

**UTILITY CONSUMER REPRESENTATION FUND  
ANNUAL REPORT**

**CALENDAR YEAR 2014**

**UTILITY CONSUMER PARTICIPATION BOARD**

Mr. James MacInnes, Chair  
Dr. Paul Isely, Vice Chair  
Mr. Conan Smith  
Mrs. Susan Licata Haroutunian  
Mr. Ryan Dinkgrave

## EXECUTIVE SUMMARY

PA 304 of 1982 established a separate proceeding that allows energy utilities to more quickly recover costs for power supply and purchased gas than they otherwise could in a full rate case. It further created the Utility Consumer Representation Fund (UCRF) to provide financial resources for customers who pay these costs to be represented in these utility cost recovery proceedings.

UCRF funds are collected by certain utilities in their rates. The UCRF funds collected are split between the Attorney General and the Utility Consumer Participation Board (UCPB). The Attorney General uses the funding to advocate on behalf of the interests of the State of Michigan utility customers in general and the UCPB is responsible for granting funding to specific interest groups to advocate on behalf of the residential consumer groups they represent.

In 2014, Michigan's six largest investor-owned utilities that use cost recovery proceedings collected and remitted \$1,204,750 to the Utility Consumer Representation Fund. The Attorney General (AG) and the UCPB were each allocated \$572,256. The remaining 5% (\$60,238) was allocated for administrative costs.

The FY 2014 budget authorization for the Utility Consumer Participation Board (UCPB) was \$950,000. The request and authorization included the current year allocation plus reserve funds accrued from past years. Of that amount, \$902,500 was available for awarding FY2015 grants and \$47,500 was allocated for administrative costs.

In 2014, AY 2015 grants in the total amount of \$651,399 were awarded to the Residential Ratepayer Consortium (RRC), Michigan Environmental Council (MEC), Citizens Against Rate Excess (CARE) and the Great Lakes Renewable Energy Association (GLREA). The board also awarded \$165,550 in grants from AY2014 to support interventions in new and on-going cases. The total amount of grants awarded from the 2014 authorization was \$629,940. The unspent authorization for 2014 was \$272,560.

In 2014, UCRF Funding assisted consumer representative groups, directly and in collaboration with other parties, achieve significant benefits for Michigan residential utility customers. Major areas of impact for residential customers included Power Supply Cost Recovery (PSCR) related decisions on transfer prices, wind depreciation rates, PSCR 5-year and load forecasting, attention and review of Reduced Emissions Fuel (REF) costs, shifts from PSCR under-recovery to over-recovery, attention to Act 295 capacity sales revenue credit for customers, opposition to adjustment of System Support Resources (SSR) payment allocation to Michigan ratepayers, offsets to Gas Cost Recovery (GCR) cost of gas sold to GCR customers, improved Fixed Price Purchasing (FPP) practices and results, attention to colder than normal cost shifts to residential customers and attention to gas storage operations.

Two material developments affected the UCPB grant program in 2014. The first was passage of PA 169 of 2014 creating Cost of Service proceedings. This law specifically allowed for UCRF funds to be used to advocate for residential interests, though no additional funding was provided. The second involved interpretation of the allocation of the UCRF reserve fund resulting in curtailment of 2015 grant approvals by the board.

Despite the financial constraints, the UCPB grantees were able to achieve significant benefits for consumers. Among the direct measurable benefits of grantee funded intervention were \$8-10 million in savings over the next several years from transfer price design, \$3 million in annual savings from changes in load forecasting, \$4 million in savings from reduced PSCR factors, \$35 million reduction over the next 15 years in DTE's renewable energy program resulting from revised wind depreciation rates, \$10.6 million offset to the GCR Cost of Gas sold for GCR customers. In addition, grantee intervention contributed, in conjunction with other parties, to a settlement agreement shift from \$100,000 under-recovery to \$116,128 over-recovery.

## TABLE OF CONTENTS

1. Introduction
2. UCPB Major Responsibilities
  - 2.1. UCPB Board Action 2014
  - 2.2. UCRF Grants Awarded in 2014
  - 2.3. UCRF Resource Availability
  - 2.4. UCPB Resource Efficiency and Non-Duplication Due Diligence
  - 2.5. UCPB Administrative Efficiency
3. UCRF Results
  - 3.1. Cost/Benefit Analysis
  - 3.2. Grant Activity and Results
4. Financial Reporting and Administrative Process
  - 4.1. Calendar year 2014 Remittances
  - 4.2. Calendar year 2014 Appropriation and Accrued Funds
  - 4.3. Notification of Readiness to Proceed
  - 4.4. Scope of Work
  - 4.5. Application and Selection Process
5. Update on the Legislative Review of Act 304

### ATTACHMENT A

UCRF Grant Activity and Results for 2014 Calendar Year

### ATTACHMENT B

UCRF 2014 Grantees Membership Scope and Description

Questions regarding this report should be addressed to:

Utility Consumer Participation Board  
Attention: Susan Weber  
Finance and Administrative Services  
Licensing and Regulatory Affairs  
611 W. Ottawa  
Lansing, MI 48933  
(517) 335-5968  
[WeberS6@michigan.gov](mailto:WeberS6@michigan.gov)

## 1. INTRODUCTION

Public Act 304 of 1982, as amended (Act 304) provides for the establishment and implementation of gas and power supply cost recovery clauses in the rates and rate schedules of public utilities. The Utility Consumer Participation Board (UCPB) and the Utility Consumer Representation Fund (UCRF) were created by the Act to achieve equitable representation of interests of energy utility customers in energy cost recovery proceedings. The purpose of the UCPB is to make grants from the Act 304 Utility Consumer Representation Fund (UCRF) to qualified nonprofit organizations and local units of government to represent the interests of residential utility customers in energy cost recovery and reconciliation proceedings before the Michigan Public Service Commission.

This annual report to the Legislature, which is required under section 6m(22) of the Act, covers the activities of the Utility Consumer Participation Board for the 2014 calendar year.

From January 1, 2014-December 31, 2014, The Utility Consumer Participation Board awarded \$165,550 in grants from remaining AY2014 funds and \$651,399 in grants from AY2015 to consortia of several non-profit, consumer groups. Grant recipients in 2014 included the Residential Ratepayer Consortium (RRC), Michigan Environmental Council (MEC), Citizens Against Rate Excess (CARE) and Great Lakes Renewable Energy Association. Combined, the grantees represent state-wide, nonprofit groups with over 300 member agencies and tens of thousands of individual members focused on issues related to energy costs, consumer protection, environmental, public health, emerging energy, energy conservation and community action. The actions of these grantees influence utility costs for 3 million residential natural gas customers and 3.5 million residential electric customers in the State of Michigan.

In 2014, UCRF grant recipients participated in approximately 30 proceedings on behalf of residential customers of the State of Michigan. UCRF funds helped Michigan citizen advocates achieve, directly and in collaboration with other parties, significant benefits for residential utility customers throughout the State of Michigan. In certain cases, UCRF grant funded parties were the only advocates for Michigan residential customers. Major areas of impact for residential customers included PSCR related decisions on transfer prices, wind depreciation rates, PSCR 5-year and load forecasting, attention and review of REF costs, shifts from PSCR under-recovery to over-recovery, attention to Act 295 capacity sales revenue credit for customers, opposition to adjustment of SSR payment allocation to Michigan ratepayers, offsets to GCR cost of gas sold to GCR customers, improved FPP practices and results, attention to colder than normal cost shifts to residential customers and attention to gas storage operations.

Two material developments affected the UCPB grant program in 2014. The first was passage of PA 169 of 2014 creating Cost of Service proceedings. This law specifically allowed for UCRF funds to be used to advocate for residential interests, though no additional funding was provided. The second involved interpretation of the use of the UCRF reserve fund. Following the budget authorization and grant award process, the AG office questioned the allocation of unspent UCRF funds accrued from past years. The board, based on financial reports from LARA, had interpreted the proper use of the reserve funds to be for funding future grants. The Attorney General interpreted that the funds were to be split 50/50 between the grant program and funding for their office. While no formal decision was reached on interpretation, the board agreed to reduce future grant awards to allow the reserve fund to be rebalanced to reflect the 50/50 allocation. Once informed of the issue, the board took immediate steps to reduce and curtail 2015 grant approvals and plans to reduce future grant awards in order to rebalance the fund.

Among the direct measurable benefits of grantee funded intervention were \$8-10 million in savings over the next several years from transfer price design, \$3 million in annual savings from changes in load forecasting, \$4 million in savings from reduced PSCR factors, \$35 million reduction over the next 15 years in DTE's renewable energy program resulting from revised wind depreciation rates, \$10.6 million offset to the GCR Cost of Gas sold for GCR customers. In addition, grantee intervention contributed, in conjunction with other parties, to a settlement agreement shift from \$100,000 under-recovery to \$116,128 over-recovery. Other results, such as programmatic changes were also achieved. Results are summarized in Section 3 with details provided in Attachment A of this report. The board actively monitors participant activity and results.

The Attorney General's Office also receives UCRF funding for intervention on behalf of the utility ratepayers of Michigan. Coordination between the Attorney General, MPSC staff and other participants in UCRF funded cases is monitored by the board. Thorough review of grant applications, grant amendments, and regular reporting on case status and interventions by the UCPB continue to improve coordination of the grantees efforts with the Attorney General. This provides efficient use of resources and maximizes coverage of cases and issues without duplication of effort. The Attorney General's office is also consulted in its role as legal counsel to the board. Expenditures and results of the Attorney General's intervention are provided in a separate annual report submitted by their office to the Legislature.

## 2. UCPB MAJOR RESPONSIBILITIES

MCL 460.6l provides for the creation of a Utility Consumer Participation Board (UCPB), defines its membership, and prescribes its duties. MCL 460.6m creates the Utility Consumer Representation Fund (UCRF), establishes provisions for its generation, distribution and use, limits the beginning dates of cost recovery proceedings, and places reporting requirements on both fund recipients and the Board.

The duties and responsibilities of the Act under these two sections were discharged as described in sections 2.1 and 2.2.

### *2.1 UCPB Board Activities 2014*

The Board approved and maintained a bimonthly meeting schedule in 2014. Regular meetings were held with a quorum present on February 3, April 14, June 2, August 4, August 25, October 13, and December 1. All meeting notices were published and held in compliance with the Open Meetings Act. Members of the public were present at all meetings, given opportunity for public comment and participated in board education. Board education sessions covered the following topics:

- Association of Businesses Advocating Tariff Equity (ABATE) Return on Equity (ROE) Federal Energy Regulatory Commission (FERC) Case;
- Transmission Issues – Institute of Electrical and Electronics Engineers (IEEE) Power and Energy Society Video;
- Overview of HB 5476 – High Energy Legislation; and
- Midcontinent Independent System Operator (MISO) Update – Resource Adequacy and MISO Transmission Expansion Planning (MTEP) Implementation.

The 2015 UCRF Grant Announcement and Application were distributed on June 12, 2014.

Amendments and approval of new grants occurred on February 3, April 14, June 2, August 4, August 25, October 13, and December 1. The 2014 regular meeting schedule was approved on December 2, 2014. Transcripts are

available for all meetings and the minutes are available on the web site [www.michigan.gov/lara](http://www.michigan.gov/lara) under "Agencies", "Utility Consumer Participation Board."

## *2.2 UCRF Grants (New Funds) and Contracts Awarded by UCPB in Calendar Year 2014*

2/3/2014

CARE 2014 Grant Request for the 2013 PSCR Reconciliation cases for small – medium sized utilities was approved in the amount of \$30,000.

MEC 2013 Grant Request for the 2013 PSCR Reconciliation cases for CECO and DECO was approved in the amount of \$40,400.

RRC 2014 Grant Request for the 2014-15 GCR Reconciliation cases was deferred.

4/14/2014

RRC Grant Amendment Request - 2014-2015 GCR Plan cases was approved in the amount of \$40,000.

MEC Grant Amendment Request – Withdrawal of Experts and 2014 PSCR Plan Cases (Consumers and DTE) was approved and funded in the amount of \$15,150

CARE Grant Amendment Request – Addition of expert and 2013 PSCR Reconciliation Cases for Small and Medium Utilities was approved in the amount of \$40,000.

6/02/14

IEI Grant Amendment Request – Reallocation of budget from U-17318 2014 PSCR Plan Case for I&M Power (will not participate in case) to the U-17317 2014 PSCR Plan Case for Consumers and U-17319 2014 PSCR Plan Case for DTE Energy was approved.

CARE Grant Amendment Request – Addition of expert Paul Lange to UCRF Funded cases was approved.

RRC Grant Amendment Request – Reallocation of their approved budgets for the 2012-2013 GCR reconciliation cases that are funded under grant number UCRF 13-05 was approved.

8/4/2014

State of Michigan budget process and current fund balance deficit of the UCRF – issue of shared allocation of reserve funds and potential need for rebalancing the reserve fund was first presented to the board.

RRC Grant Request for 2013-2014 GCR Reconciliation Cases- due to the potential deficit and funding limitations, RRC withdrew its request and planned to pursue it in the 2015 grant application.

GLREA Supplemental Grant Request and Request for Grant Extension--UCRF Grant 14-05 request for \$30,300 in additional grant funds for cases U-17095-R CE PSCR Recon and U-17097-R 2013 DTE PSCR Recon and a 14-month extension for the cases was approved in part to extend the grant 12 months and transfer existing funds. No new funds were granted.

MEC 14-03 Grant Amendment – Budget Transfer request of \$3,143 from U-17322 2012 DTE RE Reconciliation Case to the 2013 DTE RE Reconciliation Case was approved.

MEC 14-03 Grant Amendment – Additional Funding request was deferred by grantee until there is more clarity on the board’s funding.

CARE and MEC Joint Submission for August 4th UCPB Meeting was deferred given funding uncertainty.

CARE Transfer Request - \$7,000 from the UPPCO 2013 reconciliation case to the Wisconsin Public Service Corporation 2013 reconciliation case was approved.

8/25/2014

RRC Request for Modification to Grant No. UCRF-14-06 2014-2015 GCR Plan Cases budget transfers was approved.

GLREA Supplemental Grant Request 14-05 was not approved.

MEC 14-03 Grant Amendment was not approved.

CARE 2015 UCRF grant request in the amount of \$25,000 for the small and medium utility PSCR cases including Alpena Power, I&M Power, NSP, Wisconsin d/b/a Xcel, UPPCO, WEPCo and Wisconsin Public Service was approved.

CARE 2015 UCRF grant request for intervention in FERC and MISO proceedings was not approved.

MEC 2015 UCRF grant request in the total amount of \$141,400 for intervention in the Consumers and DTE PSCR Plan cases was approved.

RRC 2015 UCRF grant request in the total amount of \$60,000 for intervention in Consumers, DTE Gas, SEMCO and MGU GCR Reconciliation cases was approved.

GLREA 2015 UCRF grant request in the total amount of \$50,000 for intervention in Consumers and DTE PSCR plan cases was approved.

MEC/CARE joint 2015 UCRF grant request in the amount of \$200,000 for intervention in Consumers and DTE cost-of-service proceeding was approved.

Proposal to create a review committee with members Dinkgrave and Haroutunian to evaluate the UCPB Board Assistant contract and proposal and to make a recommendation to the board was approved.

The 2013 UCPB Annual Report was approved.

Paul Isely was approved as Vice Chair for one year.

10/13/2014

CARE/MEC Joint 2015 Request I&M Power COS Case U-17698 was approved in the amount of \$50,000.

CARE 2015 MISO Limited Intervention Request was approved in the amount of \$9,999.

MEC Grant #14-03 Amendment Request was approved.

UCPB Board Assistant FY15 Contract extension was approved in the total amount of \$18,500.

12/01/2014

Board discussed fund finances with LARA.

RRC Grant Request – 2015-16 GCR Plan Cases was approved in the amount of \$25,000

The 2015 UCPB Meeting Schedule was approved.

TOTAL AMOUNT OF 2014 UCRF Grant Funding Awarded in 2013 = \$165,550

TOTAL 2014 GRANT AUTHORIZATION = \$902,500

TOTAL 2014 GRANTS AWARDED (All Years) = \$629,940

UNSPENT 2014 GRANT AUTHORIZATION = \$ 272,560

TOTAL AMOUNT OF 2015 UCRF Grant Funding Awarded in 2013 = \$651,399

ESTIMATED REBALANCING AMOUNT (end of 2014) = \$220,000

### *2.3 Resource Availability*

The total UCRF funding requested by applicants in the initial 2015 authorization year grant cycle was: \$1,099,210. This included \$278,760 in requests for funds to intervene in new Cost of Service proceedings created by the Legislature in PA 169 of 2014. This law specifically allowed for UCRF funds to be used to advocate for residential interests, though no additional funding was provided. The UCRF authorization for grants was \$902,500<sup>1</sup>. The potential funding deficiency based on the initial proposals submitted was \$196,710. The board determined that grants would be prioritized and awarded in phases. This allowed the board to examine work plans for cases more closely and more proximate to the actual filing dates. This also allowed grantees to refine and modify grant requests prior to full consideration and approval. Grantees deferred many requests due to the phase-in approval process adopted by the board. The board was unable to fund or was forced to reduce funding to later phase grant requests due to the rebalancing issue and funding deficiency.

In addition to intervener funds, the board approved a 2015 administrative support contract in the total amount of \$18,500. This was reduced from \$23,925 in 2014.

### *2.4 Resource Efficiency and Non-Duplication/Due Diligence*

To further resource efficiency, the board has modified its grant review process to consider and award grants in phases closer to the actual filing dates and has also made very conservative approvals based on the work plans presented by grantees. The board has encouraged grantees to use resources carefully but to also return to the board if developments in or demands of the case require additional resources. This allows detailed work plans based on the proceedings and expected results in the case can be provided and evaluated.

The UCRF grant application requires each applicant to provide a work plan specifying, among other things, the cases they intend to intervene in, the issues and strategies they intend to pursue and potential benefits to

---

<sup>1</sup> This was the amount of funds the board understood was available for the grant year based on financial reports provided by LARA, the spending authorization approved and the adequacy of current and reserve funds. The issue of a 50/50 “shared” reserve fund was brought to the attention of the board in August 2014 and addressed thereafter.



consumers. Individual board members, the UCRF board assistant, and Attorney General staff review the proposals in advance and provide comments to the board. Any potential duplication among grantees or with the Attorney General is identified and reviewed for purpose and justification. The board has not approved or reduced funding in some cases for unsupported duplication. When multiple grantees are approved for funding in the same case, grantees must report to the board on their distinct contributions and strategies in those cases. Bi-monthly case status reports are required from grantees and testimony reviewed in order to prevent or address any potential duplication of effort. The board encourages coordination of effort where it serves the interest of consumers.

### *2.5 Administrative Efficiency*

The Board achieved administrative efficiency in the following ways:

1. Implemented a grant review process requiring more detailed work plans.
2. Modified the grant review process to award grants in phases closer to the filing dates of actual cases.
3. Modified the grant review process to encourage more defined strategic focus areas by grantees.
4. Used the revised UCRF grant application designed by LARA Purchasing and Grant Services and the Michigan Attorney General's Office.
5. Requested the opinion of the Attorney General's office during grant review regarding the legal compliance of the individual grant applications with the governing statute or case law prior to the approval of grants and whether there was any objection to either the approval or the submission of individual grants to the State Administrative Board.
6. Requested the opinion of utility representatives present during grant review as to concerns or objections regarding the legal compliance of the individual grant applications with the governing statute or case law prior to the approval of grants and whether there was any objection to either the approval or the submission of individual grants to the State Administrative Board.
7. Renewed contract with part-time contractor to assist the Board and coordinate efforts with other parties of interest.
8. Followed regular bi-monthly meeting schedule.
9. Implemented bi-monthly case status reports from grantees.
10. Formalized process of written grant amendments and documented board approval prior to submission to LARA.
11. Continued regular board education sessions.
12. Revised annual report.
13. Coordinated with LARA staff to distribute board information and post public information on a web site.

## 3. UCRF GRANT RECIPIENT RESULTS

### *3.1 Cost/Benefit Analysis and Discussion*

In creating cost recovery mechanisms that allowed utilities to recover energy supply costs from ratepayers outside of a contested rate case, the Michigan Legislature assured that Michigan's residential energy customers would be effectively represented through the creation of the Utility Consumer Representation Fund (UCRF). UCRF funding is collected from assessments on utilities that use the cost recovery mechanism. This cost is paid by customers through their rates. Therefore, the revenue for the fund is generated from ratepayers and expended to assure their representation in utility cost recovery proceedings.

The PSCR and GCR cases have "plan" and "reconciliation" phases. The plan cases for each utility set the framework and establish the cost of fuel recoverable from all customers. The reconciliation phase looks back at the assumptions and performance of the utility under the plan and "corrects" or "trues-up" the plan factors with

reality. The differences are then passed through to customers through collections, credits or refunds. UCRF grant funded parties advocate for the interests of residential customers in this process.

There are many factors that impact assessment of effectiveness of UCRF funded intervention on behalf of residential customers including: 1) certain cases and proceedings span more than one grant year; 2) proceedings, through the appeal process, may remain pending for several years; 3) impact of a decision in one year often continues to benefit ratepayers in future years; 4) outcomes may result from multiple parties interventions and may be reported (in whole or part) by each party; 5) lack of a standardized reporting approach and validation method; and 6) indirect benefits not reflected in direct cost reductions.

UCRF funded intervention in cases decided in 2014 calendar year (based on actual orders issued) again yielded substantial benefits for residential utility customers. The following are highlights of measurable benefits and results achieved for residential customers by consumer advocates using UCRF grant funds. Details of UCRF Grant Activity and Results are provided in **Attachment A**:

MEC arguments in U-16656 DTE Renewable Energy Reconciliation (2011), resulted in Commission adoption of MEC's position on transfer prices, which reduces DTE's incremental cost of compliance between \$24 and \$31 million over the next couple of years. That reduction, once implemented, reduces costs to residential customers between \$8 million and \$10 million over the next couple years.

MEC arguments in U-16691 DTE Renewable Energy Assets Depreciation Case, resulted in the Commission adopting an improved composite depreciation rate for wind energy generating facilities of 3.62% based on an average service life of 25.52 years (3.71% including salvage). This decision decreases the revenue requirements for DTE's renewable energy program by approximately 35 million over the next 15 years.

MEC arguments in U-17097 DTE PSCR Plan Case resulted in more attention on accuracy of the utility's forecasting and more thorough review of REF costs.

IEI arguments in U-17319DTE Energy PSCR Plan Case on load forecasting resulted in \$3 million in annual ratepayer savings.

CARE discovery and arguments in U-17092-R Wisconsin Public Service Corporation PSCR Reconciliation Case assisted in a settlement agreement of \$116,128 over-recovery rather than an approximate \$100,000 under-recovery.

CARE monitoring in FERC EL14-34 raised awareness and opposition to the Public Service Commission of Wisconsin's proposal to reallocate \$55 million (subsequently increased to \$97 million) of SSR payments to Michigan's Upper Peninsula residential ratepayers.

CARE intervention in U-17312 WEPCO 2014 PSCR Plan Case resulted in the company lowering its proposed PSCR factor and a savings of \$4 million to Michigan ratepayers.

RRC intervention in U-17131 DTE Gas Company 2013-14 GCR Plan resulted in closer review of purchasing and risk mitigation efforts of the utility and the Commission ordering a revised reservation charge to both full service and gas choice customers that will produce an estimated offset to the GCR Cost of Gas sold for GCR Customers of \$10.6 million for the 2013-2014 GCR period.

RRC advocacy in past cases and in U-16922-R SEMCO Energy Gas Co 2012-13 GCR Reconciliation influenced improved FPP purchase results.

RRC advocacy in past cases and in U-16924-R Consumers Energy Co 2012-13 GCR Reconciliation influenced a significant reduction in Consumers level of FPP.

**4. FINANCIAL REPORTING AND GRANT ADMINISTRATION**

*4.1 Calendar Year 2014 Remittances*

The following information is compiled and provided by the Michigan Department of Licensing and Regulatory Affairs (LARA) for purposes of the Annual Report.

Public Act 304 of 1982 requires annual remittances to the Fund from any regulated utility company serving at least 100,000 customers. The total size of the fund is set at \$500,000 multiplied by a factor "set by the Board at a level not to exceed the percentage increase in...The consumer price index for the Detroit standard metropolitan statistical area...between January 1981 and January of the year in which the payment is required to be made." Since enactment of Act 304, total remittances have been as follows:

1982	\$630,600	1999	\$864,600
1983	\$653,400	2000	\$899,000
1984	\$582,250	2001	\$930,650
1985	\$569,600	2002	\$946,150
1986	\$592,650	2003	\$981,150
1987	\$596,050	2004	\$988,350
1988	\$615,250	2005	\$1,013,299
1989	\$650,450	2006	\$1,052,150
1990	\$683,450	2007	\$1,069,450
1991	\$715,300	2008	\$1,096,950
1992	\$728,650	2009	\$1,088,750
1993	\$745,838	2010	\$1,103,851
1994	\$760,266	2011	\$1,125,700
1995	\$791,900	2012	\$1,176,700
1996	\$813,000	2013	\$1,198,650
1997	\$834,050	2014	\$1,204,750
1998	\$851,728		

Remittances due from the six utilities serving at least 100,000 customers are calculated from the proportion of each "company's jurisdictional 1981 operating revenues...compared to the 1981 total operating revenues of all energy utility companies" contributing to the fund. This proportion, initially calculated in 1982 and recalculated in 1996, remains constant, and was applied to the six remitting utilities in the amounts shown in the table below.

<u>Source of Calendar Year 2014 Remittance Revenue</u>	<u>Amount Contributed</u>	<u>Distribution of Calendar year 2014 Revenue</u>	<u>Amount Recipient Allocated</u>
<u>Utility</u>			
Consumers Energy	\$493,507	Attorney General (47.5%)	\$ 572,256
Detroit Edison Co.	341,763	Intervenor Grants (47.5%)	572,256
MichCon Gas Co.	302,763	Administration (5%)	<u>60,238</u>
Michigan Gas Utilities	26,101		\$1,204,750
SEMCO	29,404		
Indiana Michigan Power	<u>11,720</u>		
TOTAL	\$1,204,750		

Letters were sent to each utility on 3/25/14 and all remittances were made by 09/2014.

In addition to the calendar year 2014 utility fees, interest was earned for the Fiscal Year ending 9/30/14. This was allocated proportionately between the Attorney General and the intervener grants. The intervener proportion totaled \$1,658.

#### *4.2 Fiscal Year 2014 Appropriation and Accrued Funds*

Total funding available for awarding intervener grants was \$950,000 for FY14 as shown below and \$950,000 FY14 authorization subject to budget approval.

Intervener Grant Funding for fiscal year 2014:

Appropriation (Public Act 59 of 2013)	\$950,000
Less 5% for Administration	<u>(47,500)</u>
Appropriation Available for Intervenor Grants	\$ 950,000
New Revenue	\$572,256
Fiscal Year 2013 Unreserved Fund Balance	241,739
Fiscal Year Interest Earned from Common Cash Fund	<u>1,658</u>
Total Available if sufficient spending authorization	\$815,653

Letters were sent to each utility on 3/25/14 and all remittances were made by 09/2014.

In addition to the calendar year 2014 utility fees, interest was earned for the Fiscal Year ending 9/30/14. This was allocated proportionately between the Attorney General and the intervener grants. The intervener proportion totaled \$1,658.

#### *4.3 Notification of Readiness to Proceed*

The Act requires that the Public Service Commission not act on "an application for an energy cost recovery proceeding...until 30 days after it has been notified by the Board or the director of the Energy Administration...that the Board or the director is ready to process grant applications, will transfer funds payable to the Attorney General immediately upon [their] receipt...and will within 30 days approve grants and remit funds to qualified grant applicants." Additionally, the Act requires that "in order to implement the gas [or power supply] cost recovery clause....a utility annually shall file...a complete gas [or power supply] cost recovery

plan...The plan shall be filed not less than 3 months before the beginning of the 12-month period covered by the plan." The electric utilities selected January 1 - December 31 as the 12-month plan period. Most of the gas utilities selected April 1 – March 31 as their 12 month period.

#### 4.4 Scope of Work

Money from the UCRF, less administrative costs, "may be used only for participation in administrative and judicial proceedings under sections 6h, 6i, 6j, and 6k [of P.A. 304] and in federal administrative and judicial proceedings which directly affect the energy costs paid by Michigan energy utilities." The Attorney General has issued formal and informal opinions to guide the Board regarding cost matters that may be covered by Act 304 grants. The Act describes several kinds of proceedings. Cases required by statute are:

Gas supply and cost review  
Gas cost reconciliation

Power supply and cost review  
Power supply cost reconciliation

Decisions in any of these four proceedings may be appealed to the appropriate courts. Grant proposals compliant with the provisions of the Act were solicited for intervention in on-going and new GCR Plan cases, GCR Reconciliation proceedings, PSCR Plan cases, PSCR Reconciliation proceedings and other cases eligible under Act 304.

#### 4.5 Application and Selection Process

Act 304 limits eligibility for funding to non-profit organizations or local units of government in Michigan, places specific additional restrictions on applicants, and suggests criteria that could be used in the selection process.

Applications for grants were received from the Residential Ratepayer Consortium (RRC), the Michigan Environmental Council (MEC), Citizens Against Rate Excess (CARE) and Great Lakes Renewable Energy Association (GLREA). MEC and CARE also filed a joint application in the I&M Power Cost of Service proceeding. The board followed a phased-in approach to awarding grants. Funding decisions were made as close to the filing of cases as possible in order to review the grant application work plans in more detail and render better decisions on potential benefits to consumers.

### 5. UPDATE ON THE LEGISLATIVE REVIEW OF ACT 304

Section 6m(23) of Act 304 requires a three-year legislative review of the costs and benefits attributable to the Act. The most recent review was conducted in 1986 by the House Public Utilities Committee. No further reviews have been conducted since the 1986 review. The findings and results of the 1986 review are presented below.

#### **1986 Legislative Review Findings**

In the fall of 1986, the Michigan Public Service Commission sought to resolve some of the issues identified in the public hearings by initiating a review of the various suggestions that were directed toward the Commission by the Board, interveners, and the utilities. Recommendations resulting from this review were submitted to the Commission in the spring of 1987. The following discusses the issues identified by the Board and their current status.

ISSUE ONE: The Public Service Commission should refrain from dismembering Act 304 by holding separate proceedings for certain energy cost issues. The shifting of these issues to non-Act 304 cases strains resources available for intervention on behalf of residential ratepayers. Intervenors may have difficulty getting status and

funding in the non-Act 304 cases. If they are able to intervene, they may be required to duplicate prior Act 304 efforts in the new proceeding. The Board is concerned that the wording of Section 6m(17) of Act 304 unduly limits the ability to award UCRF funds for non-Act 304 cases that have a direct impact on energy costs paid by residential electric and gas customers of Michigan utilities.

STATUS: While there has been improvement in the detail provided in the Commission's Notices of Hearing to alert the public that in the non-Act 304 cases, there may be issues that affect purchased gas or electric power supply costs, the Board remains restricted in its ability to grant funds outside of Act 304 cases. New options should be considered for protecting Michigan's residential customers in light of restructuring and escalating gas and electric rates. However, the restrictive language of this section restricts the Board's ability to solicit and award grants for innovative proposals. The urgency of this issue is heightened in 2007 with the energy legislation package under consideration in the Michigan Legislature. The effect of some aspects of this legislation will seriously compromise the ability for effective UCRF funded intervention on behalf of ratepayers.

ISSUE TWO: Numerous and lengthy delays in the Act 304 process were a serious problem up to 1991.

STATUS: The Commission has taken steps to reduce the delays with the goal of issuing orders within nine months of the filing. It has also initiated a staggered filing schedule for gas cost recovery cases. Since the Board cannot accept a utility's filing until 30 days after certification of readiness, early certification was needed to implement the staggered schedule. The Board supported the Commission's actions and in 1991, to allow for more staggering, the Board accelerated the entire grant award process by two months. Also in 1991, the Commission issued Proposed Guidelines for Completion of Cases (Order No. U-9832). In 1992, the Commission's new policy effectively solved the problem of delays in the Act 304 process. The Board commends the Commission for its actions.

ISSUE THREE: The Public Service Commission should adopt a more aggressive review of the utilities' five-year cost projections. Annual review of a utility's five-year forecast, as required by Act 304, is intended to provide an opportunity for future cost containment and increased efficiency.

STATUS: The Board encourages the Commission to continue to increase its scrutiny of the five-year forecasts and to create more rigorous filing requirements. Further the Board encourages the Commission to place greater emphasis on conservation and energy efficiency as part of reasonable and prudent supply planning, particularly in light of increasing energy prices and limited mitigation options for residential energy customers.

ISSUE FOUR: The Public Service Commission should disallow the recovery of costs that were not allowed prior to Act 304.

STATUS: This issue is resolved. Michigan courts have endorsed the Commission's designation of energy costs that may be recovered by electric and gas utilities under Act 304.

ISSUE FIVE: Information provided by the utilities should be standardized to reduce the time and effort required by interveners spent in obtaining information needed for presenting cases to the Public Service Commission.

STATUS: Filing of standardized information was recognized as an area of need during the Public Service Commission's review in 1987. However, the Commission has issued no formalized requirement for standardized information, and there has been no increase in voluntary compliance by the utilities. This issue was examined again during 1989, but final recommendations were not reached on this issue. The Board continues its support for standardized filings as a means of reducing intervention costs and improving time frames for hearing cases. Further, standardized filing will improve the Board's ability to independently analyze the impact of UCRF funded intervention in Act 304 proceedings.

ISSUE SIX: There is a need for increased intervener funding. The amount of funding available for intervention has been limited to the annual appropriation less administrative and operating costs incurred. The board does not have the advantage of a large number of in-house experts during the plan and reconciliation case proceedings. Adequate funding is needed to secure technical assistance of expert witnesses to aid in the process of case investigation, analysis and cross-examination.

STATUS: Fees charged by the most prominent expert witnesses have increased at a faster rate than funds available for intervention, resulting in a net decrease in expert witness testimony on behalf of residential ratepayers. If the Attorney General is not participating in a case, and therefore not available to jointly sponsor an expert witness, the interveners are often forced to reject bids from the most qualified expert consultants due to the lack of funds. Additionally, utilities are becoming more active in sponsoring rebuttal testimony. The interveners' legal counsel continues to donate time for carry-over cases.

This need for increased resources is heightened by recent, dramatic structural changes in the electric and natural gas industries. Those changes have a profound effect on the energy costs paid by residential utility customers. Without additional funding to support interventions in the various forums in which key decisions about those costs are being made, there is a real danger that the interests of homeowners and renters will not be advocated and that they will ultimately bear an unreasonable share of those costs. The Board specifically requested an increase in the UCRF annual appropriation for the 2006-07 fiscal year. The annual appropriation for 2007 was increased substantially using accrued, unspent funds from previous years. Increasing the spending authorization will be effective until the reserve is depleted.

Questions regarding this report should be addressed to:

Utility Consumer Participation Board  
Attention: Susan Weber  
Finance and Administrative Services  
Licensing and Regulatory Affairs  
611 W. Ottawa  
Lansing, MI 48933  
(517) 335-5968  
[WeberS6@michigan.gov](mailto:WeberS6@michigan.gov)

## ATTACHMENT A: UCRF Grant Activity and Results

The following are results in cases in which an ORDER(S) has been issued in the period January 1, 2014-December 31, 2014. Some of the cases in which UCRF grantees participate in 2014 will not conclude until subsequent years. Results for those cases will be reported in future annual reports. Results are reported by grantees and audited by UCPB board staff based on an independent review of the record and edited for purposes of this annual report. Complete dockets related to the majority of cases are available through the Michigan Public Service Commission's Electronic Docket Filing System (eDocket) at [www.michigan.gov/mpsc](http://www.michigan.gov/mpsc). Results for individual cases may be verified by reviewing the case docket. MPSC case numbers have been included for purposes of research and validation.

### GRANTEE: MICHIGAN ENVIRONMENTAL COUNCIL (MEC)

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt Awarded (as amended)	Balance (12/31/2014)	Other financial support (matching funds, pro bono support, etc.)
U-16890 Order: January 23, 2014	Consumers Energy PSCR Plan (2012)	12-01	\$40,400	\$0.00	\$6,587.54 in pro bono support
<p>This case concerned the operation and dispatch of Consumers Energy generating units. The primary issues were:</p> <p>(a) Consumers' designation of coal units as "must-run" ensures that those plants incur fuel and variable expenses even when electricity they generate is not cost-effective.</p> <p>(b) Consumers' calculates the cost of fuel when offering coal plants for dispatch by the MISO on the basis of "replacement cost" (spot price), but charges PSCR customers for the burned cost (contract price). Because 70-90% of inventory is procured via long-term contract, with prices typically higher than spot prices. Consumers bids its plants at a lower cost than it is passing on to customers. The plants dispatch more than they would if their bids were based on actual costs, putting customers at price risk when the plants operate close to what MISO is paying for them. The Commission order declined relief on these issues.</p>					
U-16656 Order: May 2, 2014	DTE Renewable Energy Reconciliation (2011)	12-01	\$27,842.00	\$0.00	\$7,972.69 in pro bono support
<p>This case concerned the transfer price, which represents the base cost of renewable energy that is collected in the PSCR prior to adding on the incremental cost of compliance, which is recovered via the renewable energy surcharges. Because it is collected in the PSCR, the transfer price is a volumetric charge. The surcharges, on the other hand, are fixed charges per meter. Because residential customers as a class pay about two-thirds of the surcharges and use about one-third of the total energy, their interest is served by maintaining the transfer price and reducing the surcharge as the costs of renewable energy decline. In this case, the Commission adopted MEC's position on transfer prices, which reduces DTE's incremental cost of compliance between \$24 and \$31 million over the next couple of years. That reduction, once implemented, reduces costs to residential customers between \$8 million and \$10 million over the next couple years.</p>					
U-16890-R Order: May 2, 2014	Consumers Energy PSCR Reconciliation (2012)	13-04	\$30,300.00	\$0.00	\$1,328.97 in pro bono support
<p>In this case, Consumers Energy sought Commission approval to roll-in an under-recovery of \$20 million into the 2013 PSCR plan factor. This amount represents a 2012 under-recovery of \$28 million less a 2011 over-recovery of \$7.7 million. Our primary issue in this case concerned how the company stated in plan testimony that it would cycle coal-fired generating units, and how the company actually operated those units. In essence, the coal units were either designated must-run for most of their operating days in 2012, even when Consumers' 30-day projections showed the units would operate at a loss if run in that fashion. The Commission rejected our argument on this issue.</p>					
U-16691 Order: July 8, 2014	DTE Renewable Energy Assets Depreciation Case	12-01	\$37,375.00	\$0.00	\$23,178.81 in pro bono support.
<p>Based primarily on MEC's arguments, the Commission adopted a composite depreciation rate for wind energy generating facilities of 3.62% based on an average service life of 25.52 years, or 3.71% including salvage. This compares to Detroit Edison's proposal of a composite rate of 4.47% for wind, based on an average service life of 22.37 years.</p>					



The total impact of the decision is to decrease revenue requirements for DTE's renewable energy program by around \$35 million total over the next fifteen years. This decrease should be allocated as a surcharge reduction of 15% to all customer classes, although that will likely be a subject of continued litigation.					
U-17097 Order: December 4, 2014	DTE PSCR Plan (2013)	13-04	\$37,400.00	\$0.00	\$11,220.55 in pro bono support
<p>This case concerned the validity of projections supporting DTE's 5-year PSCR forecast, the company's plan to use Activated Carbon Injection (ACI) and Dry Sorbent Injection (DSI) to control mercury and acid gases, and the Reduced Emissions Fuel (REF) project, in which DTE created affiliate fuel companies to take temporary ownership of coal within the DTE supply chain and treat it with chemical additives before returning it to DTE, generating tens of millions of dollars annually in tax credits.</p> <p>The Commission issued a warning under Section 7 of Act 304 to DTE regarding its 5-year PSCR forecast, meaning that based upon present evidence the Commission would not approve certain cost items projected for the out years of the forecast. The Commission found that DTE habitually over-projects generation from its coal-fired power plants, and habitually underestimates its market energy purchases. The Commission agreed that DTE "should be cautioned to evaluate, explain, and support the reasonableness of its methodology more vigorously on a going-forward basis." The Commission stated that "accurate forecasting is especially critical to understand and mitigate risks to Detroit Edison and its customers as energy and capacity markets become more constrained with the potential for more volatile pricing."</p> <p>The Commission declined to issue a similar Section 7 warning regarding DTE's plan to use ACI and DSI, holding that these plans should be vetted in the company's next rate case.</p> <p>The Commission approved the REF project, and found that the current costs associated with it are reasonable and prudent. However, the order found that DTE had not substantiated the prudence of the REF project over the 5-year forecast. The Commission found that the record "raises serious questions about the coal adder expenses and related quantification of environmental benefits in the later years of the forecast (i.e., 2015-2016), when the MATS rule goes into effect and the planned use of refined coal increases accordingly." It also noted that "In particular, the Commission is concerned that contracts admitted into the record appear inconsistent with the utility's evidence to support its forecast in the later years." Finally, the Commission held that REF costs should be thoroughly reviewed in the reconciliation cases.</p>					

## GRANTEE: INSTITUTE FOR ENERGY INNOVATION (IEI)

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt Awarded (as amended)	Balance (12/31/2014)
U-17317	Consumers Energy Company PSCR (2014)	14-04-001	\$45,000.00	30,087.00
<p>Despite opposition from Consumers Energy, the Attorney General's office, and MPSC Staff, IEI was granted permissive intervention status by the MPSC in March 2014.</p> <p>IEI continues to actively participate in case U-17317, and filed its brief in the case on November 14, 2014, and a reply brief on December 22, 2014. The arguments raised by IEI in this case are substantively similar to those raised in case U-17319, detailed below. The parties in this case continue to wait for a Proposal for Decision (PFD) from Judge Eyster, and will consider exceptions to the PFD once it is issued.</p>				
U-17319	DTE Energy Company PSCR (2014)	14-04-002	\$45,000.00	20,367.00
<p>Despite opposition from DTE Energy, the Attorney General's office, and MPSC Staff, IEI was granted permissive intervention status by the MPSC in March 2014. In its intervention, IEI focused on three issues:</p> <ul style="list-style-type: none"> <li>• Improving the accuracy of demand bidding in the MISO wholesale market;</li> <li>• Improving its distribution system voltage control; and</li> <li>• Implementing cost-effective energy efficiency programs</li> </ul>				

In her PFD, Judge Feldman agreed with the first argument, calling on DTE to show its progress in the next 5-year-plan on whether it was taking “reasonable steps to investigate and minimize sources of error.” On the second argument, the PFD noted that the MPSC had previously called on these types of issues to be dealt with in rate cases or other proceedings. Finally, on the energy efficiency issue, the PFD “deline[d] to recommend that the Commission require DTE to provide the information and analysis requested by IEI” while noting that it “does not accept that IEI’s proposals contravene limits on retroactive ratemaking, since nothing in IEI’s proposals to review DTE’s five-year plans for additional cost savings attributable to energy efficiency suggest that DTE would not recover the costs of any such programs.”

IEI filed exceptions to the PFD on this third point, explicitly requesting that the Commission require DTE on a going-forward basis to “propose accelerated energy optimization programs that will accomplish all cost-effective measures as soon as is practical.”

In its Order in case U-17319, the Commission adopted the PFD’s proposal with respect to IEI’s load forecasting argument. For the energy efficiency argument, the Commission noted that “the issue that IEI ... raise[s] here ... have some merit and may be revisited in future proceedings” and that “recent changes ... suggest a need to look more holistically at energy supply and demand projections and diverse options to meet electricity needs in a cost-effective manner in the future” and that “the fragmented nature of current regulatory proceedings that deal with fuel and capital investment decisions is challenging and may not lead to the best long-term solutions for utility customers.” That said, the Commission ultimately stated that given the uncertainty of the current state energy policy debate and expressed, it was reluctant in that context “to make significant changes to the requirements for PSCR plans and forecasts.”

In sum, the Commission granted relief on one of the three issues identified by IEI in its intervention, which IEI’s expert estimated could result in annual savings of up to \$10 million for ratepayers. (DTE argued that the scale of potential savings was less than projected by IEI, though agreed it could amount to \$3 million in annual ratepayer savings.) The Commission also expressed substantial agreement with IEI’s arguments on incorporating energy efficiency measures into PSCR plans, though ultimately decided not to make such changes in the requirements for PSCR plans in the midst of an active state policy debate while signaling a possible appetite for reviewing this decision in future proceedings.

**GRANTEE: CITIZENS AGAINST RATE EXCESS (CARE)**

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt Awarded	Balance ( 12/31/2014)	Other financial support (matching funds, pro bono support, etc.)
U-17297	Alpena Power Company 2014 Plan Case	14-01	\$823.60	\$5.50	None Reported.
RESULTS Order 1/23/2014. After CARE issued discovery and evaluated company’s responses, CARE agreed to the \$625,550 under-recovery as filed.					
U-17311	Northern States Power Company 2014 PSCR Plan	14-01	\$909.00	\$45.45	None Reported.
RESULTS Order 2/3/2014. After CARE issued discovery and evaluated company’s responses, CARE settled the matter with a small reduction resulting in a \$688,398 under-recovery.					
U-17298	Upper Peninsula Power Company 2014 Plan Case	14-01	\$19,270.80	\$0.00	None Reported.
RESULTS Order 5/13/2014. This case was settled as it was filed due in part because this was a period when natural gas prices were escalating. Any revision to the original plan would have resulted in higher costs for U.P. residents. It is also important to note that when this case was filed the Presque Isle Power Plant SSR charges were just beginning. As is well known by now, the allocation of those charges were highly disputed and this 2014 plan case did not include \$665,918 of SSR charges. There was also an issue with work on the UP Hydro Cataract facility not being completed. The costs of that upgrade will be reviewed in the company’s 2014 reconciliation case.					
U-17299	Wisconsin Public Service Corporation 2014 Plan Case	14-01	\$9,453.60	\$0.00	None Reported.
RESULTS Order 5/13/2014. CARE submitted testimony in this case that would have reduced WPS Michigan PSCR customer’s rates by \$250,000. This projected decrease was a result of applying the PSCR costs approved by a recent Wis Public Service Commission rate case to the Michigan PSCR plan case. However, during this same time period natural gas prices rapidly increased due to the harsh winter and CARE agreed to accept the original filing so as to avoid an increase in the PSCR rate if an updated filing would have taken place.					

U-17090-R	Alpena Power Company 2013 Reconciliation	14-01	\$823.60	\$50.95	None Reported.
RESULTS Order 7/22/2014. After CARE issued discovery and evaluated company's responses, CARE agreed to the \$677,912 under-recovery as filed.					
U-17091-R	Upper Peninsula Power Co. 2013 Reconciliation	14-01	\$17,089.20	\$7,135.65	None Reported.
RESULTS Order 9/11/2014. After CARE issued discovery and evaluated company's responses, the Company refiled its testimony resulting in a small reduction in its under-recovery estimate and CARE agreed to the revised \$237,090 under-recovery as filed in the company's amended application.					
U-17093-R	Northern States Power Co. 2012 Reconciliation Case	14-01	\$909.00	\$0.00	None Reported.
RESULTS Order 9/11/2014. After CARE issued discovery and evaluated company's responses, CARE agreed to the \$677,912 under-recovery as filed.					
U-17096-R	Indiana Michigan 2013 Reconciliation case	14-01	\$15,000.00	\$1,228.65	None Reported.
RESULTS Order 10/7/2014. CARE witness D. Jester reviewed the filing to assure that the Company's Michigan customers were getting the appropriate credits from the Company's participation in the PJM forward capacity market. The results of the analysis raised a caution that the Commission should monitor future contracts to make sure Michigan customers are getting full credit for any Act 295 capacity sales revenue and that such revenue is not diverted to other subsidiaries of the parent corporation, AEP.					
U-17092-R	Wisconsin Public Service Corp 2013 Reconciliation Case	14-01	\$11,635.20	\$1,818.00	None Reported.
RESULTS Order 11/06/2014. Discovery revealed a \$2.4 million discrepancy between power supply costs approved by the Wisconsin Commission and the power supply costs sought in this proceeding. WPS filed an amended and revised testimony resulting in a Settlement Agreement of \$116,128 over-recovery instead of an approximate \$100,000 under-recovery.					
MISO/FERC	FERC EL14-34	14-02	\$67,000.00	\$4,237.68	None Reported.
This grant was used to closely monitor MISO proceedings as they impacted Michigan. Grantee provided the UCPB bi-monthly detailed reports on the Supply Adequacy, Planning Advisory, and Reliability Committees, among others. Such close monitoring enabled CARE to observe the April 4, 2014 FERC filing by the Public Service Commission of Wisconsin to reallocate \$55 million of make-whole payments (SSR) paid to WEPCO to keep the Presque Isle Power Plant operational for the year. Opposing comments were to be filed by May 5, 2014. CARE filed a motion to extend the deadline which was denied. CARE filed comments on time strongly opposing the impact this proceeding would have on Michigan's Upper Peninsula residential ratepayers. Additionally CARE's counsel contacted other interested parties to encourage them to file comments, even if they were late. Subsequently WEPCO filed with NERC to reduce the footprint of who would pay these costs thus raising the total exposure to Michigan's Upper Peninsula ratepayers to \$97 million per year. This was the beginning of a long and contentious battle that is still unresolved at the time of this writing. With funding from the UCPB, CARE led the way in opposing this action.					
U-17312	WEPCO 2014 Plan Case	14-01	\$25,000	\$0.00	None.
Care Intervened in this case on October 15, 2013. Three rounds of discovery were conducted and Direct testimony was filed March 21, 2014 challenging the Company's SSR charges and its roll-in true-up costs. Through negotiations, the company agreed to defer these SSR charges to its next general rate case and adjust its 2013 roll-in amount. As a result the company lowered its proposed PSCR factor from plus \$0.00211 to a negative \$0.00711. This change saved Michigan ratepayers over \$4 million.					

**GRANTEE: RESIDENTIAL RATEPAYER CONSORTIUM**

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt Awarded	Balance ( 12/31/2012)	Other financial support (matching funds, pro bono support, etc.)
U-15701-R & U-16146-R	Michigan Consolidated Gas Co. 2009-2010 GCR Reconciliation & 2010-2011 GCR Reconciliation	10-01  11-01	\$30,906.00 (6-6-2011) \$25,451.17	\$545.40  \$3,962.41	\$0.00
<p>RESULTS: MPSC Order - 3/18/2014 The MPSC issued a final order after the Michigan Court of Appeals decided the appeal of Michigan Consolidated Gas Company (now DTE Gas Company) of prior Commission decisions that ordered partial cost disallowances for purchases from the company's affiliate, MichCon Gathering Company (MGAT). The Commission directed the Company to include the disallowed MGAT amounts in its next gas cost recovery reconciliation filing. On June 27, 2014 DTE Gas Company made its 2013-2014 GCR Reconciliation filing with the MPSC. The disallowed MGAT amounts were not included in that filing. The RRC will pursue this issue in that docket.</p>					
U-17131	DTE Gas Company 2013-2014 GCR Plan	13-05	\$26,631.00 (8/15/13)	\$0.00	\$0.00
<p>RESULTS: MPSC Order - 4/15/2014 The RRC examined DTE Gas Company's fixed price purchasing (FPP) program under the Volume Cost Averaging (VCA) method and the Company's proposal to implement a Reservation Charge applicable to Gas Customer Choice (GCC) Suppliers. In its testimony, the RRC: (1) Documented \$1.167 billion in excess costs in 2006-2012 caused by DTE's prior FPP program and \$161.5 million in excess costs caused by the VCA method after it was implemented in the 2011-2012 GCR period through the 2013-2014 GCR period. The RRC also presented data showing that the price premium for the VCA purchases is not justified given the stability in the market price for natural gas and made detailed recommendations for reducing the level of VCA purchases to reduce gas costs to the GCR customers. (2) Demonstrated that DTE Gas Company incurs additional costs as a result of the GCC program that should not be borne by the GCR customers and recommended approval of a Reservation Charge for GCC Suppliers to reflect the costs of pipeline capacity to GCC customers who benefit from it. In its final order, the MPSC declined ordering DTE Gas Company to reduce the level of its VCA purchases. The Commission acknowledged the evidence presented by the RRC presented and said: "The Commission is neither approving nor endorsing this method or the particular percentage. Going forward, the burden continues to be on DTE Gas to manage risk and facilitate affordability of the natural gas sold to GCR customers. Accordingly, the Commission expects that DTE Gas will regularly review its purchasing and risk mitigation policies and make adjustments as appropriate based on current and forecasted market conditions and fundamental economic and physical considerations that affect gas supply and prices. Moreover, the Commission expects DTE Gas to provide a robust presentation on such considerations to demonstrate the reasonableness and prudence of the company's strategy in future GCR plan and reconciliation proceedings." The Commission also approved a reservation charge of \$.26 per thousand cubic feet of gas to both full service and gas choice customers that will produce an estimated offset to the GCR Cost of Gas Sold for GCR Customers of \$10.6 million for the 2013-2014 GCR period.</p>					
U-16922-R	SEMCO Energy Gas Co. 2012-2013 GCR Reconciliation	13-05	\$13,520.00 (6-4-2014)	\$0.00	\$0.00
<p>RESULTS: MPSC Order - 5/2/2014 The RRC presented testimony that: (1) Audited SEMCO's fixed price purchases (FPP) in the 2012-2013 GCR period. Though the FPP purchases made by SEMCO exceeded the actual average cost of this supply at Index by \$9.33 million, this result was much better than prior years. The evidence showed that these purchases were consistent with the underlying GCR Plan and compared to other local Michigan gas distribution companies, SEMCO made real efforts to reduce the excess costs of its FPP supply. In addition, the testimony acknowledged that the RRC and the other parties are engaging with SEMCO in collaborative discussion for the FPP program for the 2014-2015 GCR Year. For these reasons, no cost disallowance was advocated by the RRC on SEMCO's FPP purchases in 2012-2013. (2) Audited all of SEMCO's monthly purchases and bid methodology and recommended that SEMCO purchase 75% at Index on ANR SE and 75% at NYMEX on Great Lakes going forward to achieve better pricing results for monthly purchases. (3) Audited SEMCO's intra-month and swing purchases and concluded they were acceptable from an operational standpoint. (4) Audited SEMCO's cost of peaking services, its storage operations and its pipeline utilization and capacity release credits and concluded they were all in accordance with the underlying GCR Plan and resulted in favorable prices and cost of gas credits for the GCR customers. A settlement agreement was reached by the parties that rolled in the 2012-2013 over-recovery of \$91,713 to SEMCO's 2013-2014 GCR reconciliation. The MPSC approved the settlement on May 2, 2014.</p>					
U-17332	DTE Gas Company 2014-2015 GCR Plan	14-06	\$21,940.00 (8-25-2014)	\$0.00	\$0.00
<p>RESULTS: MPSC Orders - 5/13/2014 &amp; 9/26/2014 The RRC examined DTE Gas Company's proposal to continue using a Fixed Price Purchasing (FPP) program under the Volume Cost Averaging (VCA) Method in the 2014-2105 GCR Period and the reasonableness of the Company's colder-than-normal (CTN) and warmer-than-normal (WTN) plans for this period. In its testimony in this case, the RRC: (1) Provided historical background information on the Company's use of FPP and the</p>					

VCA Method and their results. (2) Explained available alternatives to the FPP methods used by DTE Gas. (3) Presented a detailed analysis of why the FPP proposal in DTE Gas Company's 2014-2015 GCR Plan does not satisfy the criteria set forth in the MPSC's 4/15/2014 Order in Case No. U-17131. (4) Confirmed that there are now five consecutive years in which the Index method would have resulted in savings to GCR Customers when compared to the 75% VCA Method. (5) Recommended a reduction of the FPP level in DTE's 2014-2015 GCR Plan. (6) Recommended that DTE Gas provide additional information to show the allocation of incremental purchases and storage utilization by GCR and GCC customers in either CTN or WTN weather and that the Company specify the proposed allocations in its GCR Plan. (7) Explained how the Company's projected level of storage allocated to its GCR customers is inadequate. In 2014, the Commission issued two orders in this case. On May 13, 2014 it approved the petitions to intervene of the Retail Energy Supply Association and Interstate Gas Supply, Inc., two Gas Customer Choice suppliers. On September 26, 2014 the MPSC issued an order granting the RRC and the Attorney General leave to appeal DTE Gas Company's August 2014 self-implementation of the \$4.97 per Mcf GCR factor in its second amended application in this case. However, the Commission denied the request of the RRC and the Attorney General that the Company be ordered to cease and desist billing this increased GCR factor. The Commission's decision on the merits of DTE Gas Company's 2014-2015 GCR Plan will be covered in the UCRF's 2015 Annual Report.

U-17331	MI Gas Utilities Corporation 2014-2015 GCR Plan	14-06	\$32,020.00 (8-25-2014)	\$0.00	\$0.00
---------	--	-------	----------------------------	--------	--------

RESULTS: MPSC Orders - 4/1/2014 & 6/6/2014  
 The RRC: (1) Audited the MGUC's storage operations and based on the Company's actual operations of the Partello/Anderson field in the extreme weather in the 2013-2014 winter recommended acceptance of its proposed storage operations in the 2014-2015 GCR Plan. (2) Analyzed the Company's proposed call/swing packages and recommended utilization of 10-Day and 20-Day Swing instead of 90-Day Swing packages to achieve more than \$160,000 in cost savings for the GCR customers. (3) Analyzed MGUC's Design Day requirements and validated the Peak Day estimate with a recommendation that the Company become more aggressive with the use of Constraint Days from End User Transportation customers to increase security of supply and lower costs for the GCR customers. (4) Analyzed the Company's method for estimating total sales for the Gas Customer Choice (GCC) customers and made recommendations for improved accuracy. (5) Analyzed the Company's monthly estimates of Daily Delivery Obligations (DDOs) and recommended that MGUC take steps to improve the accuracy of its methodology and reduce supply imbalances for the GCC program. In 2014 the MPSC Issued two orders in Case No. U-17331. On April 1, 2014 the Commission issued an order setting an expedited schedule to review MGUC's motion for a temporary order to increase its GCR factor from \$4.7776 per Mcf based on its original GCR Plan to \$5.9122 per Mcf. The RRC filed testimony and briefs showing that based on updated gas price data and new information on MGUC's under-recovery position a lower GCR factor was justified. On June 6, 2014 the Commission approved MGUC's motion and approved a GCR factor of \$5.7471 per Mcf starting in July 2014. The Commission's decision on the merits of MGUC's 2014-2015 GCR Plan will be covered in the UCRF's 2015 Annual Report.

U-17133	Consumers Energy Company 2013-2014 GCR Plan	13-05	\$26,800.00 (8-25-14)	\$0.00	\$0.00
---------	--	-------	--------------------------	--------	--------

RESULTS: MPSC Order - 7/8/2014  
 The RRC presented testimony that analyzed Consumers Energy Company's GCR sales forecast and monthly distribution of sales, the Design Day Peak Day Forecast and the Company's proposed refinements and the Company's Design Winter Load Requirements for 2013-2014. The RRC recommended that: (1) Consumers should use an 11-year average for monthly distribution of sales because it results in a more accurate depiction of year-on-year differences as opposed to a 4-year average. (2) Consumers should only make limited use of the refinements to its forecasting of Design Peak Day and the 4% Probability peak should be updated to reflect more current data than the forecast January Output. (3) Consumers should change from 4% probability to 5% probability for design day forecasting. (4) Consumers should reduce the weather sensitivity factor for sales and choice by 3 MMcf/HDD or a reduction of 2 Bcf for the incremental load requirements. All these recommendations were made to establish a more reasonable ceiling for Design planning. Unfortunately, the presiding administrative law judge in this case did not issue a Proposal for Decision (PFD) until March 27, 2014 (**more than seven months after** the parties filed their legal briefs) and the Commission did not receive the case for its decision until May 1, 2014 -- one month **after** the close of the GCR Plan year. As a result, it was too late to implement any of the RRC's planning recommendations in this case and they became moot. In its final order, the MPSC approved Consumers Energy Company's 2013-2014 GCR Plan without modification.

U-16482-R	Michigan Consolidated Gas Co. 2011-2012 GCR Reconciliation	12-04	\$21,452.00 (4-15-13)	\$545.00	\$0.00
-----------	---	-------	--------------------------	----------	--------

RESULTS: MPSC Order - 8/5/2014  
 The RRC audited MichCon's fixed price purchases (FPP) program in the 2011-2012 GCR period, the Company's storage operations and its discretionary monthly purchases. In its testimony in this case, the RRC presented evidence showing that gas costs under MichCon's FPP were \$174.4 million greater than published indices for natural gas prices in the 2011-2012 GCR period, or approximately \$1.82/Dth more expensive than natural gas prices at published indices. This cost the average GCR customer and extra \$130 on an annual natural gas bill. Purchases under the Volume Cost Averaging (VCA) method accounted for more than \$14 million of these excess costs. Despite this data, the Commission made the curious observation in its order that "Here, the settled New York Mercantile Exchange (NYMEX) index price the RRC used to evaluate the reasonableness of DTE Gas's FPPs was not known at the time the decision was made. Accordingly, any argument that the purchases were unreasonable because the future fixed price was more than the market price at or around the time of delivery, is unavailing." In this case the RRC did **not** recommend any disallowances for FPP purchases that exceeded the index price as long as they were made according to Commission-approved FPP guidelines. The point of the RRC's evidence was to show that going forward, FPPs should be curtailed because the data confirms they are costly for the GCR customers compared to available alternatives and MichCon has no way of knowing whether they will result in a reasonable price for the consumer. The RRC's analysis concluded that some of MichCon's VCA purchases were made in accord with the FPP Guidelines established in Case No. U-16482 and no disallowance was recommended for them. The RRC identified other VCA purchases that did not appear to have been

made according to those guidelines and the RRC recommended a disallowance totaling \$4.9 million for them. In its order in this case, the Commission rejected the RRC's proposed disallowances as well as the proposed disallowance advocated by the Attorney General.					
U-17334	Consumers Energy Company. 2014-2015 GCR Plan	14-06	\$26,800.00 (8-25-14)	\$0.00	\$0.00
<p>RESULTS: MPSC Orders - 3/18/2014, 5/2/2014 &amp; 9/11/2014</p> <p>The RRC analyzed Consumers Energy Company's planning for design weather using actual operations and results in the extreme cold weather in the 2013-2014 Winter period. In addition the RRC examined the Company's 4% probability level, its storage operations, its actual peak day, its purchasing practices, its level of firm pipeline transportation, its Ceiling Price Contingency Mechanism and its allocation of monthly sales volumes. In its testimony in this case, the RRC: (1) Confirmed that the actual weather that occurred during the 2013-2014 Winter period validates the Company's use of its 4% probability level in the 2014-2015 GCR Plan. (2) Recommended that the Company provide additional data with regard to setting Daily Delivery Obligation (DDO) levels for Design Winter to insure that GCC suppliers bear their proportional share of meeting 4% probability months in Design and Colder-Than-Normal Weather, explain why a monthly DDO for End Users could not be established at approximately 90% of average daily supply for Normal weather to reduce storage deliverability and reduce the level of incremental purchases necessary to meet peak days in the January through March period. (3) Endorsed Consumers Energy Company's approach to making fixed price purchases that has allowed an increase in the amount of gas that is purchased at index prices and resulted in lower gas costs for the GCR customers. (4) Confirmed the accuracy of the Company's level of firm pipeline transportation capacity proposed in the 2014-2015 GCR Plan. (5) Recommended that the Commission defer its review of any changes to the Ceiling Price Adjustment mechanism until Consumers provides additional information about that proposal. (6) Supported the Company's proposal to use a 15-year average for allocating monthly sales volumes as that approach closely matches the results achieved by using an 11-year average that was advocated by the RRC in Case No. U-17133. In 2014 the MPSC Issued three separate orders in this case. The first was on March 18, 2014 in which the Commission ordered an expedited proceeding to consider the motion of Consumers Energy and the MPSC Staff for a temporary order to increase the GCR factor from the \$4.3962 per Mcf contained in the original filing to \$5.750 per Mcf to address large gas cost underrecoveries from the prior GCR period. The second was on May 2, 2014 in which the MPSC approved a temporary order setting the GCR Factor at \$5.750 over the objections of the Attorney General and the RRC. The third was on September 11, 2014 when the Commission rejected the joint motion of the Attorney General and the RRC that requested an order reducing the amounts billed to Consumers' GCR customers during May 2014 and refunding the overbilled amounts. The Commission's decision on the merits of Consumers' 2014-2015 GCR Plan will be covered in the UCRF's 2015 Annual Report.</p>					
U-16924-R	Consumers Energy Company 2012-2013 GCR Reconciliation	13-05	\$14,704.60 (6-4-14)	\$0.00	\$0.00
<p>RESULTS: MPSC Order - 9/26/2014</p> <p>In its testimony, the RRC: (1) Audited Consumers Energy Company's execution of its fixed price purchase (FPP) guidelines. The cost of the Company's FPP were \$269 million greater or \$1.65 per Mcf higher than published indices for natural gas in the 2012-2013 GCR period. No disallowance was recommended because these purchases were made in conformity with the FPP guidelines approved by the Commission in Case No. U-16924. Consumers' level of FPP was reduced in the 2012-2013 GCR period -- due in part to the RRC's persistent advocacy on this issue -- mitigating the amount of excess costs that would have resulted if Consumers had continued making FPP at the same levels as in prior years. It will also reduce GCR costs in future years. (2) Analyzed the monthly purchases made by Consumers and recommended a disallowance of \$349,087 for all of the monthly purchases made on Panhandle Eastern Pipeline due to the availability of lower cost alternative supplies. After receiving and analyzing the Company's rebuttal testimony and obtaining additional information from Consumers about its capacity releases to the market, the RRC withdrew this proposed disallowance because it was not justified in light of that new information. In its September 26, 2014 order in this case the MPSC approved Consumers Energy Company's application for its 2012-2013 GCR Reconciliation.</p>					

## GRANTEE: GREAT LAKES RENEWABLE ENERGY ASSOCIATION (GLREA)

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt Awarded (as amended)	Balance (12/31/2014)	Other financial support (matching funds, pro bono support, etc.)
<b>I. ELECTRIC CASES</b>					
U-17317	CECo 2014 PSCR Plan	14-05	\$33,994.88	\$0	\$9,364.50
<b>Status/Results</b>	<p>The following summarizes GLREA's activity in this case:</p> <p>ALJ issued written ruling on 01/12/2014 granting GLREA's intervention and denying objections of CECo and MPSC Staff</p> <p>11/14/2013 - GLREA Petition to Intervene filed  12/05/2013 - File Response to CECo's First Discovery Request  12/10/2013 - File Response in Opposition to CECo's Objections to GLREA's Intervention  12/11/2013 - File Supplement in Support of Intervention Petition of GLREA  12/11/2013 - Attended Prehearing and argued on behalf of GLREA Intervention  12/12/2013 - File Revised Supplemental Affidavits in support of GLREA Intervention  12/12/2013 - Issuance of written ruling of Administrative Law Judge granting GLREA's Intervention</p>				

<p>MPSC issued Order on 3/6/2014 affirming GLREA intervention by right and denying CECo and Staff appeals of ALJ's ruling</p>	<p>01/03/2014 - File Response in Opposition to Staff's Application for Leave to Appeal the ALJ's ruling granting intervention  01/06/2014 - File Response of GLREA in Opposition to Application for Lv to Appeal and Brief of the CECo  01/14/2014 - Issuance of GLREA's First Discovery Request to CECo  01/31/2014 - Issuance of GLREA's Second Discovery Request to CECo  02/21/2014 - File GLREA Response in opposition to CECo's Supplement to its appeal of the ALJ ruling granting intervention  03/06/2014 - Issuance of MPSC Order granting GLREA's Intervention as of right  05/07/2014 - Issuance of Third Discovery Request to CECo  08/12/2014 - Direct Testimony and Exhibits of Geoffrey C. Crandall filed on behalf of GLREA  10/08/2014 - Response in Opposition to CECo's Motion to Strike Testimony and Exhibits of Geoffrey C. Crandall filed  10/21/2014 - Testimony and Exhibits of GLREA Witness Crandall received at 10/21/2014 hearing  11/13/2014 - File Answer in Opposition to CECo's Application for leave to Appeal GLREA's standing in case  11/21/2014 - Initial Brief of GLREA filed  12/22/2014 - Reply Brief of GLREA filed</p>				
<p><b>U-17319</b></p>	<p><b>DECo 2014 PSCR</b></p>	<p><b>14-05</b></p>	<p><b>\$27,994.88</b></p>	<p><b>\$0</b></p>	<p><b>\$6,799.00</b></p>
<p><b>Status/Results</b>  No PFD or Order was issued in 2014</p>	<p>The following summarizes GLREA's activity in this case:   11/14/2013 - GLREA Intervention filed  11/21/2013 - Attended Prehearing and argued for GLREA Intervention (ALJ granted intervention)  01/14/2014 - Issuance of GLREA's First Discovery Request to DTE Electric Company  01/31/2014 - Issuance of GLREA's Second Discovery Request to DTE Electric Company  02/13/2014 - Attended Motion Hearing  03/19/2014 - Attended Second Prehearing  06/08/2014 - Issuance of GLREA's Third Discovery Request to DTE Electric Company  06/10/2014 - Direct Testimony and Exhibits of Geoffrey C. Crandall filed on behalf of GLREA  08/12/2014 - GLREA Testimony and Exhibits admitted at hearing  09/17/2014 - Initial Brief of GLREA filed  02/27/2015 - PFD issued by ALJ Feldman  03/25/2015 - Exceptions of GLREA to PFD filed  05/14/2015 - MPSC Order issued approving DTE's application</p>				
<p><b>U-17678</b></p>	<p><b>CECo 2015 PSCR</b></p>	<p><b>15-04</b></p>	<p><b>\$30,000.00</b></p>	<p><b>\$29,072.82</b></p>	<p><b>\$</b></p>
<p><b>Status/Results</b>  No PFD or Order was issued in 2014</p>	<p>The following summarizes GLREA's activity in this case:   11/25/2014 - Intervention on behalf of GLREA filed  12/04/2014 - Attended Prehearing (GLREA Intervention granted by ALJ)  03/16/2015 - Issuance of GLREA's First Discovery Request to CECo  03/17/2015 - Issuance of GLREA's Second Discovery Request to CECo  03/24/2015 - Attended and participated in Motion Hearing  04/13/2015 - Direct Testimony and Exhibits of Geoffrey C. Crandall on behalf of GLREA filed  05/14/2015 - Response filed in Opposition to CECo Motion to Strike Testimony and Exhibits of GLREA Witness  05/18/2015 - Testimony and Exhibits of GLREA Witness admitted at hearing (except for minor strike of legal argument)</p>				
<p><b>U-17680</b></p>	<p><b>DECo 2015 PSCR</b></p>	<p><b>15-04</b></p>	<p><b>\$20,000.00</b></p>	<p><b>\$19,072.82</b></p>	<p><b>\$</b></p>
<p><b>Status/Results</b>  No PFD or Order was issued in 2014</p>	<p>The following summarizes GLREA's activity in this case:   11/17/2014 - Intervention on behalf of GLREA filed  11/25/2014 - Attended Prehearing (GLREA intervention granted)  02/16/2015 - Issuance of GLREA's First Discovery Request to DECo Electric  03/19/2015 - Direct Testimony and Exhibits of Geoffrey C. Crandall filed on behalf of GLREA  05/04/2015 - Testimony and Exhibits of GLREA Witness Crandall admitted at hearing</p>				

## **ATTACHMENT B: UCRF 2014-15 GRANTEES Membership Scope and Description**

**Residential Ratepayer Consortium (RRC)** is comprised of The Area Agencies on Aging Association of Michigan (AAAAM) and the Michigan League for Public Policy (MLPP).

**The Area Agencies on Aging Association of Michigan (AAAAM)** [www.mi-seniors.net](http://www.mi-seniors.net). Nonprofit organization composed of 16 local area agencies on aging that serve Michigan citizens age 60 and older in all eighty-three Michigan counties. Based on 2010 census statistics, that represents 19.5% of the total state population. Local area agencies include:

1-A Detroit Agency on Aging

Serves Detroit, Hamtramck, Highland Park, Grosse Pointe, Grosse Pointe Park, Grosse Pointe Shores, Grosse Pointe Woods, Grosse Pointe Farms, and Harper Woods cities.

1-B Area Agency on Aging 1-B

Serves Livingston, Macomb, Monroe, Oakland, Washtenaw, and St. Clair Counties.

1-C The Senior Alliance, Inc

Serves Wayne County except areas served by 1-A

2 Region 2 Area Agency on Aging

Serves Jackson, Hillsdale, and Lenawee Counties.

3-A Region 3-A Area Agency on Aging

Serves Kalamazoo County.

3-B Region 3-B Area Agency on Aging (616) 966-2450

Serves Barry and Calhoun Counties.

3-C Region 3-C Area Agency on Aging

Serves Branch and St. Joseph Counties.

4 Region IV Area Agency on Aging

Serves Cass, Berrien, and Van Buren counties.

5 Valley Area Agency on Aging

Serves Genessee, Lapeer, and Shiawassee Counties.

6 Tri-County Office on Aging

Serves Clinton, Eaton, and Ingham Counties.

7 Region VII Area Agency on Aging

Serves Bay, Clair, Gladwin, Gratiot, Huron, Isabella, Midland, Saginaw, Sanilac, and Tuscola Counties.

8 Area Agency on Aging of Western Michigan, Inc.

Serves Allegan, Ionia, Kent, Lake, Mason, Mecosta, Montcalm, Newaygo, and Osceola Counties.

9 Region IX Area Agency on Aging

Serves Alcona, Arenac, Alpena, Cheboygan, Crawford, Iosco, Montmorency, Ogemaw, Oscoda, Otsego, Presque Isle, and Roscommon Counties.

10 Area Agency on Aging of Northwest Michigan

Serves Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford Counties.

11 U.P. Area Agency on Aging, UPCAP Services, Inc. Serves Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron,

Keweenaw, Luce, Mackinac, Marquette, Menominee, Ontonagon, and Schoolcraft Counties.



14 Senior Resources of West Michigan  
Serves Muskegon, Oceana, and Ottawa Counties.

**Michigan League for Public Policy (MLPP)** [www.mlpp.org](http://www.mlpp.org). Organization with nearly 2,000 dues paying members, including more than 300 organizational members, with many of the latter having statewide constituencies.

**Michigan Environmental Council (MEC)** [www.environmentalcouncil.org](http://www.environmentalcouncil.org). Statewide nonprofit public interest and environmental organization consisting of over 71 public health and environmental organizations, having over 200,000 members.

**Citizens Against Rate Excess (CARE)** [www.utilityratewatch.org](http://www.utilityratewatch.org). Michigan non-profit corporation that serves as a consumer watchdog group to focus on utility rates. They have members across the State of Michigan, mostly in outstate Michigan, including the Upper Peninsula. The goal of the organization is to seek grants from the UCPB and help the Board “maximize the number of hearings and proceedings with intervener participation” as provided by MCL 460.6m(18). For example, Intervener participation in PSCR cases of the electric utility companies that serve the upper peninsula have been rare and this organization has filled that gap. The organization also sought to fill the void in the lack of Michigan residential ratepayer participation in federal proceedings “which directly affect the energy costs paid by Michigan utilities,” MCL 460.6m(17). The objective to participation in these federal proceedings is to prevent Michigan utilities and their Michigan residential ratepayers from being disproportionately allocated expenses (i.e. transmission, etc) that may benefit other states substantially more than Michigan.

**The Institute for Energy Innovation (IEI)** [www.instituteforenergyinnovation.org](http://www.instituteforenergyinnovation.org) was founded in 2011 as a Michigan non-profit corporation, and is registered under Section 501c3 of the Internal Revenue Code. Its mission is to promote greater public understanding of advanced energy and its economic potential for Michigan, and to inform the public and policy discussion on Michigan’s energy challenges and opportunities. IEI’s activities are focused on three primary areas: policy development and research; community-based energy programs; and industry engagement activities.

**Great Lakes Renewable Energy Association (GLREA)** [www.glrea.org](http://www.glrea.org). GLREA is a statewide non-profit that promotes renewable energy by advocating for stronger state policies and by informing and educating Michigan citizens, organizations, and leaders on how they can achieve a greater use of renewable energy and its many economic and environmental benefits.