

**UTILITY CONSUMER PARTICIPATION BOARD**

October 5, 2020

12:30 p.m.

Zoom Meeting

**REGULAR MEETING MINUTES**

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Present: Jim MacInnes (Board Chairperson), Sam Passmore (Board Member), Bali Kumar (Board Member), Paul Isely (Board Member), Elise Matz (Board Member), Chris Bzdok (MEC), Don Keskey (RCG, GLREA), Amy Bandyk (CUB), Jocelyn Krueger (LARA), Tonya Paslawski (MEGA), Greg Rivet (LARA), Suzy Westmoreland, John Richter (GLREA), Douglas Jester, (CARE and CUB), LeAnn Droste (LARA), Kelly Jo Kitchen (Assistant to the Board), Michael Moody (AG), Margarethe Kearney, Abigail Hawley (MEC), Shawn Worden (LARA)

Monday, October 5, 2020

I. Call to Order and Roll Call of Members

Meeting Rules: Jim MacInnes

a. Approval of Agenda (including consent items)

**Moved: Bali Kumar, Seconded: Elise Matz**

**Roll Call Vote: Elise Matz, yes; Paul Isely, yes; Sam Passmore, yes; Bali**

**Kumar, yes; Jim MacInnes, yes**

**Motion Carried**

b. LARA Budget Update

Shawn Worden discussed the balance sheet tab and the spending authority items, which show items before and after approval. She noted there is \$627,000 left in the 2021 budget.

Sam Passmore asked if the grant requests on the budget include those that are on the agenda today and Shawn responded that the only items on the financial statement are the grants that were requested at the August meeting.

II. Business Items

a. Attorney General Update

Michael Moody addressed the opinion letter from the AG regarding whether the Board can grant monies for energy waste reduction (EWR), Securitization or renewable energy plan (REP) cases. Michael stated that he sent his opinion to the Review Board to see if they are going to formally act on this issue. The opinion given to the Board is that the Board cannot directly fund EWR, Securitization or REP cases, unless the case is peeled off a statutory listed case.

AG intervention update: CEC Co gas and DTE gas have settled. Both provided monies to the Heat and Warmth Fund and DTE and CEC Co has donated more funds to help low income customers. CEC Co energy agrees to a moratorium on a new rate case

until fall 2022. The Proposal for Decision (PFD) for CECo energy electric should be coming out soon. CECo securitization case has been filed and that moves along quickly. PSCR-R cases the AG has participated in and will continue to participate in. The AG has worked well with intervenors and the Board expressed appreciation for the working partnerships especially on the value of solar issue.

Jim MacInnes asked when the hard copies of meeting materials get mailed out. LeAnn Droste stated that the meeting materials are placed in overnight mail once they are received. Jim requested that the budget and other meeting materials be mailed out the Monday before the upcoming meeting, Jocelyn Krueger will work with Kelly Jo Kitchen and Shawn Worden to make sure the materials are received and mailed in time for the Board to review them.

b. Mott Foundation Report: Publication

Sam Passmore stated that the document is a publicly available document and should be published on MSU's website. The Board discussed the possibility of publishing the document on the UCPB's website.

**Moved: Bali Kumar, to publish report on the UCPB website using the title of the report.**

**Seconded: Elise Matz**

**Roll Call: Elise Matz, yes; Bali Kumar, yes; Paul Isely, yes; Sam Passmore, yes; Jim MacInnes, yes**

**Motion Carried**

The Board discussed some of the recommendations of the report and thanked Elise Matz for putting together comments and recommendations. The Board needs time to work specifically on the grant process wording and update it to reflect a rolling grant process. A special open meeting for this process will be set up to discuss updating the grant application.

c. Website and UCPB documents

Elise Matz presented her thoughts on updating the website and walked through what other websites look like and a possible layout design. The Board discussed how to move forward with the test website and the content to populate it. Information will be sent to Jocelyn Krueger and it will be added to the test website for the Board to consider.

2021 Grant Requests:

d. RCG

- Grant Request for CECo PSCR Plan Case (U-20802) for \$39,390

Don Keskey stated that one of the issues they want to pursue is the connection pipeline that CECo bought and has been charging the same costs as it paid for leasing the pipeline. There are two parts regarding the costs and some of it is secret

and some of it is public. The confidential information needs greater scrutiny since it cannot be litigated. CECo spends \$1.8 million per year to its gas company for the use of the pipeline and since it is an affiliate transaction it should have greater scrutiny. Another issue is the leasing of the Zeeland pipeline instead of exercising their option to purchase the pipeline. The lease agreement has been reduced by the Michigan Public Service Commission (MPSC) order, but more savings could be had if CECo would purchase the pipeline. The third issue is the burden of proof issue regarding CECo using an independent gas agent and not employing their own gas affiliate for that purpose.

Jim MacInnes asked Michael Moody for his take on this issue of confidentiality. Michael responded that MPSC took it up regarding how these agreements are drafted. Most participants use a standard agreement as it is hard to change the language of an agreement in just one case.

Don Keskey stated that RCG is trying to improve its grant request by filing requests as things come along. RCG is looking at the securitization case that is coming.

Sam Passmore commented that it appears that RCG works best on its own and not in strong collaboration with other grantees or parties and therefore work on unique issues. He noted that the Board needs to decide if those issues comport with where the Board is focused currently.

e. MEC

- Return of funds from Grant 20-04 DTE 2019 PSCR Plan Case (U-20221) of \$212.50
- Addition of Legal Counsel Abigail Hawley  
Chris Bzdok stated that Abigail joined the team at MEC in the spring of 2020. MEC is trying to make sure they have enough staff for the Spring of 2021 to handle all the cases. Abigail gave her background to the Board and explained that she worked in the Land Trust area and Wills and Trusts and was looking forward to expanding her knowledge base in the field of energy.

**Moved: Bali Kumar to accept Abigail Hawley as additional legal counsel for MEC**

**Seconded: Sam Passmore**

**Roll Call Vote: Sam Passmore, yes; Elise Matz, yes; Bali Kumar, yes; Paul Isely, yes; Jim MacInnes, yes**

**Motion Carried**

- Transfer of funds from expert to legal in Grant 20-04 CECo Electric Rate Case (U-20697) of \$10,000  
Chris Bzdok explained that Roger Colton's fee was paid for partially by the AG and that there is more work to do on the legal side for exceptions and reply briefs.

**Moved: Elise Matz; Seconded: Bali Kumar**

**Roll Call Vote: Paul Isely, yes; Sam Passmore, yes; Elise Matz, yes; Bali Kumar, yes; Jim MacInnes, yes**

**Motion Carried**

- Grant Request for Grant 21-04 DTE 2019 PSCR-R (U-20222) for \$15,150  
Chris Bzdok stated that this is an additional request for this case. The issues are Nexus and the payments to an asset manager. Jim MacInnes inquired on how MEC structured their rates and Chris Bzdok responded that MEC tiers their rates according to what the UCPB sets and that they use the fees set as a maximum.

**Moved: Elise Matz, Seconded: Paul Isely**

**Roll Call Vote: Paul Isely, yes; Sam Passmore, yes; Bali Kumar, yes; Elise Matz, yes; Jim MacInnes, yes**

**Motion Carried**

### III. Reports

#### a. Grantees

CUB: Douglas Jester stated that the funding for MISO/FERC was through CARE up through September and then it transitions to MEC. MISO has established that Michigan has a higher Capacity Import Limit (CIL) than previously set. Adequate resource capacity during times when all generators need to be producing, working on a proposal for this.

Amy Bandyk provided in an update to the Board that a settlement has been reached benefitting residential customers in the (U-20650) CEC Co gas rate case. The starter monies granted will get Cub through the PSCR cases for UMERG and UPPCO until the next meeting. Douglas Jester added that CUB has done an initial reading of the filings and that they need to make a thorough comparison of what the utility filed in their rate cases.

MEC: Chris Bzdok is looking into the cost recovery cases regarding the lower demand.

GLREA: John Richter stated that GLREA is looking to file a request in the DTE PURPA case.

RCG: Don Keskey summarized that in the CEC Co gas GCR (U-20209), the biggest issue is who pays for the costs of gas replacement due to the fire at a gas plant. The MPSC ordered adopting a downward adjustment.

### IV. Public Comment:

Jim MacInnes stated that he has decided not to apply for renewal to the UCPB because of the Covid-19 situation, but he will continue until a replacement is found. The Board commended Jim MacInnes on his service. Bali Kumar also stated that he will be rolling off at the end of his term because of other obligations.

V. Next meeting: December 7, 2020

VI. Adjournment

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Moved: Paul Isely