

MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES ON APRIL 18, 2018

Commission Chairman Sally A. Talberg called the meeting to order at 1:32 p.m.  
Executive Secretary Kavita Kale called the roll and declared there was a quorum.

**PRESENT**

Commission: Sally A. Talberg, Chairman  
Norman J. Saari, Commissioner  
Rachael A. Eubanks, Commissioner

Staff: Leah Arendt  
Nick Assendelft  
Kavita Kale  
Lisa Felice  
Charles Putnam  
Al Freeman  
Ryan McAnany  
April Stow  
Jill Rusnak  
Derrell Slaughter  
Josh Towslee

Public: Suzy Westmoreland, MEGA  
Donald Hazzard  
Don Stanczak, DTE  
Jodi Frisicaro, DTE  
Candace Gonzales, Consumers Energy  
Adella F. Crozier, DTE  
Karen Wienke, Consumers Energy  
Sarah Jorgensen, Consumers Energy  
Mike Torrey, Consumers Energy  
Jacob Kanclerz, MIRS

I. Commissioner Saari moved to approve today's agenda, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks  
Nays – None

The agenda was approved.

**II.** Commissioner Saari moved to approve the minutes of the Regular Commission Meeting of April 12, 2018, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks  
Nays – None

The minutes were approved.

**III. CONSENTED ORDERS**

**A. COMMUNICATIONS**

1. U-20064 PETITION OF AT&T MICHIGAN FOR ORDER CONFIRMING RELINQUISHMENT OF ELIGIBLE TELECOMMUNICATIONS CARRIER DESIGNATION IN SPECIFIED AREAS  
(opportunity for public comment)

**B. ELECTRIC**

1. U-11915 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO IMPLEMENT AN ELECTRIC SUPPLIER LICENSING PROGRAM  
(revised licensing application form)
2. U-16640 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR CMS ERM MICHIGAN LLC, TO FULLY COMPLY WITH PUBLIC ACTS 286 AND 295 OF 2008  
(application for approval of renewable energy plan)
- 3, U-16641 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR JUST ENERGY SOLUTIONS, INC., f/k/a COMMERCE ENERGY, INC., TO FULLY COMPLY WITH PUBLIC ACTS 286 AND 295 OF 2008  
(application for approval of renewable energy plan)
4. U-16642 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR CONSTELLATION NEWENERGY, INC., TO FULLY COMPLY WITH PUBLIC ACTS 286 AND 295 OF 2008  
(application for approval of renewable energy plan)

5. U-16643 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR DIRECT ENERGY BUSINESS, LLC TO FULLY COMPLY WITH PUBLIC ACTS 286 AND 295 OF 2008  
(application for approval of renewable energy plan)
6. U-16644 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR FIRSTENERGY SOLUTIONS CORP., TO FULLY COMPLY WITH PUBLIC ACTS 286 AND 295 OF 2008  
(application for approval of renewable energy plan)
7. U-16646 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR CONSTELLATION ENERGY SERVICES, INC., F/K/A INTEGRYS ENERGY SERVICES, INC. TO FULLY COMPLY WITH PUBLIC ACTS 286 AND 295 OF 2008  
(application for approval of renewable energy plan)
8. U-16650 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR CALPINE ENERGY SOLUTIONS, LLC, f/k/a NOBLE AMERICAS ENERGY SOLUTIONS, LLC TO FULLY COMPLY WITH PUBLIC ACTS 286 AND 295 OF 2008  
(application for approval of renewable energy plan)
9. U-16651 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR SPARTAN RENEWABLE ENERGY, INC., TO FULLY COMPLY WITH PUBLIC ACTS 286 AND 295 OF 2008  
(application for approval of renewable energy plan)
10. U-16652 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR U.P. POWER MARKETING, LLC TO FULLY COMPLY WITH PUBLIC ACTS 286 AND 295 OF 2008  
(application for approval of renewable energy plan)

11. U-16653 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR WOLVERINE POWER MARKETING COOPERATIVE, INC., TO FULLY COMPLY WITH PUBLIC ACTS 286 AND 295 OF 2008 (application for approval of renewable energy plan)
12. U-17934 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR MIDAMERICAN ENERGY SERVICES, LLC, TO FULLY COMPLY WITH PUBLIC ACT 295 OF 2008 (application for approval of renewable energy plan)
13. U-18408 IN THE MATTER OF THE APPLICATION OF UPPER MICHIGAN ENERGY RESOURCES CORPORATION FOR APPROVAL OF A POWER SUPPLY COST RECOVERY PLAN AND AUTHORIZATION OF MONTHLY POWER SUPPLY COST RECOVERY FACTORS FOR THE CALENDAR YEAR 2018 (final order)
14. MINUTE ACTION CONSUMERS ENERGY COMPANY (U-17990 AND U-20147) (substitution of alleged confidential document)

Commissioner Saari moved that the Commission approve all the orders and the minute on the consent agenda. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks  
Nays – None

The orders and minute were adopted.

#### **IV. OTHER ORDERS**

##### **A. COMMUNICATIONS**

1. U-20146 IN THE MATTER OF THE COMMISSION'S OWN MOTION, TO IMPLEMENT THE PROVISIONS OF SECTION 408(5) OF 2018 PA 51 (cost categories for 9-1-1 service providers - public comment)

Commission Staff Ryan McAnany, Telecommunications Division, presented a brief synopsis of the case listed above. Commissioner Saari moved that the Commission approve the order at its April 18, 2018 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks  
Nays – None

The order was adopted.

**B. ELECTRIC**

1. U-18012 IN THE MATTER OF THE COMPLAINT OF CAROL BROOKS AGAINST DTE ENERGY COMPANY (application to file additional evidence)

Case No. U-18012 involves a complaint filed by Carol Brooks against DTE Energy Company and DTE Electric Company. The order before you denies Carol Brooks's application to file additional evidence. Commissioner Saari moved that the Commission approve the order at its April 18, 2018 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks  
Nays – None

The order was adopted.

2. U-18255 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR AUTHORITY TO INCREASE ITS RATES, AMEND ITS RATE SCHEDULES AND RULES GOVERNING THE DISTRIBUTION AND SUPPLY OF ELECTRIC ENERGY, AND FOR MISCELLANEOUS ACCOUNTING AUTHORITY (final order)

Commission Staff Derrell Slaughter, Strategic Operations Division, presented a brief synopsis of the case listed above. Commissioner Saari moved that the Commission approve the order at its April 18, 2018 meeting. Commissioner Eubanks seconded that motion.

Chairman Talberg commented:

“The DTE electric rate case order before us today highlights the need for infrastructure improvement that impacts electric distribution system reliability and resiliency during storm conditions. The several hundred thousand power outages resulting from the weather conditions last weekend, when added to the storms resulting in major customer outages last year and safety concerns and customer inconvenience from storms in the previous years, continue to demonstrate that DTE has an electric distribution system in need of significant attention. The Commission supports the utility's increased maintenance programs by authorizing increased funding for electric distribution programs. The rate case decision today added millions of ratepayer dollars onto the millions of dollars the Commission granted DTE last year for similar work. This

Commission regularly examines how DTE electric ratepayers are financially supporting maintenance and system upgrades on a system that has aged over the past decades.

DTE stated that its 4.8 kV distribution system, the so-called mainstay of its electric delivery system, has an average age of 68 years. The conversion of this system to a newer more reliable technology would, according to DTE, take decades to complete at a cost of over \$15 billion. These numbers are staggering and represent an investment that future Commissions and customers must address.

DTE sought approval in this electric rate case for \$15 million to fund upgrades to its 4.8 kV relay improvement program and the Commission is approving about \$8.5 million of the request to improve public safety. The Commission will continue to monitor DTE to ensure these investments are made prudently and not spent on programs will soon be rendered obsolete or unfunctional.

Distribution investments are much greater than the 4.8 kV conversion system. Tree trimming, pole replacement, equipment and hardware, and software updates are all part of the long-term requests to modernize the delivery of electricity. The current storm restoration highlights the importance of a safe, secure and reliable electric distribution system for Michigan's homes, schools and businesses.

To address the long term electric distribution issue in a comprehensive manner, the Commission opened a new docket requiring DTE to develop an Infrastructure Investment and Maintenance Plan. The goal is for this plan is to provide a thoughtful approach to create a safer and more reliable energy grid for its electric customers. We expect considerable discussion on this comprehensive plan in the upcoming months.

In the meantime, electric outages are unavoidable and will continue to impact customers.

Unfortunately, weather conditions are at times unpredictable and will cause future inconvenience for electric customers. While outages are sometimes unavoidable, we need to take appropriate steps now to protect public health and safety and support the continued reasonable investment in electric distribution systems.

Thanks to the attorneys, staff, administrative law judge Mark Eyster, and parties to this case. This is the actually the 4<sup>th</sup> rate case order in three weeks issued by the Commission. I am proud of our team's due diligence, hard work, and perseverance on these important cases.

Also want to take this moment to acknowledge the men and women working day and night this past week to restore electric service caused by inclement weather”.

Vote: Yeas – Talberg, Saari, Eubanks  
Nays – None

The order was adopted.

3. U-18349 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATION, AND/OR APPROVALS NECESSARY FOR REGULATED ELECTRIC PROVIDERS TO COMPLY WITH SECTION 61 OF 2016 PA 342  
(green pricing program)
- U-18350 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATION, AND/OR APPROVALS NECESSARY FOR ALPENA POWER COMPANY TO COMPLY WITH SECTION 61 OF 2016 PA 342

- (green pricing program)  
U-18353 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATION, AND/OR APPROVALS NECESSARY FOR INDIANA MICHIGAN POWER COMPANY TO COMPLY WITH SECTION 61 OF 2016 PA 342
- (green pricing program)  
U-18354 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATION, AND/OR APPROVALS NECESSARY FOR NORTHERN STATES POWER COMPANY – WISCONSIN TO COMPLY WITH SECTION 61 OF 2016 PA 342
- (green pricing program)  
U-18355 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATION, AND/OR APPROVALS NECESSARY FOR UPPER PENINSULA POWER COMPANY TO COMPLY WITH SECTION 61 OF 2016 PA 342
- (green pricing program)  
U-18356 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATION, AND/OR APPROVALS NECESSARY FOR UPPER MICHIGAN ENERGY RESOURCES CORPORATION TO COMPLY WITH SECTION 61 OF 2016 PA 342
- (green pricing program)  
U-18357 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATION, AND/OR APPROVALS NECESSARY FOR WISCONSIN ELECTRIC POWER COMPANY TO COMPLY WITH SECTION 61 OF 2016 PA 342
- (green pricing program)

Commission Staff April Stow, Energy Resources Division, presented a brief synopsis of the case listed above. Commissioner Saari moved that the Commission approve the order at its April 18, 2018 meeting. Commissioner Eubanks seconded that motion.

Commissioner Eubanks thanked staff for their efforts on getting these programs started related to the new energy laws.

Vote: Yeas – Talberg, Saari, Eubanks  
Nays – None

The order was adopted.

4. U-18383 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO IMPLEMENT THE PROVISIONS OF SECTIONS 173 AND 183(1) OF 2016 PA 342, AND SECTION 6A(14) OF 2016 PA 341 (distributed generation tariff)

Commission Staff Charles Putnam, Regulated Energy Division, presented a brief synopsis of the case listed above. Commissioner Saari moved that the Commission approve the order at its April 18, 2018 meeting. Commissioner Eubanks seconded that motion.

Chairman Talberg and Commissioner Saari expressed their appreciation for the efforts of the staff.

Vote: Yeas – Talberg, Saari, Eubanks  
Nays – None

The order was adopted.

5. U-20152 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING RULEMAKING PROCEEDING FOR RULE CHANGES TO THE COMMISSION'S CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC AND NATURAL GAS SERVICE (proposed rules and public hearing for on-bill financing)

Case No. U-20152 involves the promulgation of rules governing consumer standards and billing practices for electric and natural gas service. The order before you approves the schedule for a public hearing and the receipt of written comments on the proposed rule changes pertaining to shutoff of utility service for nonpayment of on-bill financing for residential energy projects and other minor corrections. Commissioner Saari moved that the Commission approve the order at its April 18, 2018 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks  
Nays – None

The order was adopted.

## V. PUBLIC COMMENTS

There were no public comments.

Chairman Talberg highlighted the one-year anniversary of Public Acts 341 and 342.



Chairman Talberg announced the retirement of Angela Butcher and expressed her appreciation for her tireless effort and excellence during her tenure at MPSC. Energy Markets Section staff, Erik Hanser and James VanSteel, paid tribute to Angela Butcher's contributions and extended their best wishes as she embarked on her next chapter.

An audio recording of the proceedings of the April 18, 2018 meeting is archived in podcast format at: [http://www.michigan.gov/mpsc/0,4639,7-159-16400\\_46656---,00.html](http://www.michigan.gov/mpsc/0,4639,7-159-16400_46656---,00.html) .

Chairman Talberg announced that the next regularly scheduled Commission Meeting will be held on April 27, 2018 at 10:30 a.m.

Commissioner Saari moved that the Commission adjourn, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks  
Nays – None

The motion was approved.

The meeting adjourned at 2:08 p.m.

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Kavita Kale  
Executive Secretary