99%	Quarterly	Abbreviated Dialing for Community Information & Referral Services (2014 Q3)		
MPSC-18	Company Response Time (Customer Service)	Green	👍	within 10 days	9	10	Monthly	Average # of Days for Companies to Respond to MPSC Regarding Customer Complaint/Inquiry		
MPSC-20	Closed Complaints that Become Formal Complaints (Customer Service)		👍	<5%	0.0%	0.3%	Monthly	% of Customers not Satisfied with Case Resolution & File a Formal Complaint with MPSC		
Reliability or Customer/Constituent										
MPSC-4	Electric Distribution Reliability: Michigan Weighted SAIFI		👍	N/A	0.870	0.913	CY Annually	The Weighted Average SAIFI (System Average Interruption Frequency Index) for Electric Utilities in Michigan. This Number Represents the Frequency of Customer Electric Outages. Lower Numbers indicate a Lower Frequency of Outages. (2013 data)		
Statutory Requirement										
MPSC-9	Renewable Energy (2012 target: 3.90%; 2013 target: 4.9%; 2014 target: 6.2%; 2015 target: 10%)	Green	👍	4.8% for 2013	7.9%	5.4%	CY Annually	Current Data Represents Michigan's Estimated Renewable Energy Generation for the Year 2013. Data has been Updated Based Upon 2013 Compliance Information. The Reported Data Shows that Michigan is on Track to Meet the Requirements. (2014 data expected Nov 2015)		
MPSC-10a	Electric Energy Efficiency (target ramps up to 1% in 2012; 2011 target is 0.75%)	Green	👍	1.00%	1.32%	1.25%	CY Annually	2012 Target: 1%; 2013 Data is the Most Current Data Available. MPSC Nov 30 Report (2014 data expected Nov 2015)		

MiScorecard Performance Summary

Business Unit: Michigan Public Service Commission
 Executive/Director Name: J. Quackenbush
 Reporting Period: Jan 2015

Green >90% of Target
 Yellow >= 75% - 90% of target
 Red < 75% of target
 Date Approved: 2/18/2015

Metric ID	Metric	Status	Progress	Target	Current	Previous	Frequency	Metric Definition
MPSC-10b	Natural Gas Energy Efficiency (target ramps up to 0.75% in 2012; 2011 target is 0.5%)	Green		0.75%	0.91%	0.95%	CY Annually	2012 Target: 0.75%; 2013 Data is the Most Current Data Available. MPSC Nov 30 Report (2014 data expected Nov 2015)
Productivity								
MPSC-2	Processing Applications & Formal Complaints with Statutory Deadlines for all Industries	Green		100%	95%	100%	Monthly	% of Orders Issued on or before the Expiration of a State or Federal Statutory Deadlines
MPSC-3	Processing Applications & Formal Complaints in a Timely Manner for all Industries	Green	=	75%	88%	88%	Monthly	% of Orders Issued within 9 Months or Less for Cases having no Statutory Deadline
MPSC-11	Pipeline Safety Inspection (Number of Inspection Days)	Green		612	704	627	CY Annually	Number of Required Pipeline Safety Inspections Completed Annually as Required by Federal Standards (2014 data)
MPSC-17	UCR 100% Processed & Completed	Green	=	100%	100%	100%	Monthly	UCR is a Federal 41 State Agreement for Commercial Vehicle Registration for Road Safety Enforcement.
MPSC-19	Customer Complaint Resolution Time (Customer Service)			within 14 days	9	13	Monthly	Average # of Days for MPSC to Close Informal Customer Complaint/Inquiry
Productivity and Process Improvement								
MPSC-16	USDOT's Processed Same Day %	Yellow		100%	89%	79%	Monthly	USDOT No's are Federal Identification Numbers Assigned to Interstate Commercial Motor Carriers