

MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES ON NOVEMBER 14, 2013

Commission Chairman John D. Quackenbush called the meeting to order at 1:33 p.m.
Executive Secretary Mary Jo Kunkle called the roll and declared there was a quorum.

PRESENT

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

Staff: Jana Bachman
Judy Palnau
Mary Jo Kunkle
Sharron Allen
Dolores Midkiff-Powell
Paul Proudfoot
Patrick Hudson
Gretchen Wagner
Diane Martin
Lisa Felice

Public: Don Hazzard
Arloa Kaiser
Beverly Roberts, Consumers Energy
Karen Wienke, Consumers Energy
Lori Fobes, Consumers Energy
Suzy Westmoreland, MEGA
Sharon Theroux, MCAA
Jacob Kanclerz, MIRS
Ronan Patterson, WEPCO
Tim Hoffman, Consumers Energy
Jim Padgett, DTE

- I. Chairman Quackenbush announced an amendment to the published agenda, Commissioner White moved to approve the amended agenda, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The amended agenda was approved

Commissioner White moved to approve today's amended agenda, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The agenda was approved.

II. Commissioner White moved to approve the minutes of the Regular Commission Meeting of October 17, 2013, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The minutes were approved.

III. ORDERS

A. COMMUNICATIONS

1. U-12952 TDS METROCOM, LLC, AND AT&T MICHIGAN
U-17339 QWEST COMMUNICATIONS COMPANY, LLC, AND FRONTIER
NORTH INC. AND FRONTIER MIDSTATES INC.
U-17494 PENINSULA FIBER NETWORK, LLC, AND FRONTIER NORTH
INC. AND FRONTIER MIDSTATES INC.
U-17501 MEI TELECOM, INC., AND AT&T MICHIGAN
(interconnection agreements and amendments)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which requests Commission approval of interconnection agreements and amendments. The order before you approves the requests, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

2. U-14536 BELLSOUTH LONG DISTANCE, INC.
(license surrender)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves an application by BellSouth Long Distance, Inc., to surrender its license to provide

basic local exchange service in the state of Michigan. The order before you grants the license rescission, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

3. U-17477 METATEL COMMUNICATIONS, LLC
(temporary license)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which is an application by MetaTel Communications, LLC, for a temporary license to provide basic local exchange service. The order before you grants the temporary license, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

4. U-17480 KATHLEEN L. O'BRIEN v AT&T MICHIGAN

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves a complaint filed by Kathleen L. O'Brien against AT&T Michigan. The order before you dismisses the complaint with prejudice at the request of the complainant, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

5. MINUTE ACTION AT&T MICHIGAN
(9-1-1 wireless invoice, U-14000)

Commissioner White moved that the Commission adopt and issue minute dated November 14, 2013 finding that the attached AT&T Michigan invoice No. 517 R41-0001 067 9 for the period of June 1, 2013, to August 31, 2013, is for wireless emergency service costs recoverable under 2007 PA 165, MCL 484.1408(4)(b). The Commission approves the attached invoice in the amount of \$128,788.08 for reimbursement by the Michigan Department of Treasury, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The minute was adopted.

B. ELECTRIC

1. U-12505 CONSUMERS ENERGY COMPANY
(securitization true up)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves a request by Consumers Energy Company for a financing order to securitize certain regulatory assets and other qualified costs. The order before you approves routine true-up adjustments to Consumers' securitization and tax charges, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

2. U-16615 CITY OF HART HYDRO
U-16637 CITY OF WAKEFIELD
(extension of time)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves motions by the City of Hart Hydro and the City of Wakefield to extend the deadline for public comments on each applicant's renewable energy plan to November 25, 2013. The order before you grants those motions, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

3. U-16882-R WISCONSIN PUBLIC SERVICE CORPORATION
('12 PSCR reconciliation)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves an application filed by Wisconsin Public Service Corporation for approval of its power

supply cost recovery reconciliation for the 12-month period ended December 31, 2012. The order before you approves a settlement agreement resolving all issues in the case, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

4. U-16888-R THUMB ELECTRIC COOPERATIVE
(PSCR reconciliation and TIER review)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves an application by Thumb Electric Cooperative for approval of its power supply cost recovery reconciliation proceeding, its times interest earned ratio ratemaking mechanism – both for the 12-month period ended December 31, 2012, and its annual code of conduct report. The order before you approves a settlement agreement resolving all issues in the case, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

5. U-17256 TRACY SCROGGINS v CONSUMERS ENERGY COMPANY

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves a complaint filed by Tracy Scroggins against Consumers Energy Company. The order before you dismisses the complaint without prejudice, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

6. U-17281 CONSUMERS ENERGY COMPANY
(energy optimization plan)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves an application by Consumers Energy Company requesting approval to reconcile its

costs and revenues for its 2012 energy optimization plan. The order before you approves a settlement agreement resolving all issues in the case, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

7. U-17303 INDIANA MICHIGAN POWER COMPANY
(biennial renewable energy plan review)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves an application by Indiana Michigan Power Company for review and approval of its biennial renewable energy plan. The order before you approves a settlement agreement resolving all issues in the case, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

8. U-17308 CLOVERLAND ELECTRIC COOPERATIVE
(biennial renewable energy plan review)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves an application by Cloverland Electric Cooperative requesting review and approval of its biennial renewable energy plan. The order before you approves a settlement agreement resolving all issues in the case, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

9. U-17382 CITY OF BAY CITY
U-17383 CITY OF CHARLEVOIX
U-17384 CHELSEA DEPARTMENT OF ELECTRIC AND WATER
U-17387 CROSWELL MUNICIPAL LIGHT & POWER DEPARTMENT
U-17390 DETROIT PUBLIC LIGHT DEPARTMENT
U-17391 CITY OF DOWAGIAC
U-17392 CITY OF EATON RAPIDS

- U-17395 GRAND HAVEN BOARD OF LIGHT AND POWER
- U-17396 CITY OF HARBOR SPRINGS
- U-17397 CITY OF HART HYDRO
- U-17399 HOLLAND BOARD OF PUBLIC WORKS
- U-17402 LOWELL LIGHT AND POWER
- U-17407 NILES UTILITY DEPARTMENT
- U-17409 CITY OF PAW PAW
- U-17410 CITY OF PETOSKEY
- U-17411 CITY OF PORTLAND
- U-17414 CITY OF ST. LOUIS
- U-17416 CITY OF STURGIS
- U-17417 TRAVERSE CITY LIGHT & POWER
- U-17420 WYANDOTTE DEPARTMENT OF MUNICIPAL SERVICE
- U-17421 ZEELAND BOARD OF PUBLIC WORKS
(biennial energy optimization plan reviews)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves applications by members of the Michigan Public Power Agency Energy Efficiency Collaborative and Wyandotte Department of Municipal Service requesting a determination that the applicants continue to be in compliance in 2008 PA 295. The order before you grants the requests, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

- 10. U-17385 VILLAGE OF CLINTON
- U-17386 COLDWATER BOARD OF PUBLIC UTILITIES
- U-17401 LANSING BOARD OF WATER & LIGHT
- U-17404 MARSHALL ELECTRIC DEPARTMENT
- U-17412 CITY OF SEBEWAING
- U-17418 UNION CITY ELECTRIC DEPARTMENT
- U-17419 CITY OF WAKEFIELD
(biennial energy optimization plan reviews)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves applications filed by the Village of Clinton, Marshall Electric Department, the City of Sebewaing, Union City Electric Department, City of Wakefield, Coldwater Board of Public Utilities and Lansing Board of Water & Light, requesting a determination that the applicants continue to be in compliance in 2008 PA 295. The order before you grants the requests, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

11. U-17393 CITY OF ESCANABA
U-17403 MARQUETTE BOARD OF LIGHT AND POWER
U-17406 NEWBERRY WATER AND LIGHT BOARD
U-17415 CITY OF STEPHENSON
(biennial energy optimization plan reviews)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves applications by the City of Escanaba, Marquette Board of Light and Power, Newberry Water and Light Board, and the City of Stephenson requesting a determination that their energy optimization plans continue to be in compliance in 2008 PA 295. The order before you grants the requests, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

12. U-17463 WISCONSIN ELECTRIC POWER COMPANY
(rehearing)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves an application filed by Wisconsin Electric Power Company seeking accounting authority to defer unrecovered costs of implementing customer choice. The order before you denies a petition for rehearing filed by the utility regarding the Commission's August 29, 2013 order, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

13. U-17493 CONSUMERS ENERGY COMPANY
(CARE pilot program)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves an application by Consumers Energy Company for *ex parte* approval of its Consumers Affordable Resource for Energy pilot and amended tariff. The order before you approves the application, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

14. MINUTE ACTION SELECTION OF STATE ENERGY OPTIMIZATION PLAN ADMINISTRATOR (U-15800)

Commissioner White moved that the Commission adopt and issue minute dated November 14, 2013 formally confirming the Commission’s selection of the Michigan Community Action Agency Association (MCAAA) as the State of Michigan Energy Optimization Plan Administrator, in accordance with the requirements of Section 91(6) of 2008 PA 295. MCAAA shall administer the Michigan Energy Optimization Plan for the electric and natural gas providers who have chosen to meet their energy optimization plan requirements through the use of the alternative compliance mechanism provided in Section 91 of 2008 PA 295, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The minute was adopted.

C. GAS

1. U-16926-R PRESQUE ISLE ELECTRIC & GAS CO-OP (GCR reconciliation)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves an application by Presque Isle Electric & Gas Co-op requesting authority to reconcile its gas cost recovery revenues and expenses for the 12-month period ended March 31, 2013. The order before you approves a settlement agreement resolving all issues in the case, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

2. U-17216 DTE GAS COMPANY
('12 RDM reconciliation)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves a request by Michigan Consolidated Gas Company for authority to reconcile its revenue decoupling mechanism for the period July 1, 2012 through October 31, 2012. The order before you approves a settlement agreement resolving all issues in the case, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

3. U-17270 TERM POWER & GAS, LLC, d/b/a ENCOA
(AGS license)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which is an application by TERM Power & Gas, LLC, d/b/a ENCOA, for a license as an alternative gas supplier. The order before you approves the application, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

4. U-17273 MICHIGAN GAS UTILITIES CORPORATION
(gas rate case)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which is a general rate case filed by Michigan Gas Utilities Corporation. The order before you approves a settlement agreement and authorizes the company to increase its base rates to produce additional revenues in the amount of approximately \$4.5 million on an annual basis, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

5. U-17362 SEMCO Energy Gas Company
('14-'15 energy optimization plan)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves an application by SEMCO Energy Gas Company requesting approval of its energy optimization plan for 2014 and 2015. The order before you approves a settlement agreement resolving all issues in the case, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

6. U-17469 STAND ENERGY CORPORATION
(application for AGS license)

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which is an application by Stand Energy Corporation for a license as an alternative gas supplier. The order before you approves the application, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

7. U-17471 DELMER FLANZ v DTE GAS COMPANY

Commissioner White moved that the Commission adopt and issue order dated November 14, 2013 which involves a complaint filed by Delmer Flanz against DTE Gas Company. The order before you dismisses the complaint with prejudice at the request of the complainant, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The order was adopted.

IV. PUBLIC COMMENTS

Arloa Kaiser, Ypsilanti, Michigan, indicated that she does not want DTE Gas Company to be allowed to charge an additional fee if someone chooses to opt-out for both electric and gas smart meters.

Chairman Quackenbush announced that the next regularly scheduled Commission Meeting will be held on December 6, 2013 at 1:30 p.m.

Commissioner White moved that the Commission adjourn, Commissioner Talberg seconded.

Vote: Yeas – Quackenbush, White, Talberg
Nays – None

The motion was approved.

The meeting adjourned at 1:57 p.m.

Mary Jo Kunkle
Executive Secretary