

Energy Affordability & Accessibility Collaborative

May 19, 2021

Agenda

10:00 5 min	Welcome/Agenda Review	Anne Armstrong MPSC
10:05 25 min	Overview of Commission Authority Policy Development in the Regulatory Environment Q & A	Reka Holley MPSC
10:30 45 min	Guiding Values Breakout Rooms, Facilitated Discussion and Adoption	Briana Parker - Elevate
11:15 5 min	Break	
11:20 35 min	Collaborative Priorities and Structure Breakout Rooms	MPSC Staff
11:55 5 min	Next Steps	Anne Armstrong MPSC
	Adjourn	

2/18/21 U-20757 Directive:

- Convene the Energy Affordability and Accessibility Collaborative in coordination with the EWR-LI Workgroup to address the Staff's recommendations in the [U-20757 Collaboration & Communication Process](#) report:
 - ongoing COVID-19 response
 - affordable payment plans
 - affordable energy bills
 - data collection, transparency, and analysis
 - review of rule-based protections
 - communication and engagement
- File an interim report in this docket on the progress made and any recommendations no later than December 17, 2021.

The MI Public Service Commission Regulatory Overview

Reka Holley Voelker
Communications Section Manager & Legislative & Tribal Liaison
May 19, 2021



The MPSC: Who we are



Commissioner
Tremaine Phillips



Chair
Dan Scripps



Commissioner
Katherine Peretick

The MPSC: Who we are



Approximately 180 full-time employees focused on serving the public, with expertise in the following:

- Engineering
- Finance
- Auditing
- Law
- Economics
- Accounting

Our Mission

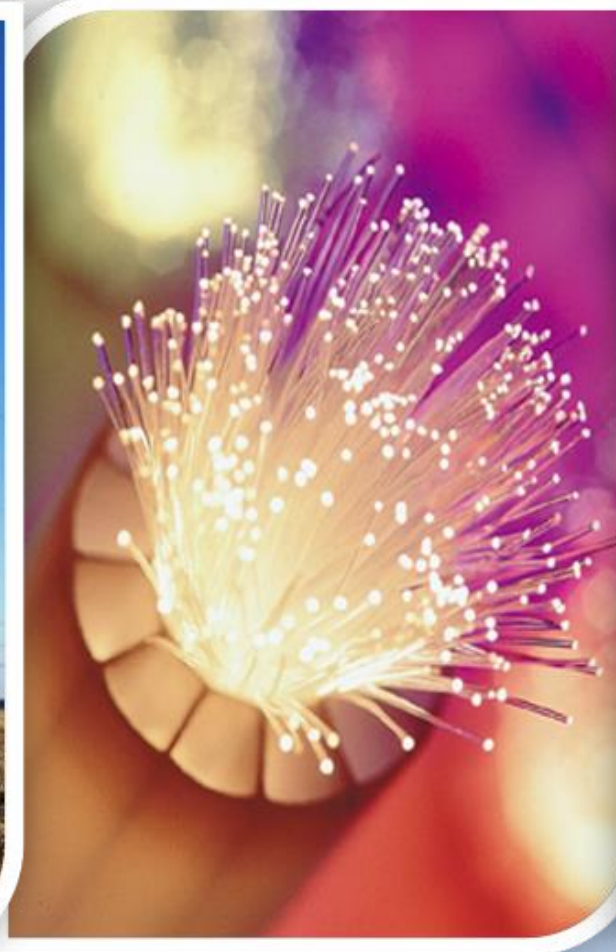
To **serve the public** by ensuring safe, reliable, and accessible energy and **telecommunications** services at reasonable rates



MPSC Industry Jurisdiction



Electricity



Telecommunications



Gas

MPSC Utility Jurisdiction

Investor Owned Utilities	Cooperatives	Michigan Municipally-Owned Utilities
<p>Complete Power & Jurisdiction to Regulate (460.6)</p> <p>*The Commission cannot make business decisions for utility companies</p>	<p>Intermediate Jurisdiction; Subject to certain Commission rules</p>	<p>Limited Jurisdiction</p>
<p>Rates, Fares, Fees, Charges, Services, Rules, Conditions of service, Other matters related to Formation, Operation, & Direction</p>	<p>Distribution performance standards, Quality of service, Customer billing practices, 4-Year Forward Capacity Demonstration, Low-income energy assistance program, Renewable Energy Plan (PA 342), Energy Waste Reduction (PA 342)</p>	<p>Heating season customer shutoff protections (460.9r), Energy Waste Reduction (PA 342), Renewable Energy Plan (PA 342), Demonstration of capacity resources (460.6w)</p>

Major Functions

Ensuring System Reliability

Setting Just and Reasonable Rates

Licensing & Fostering Competitive Markets

Energy Assurance and Planning

Facility Siting & Need Determination

Public Safety and Infrastructure Oversight

Customer Assistance & Protection

MPSC Authority

The MPSC: A Creature of Statute

- Commission only has authority provided by the legislature
- Possesses no common-law or equity powers
- Courts have clarified extent of MPSC authority, e.g.:
 - Union Carbide Corporation v. Public Service Commission, 431 Mich 135 (1988)
 - Attorney General v. Public Service Commission, 231 Mich. App. 76 (1998)
 - Telephone Association of Michigan v. Public Service Commission, 210 Mich App 662 (1995)
 - In re Complaint of Rovas, 482 Mich 90 (2008)

Commission Processes & Public Participation at the MPSC

Decision Processes

- MPSC makes decisions through:
 - Contested cases
 - Rulemaking
 - Declaratory rulings and *ex parte* rulings
 - Mediation and arbitration
- MPSC also provides guidance
 - Stakeholder collaboratives
 - Guidelines
 - E.g., rate case filing requirements

The Contested Case

- Contested cases are “quasi-judicial” or trial like
- Contested cases are governed by the Michigan Administrative Procedures Act (APA) and the Michigan Office of Administrative Hearings and Rules (MOAHR) Rules of Practice and Procedure specific to the Commission
- A commission case that is referred to MOAHR is a contested case that may require an evidentiary hearing and is assigned an Administrative Law Judge (ALJ)

Contested Cases: Who can participate?

- **Intervention by Right**
 - The Company, its staff and its legal representation
 - MPSC Staff and staff attorneys
 - Attorney General
- **Permissive Intervention**
 - Intervenors who have a direct interest in the case may file a petition to intervene and must meet the following criteria:
 1. the petitioner would likely suffer injury in fact (i.e., its interests are impacted or affected) and
 2. the petitioner's affected interests are within the zone of interest to be protected or regulated by the statutes involved (i.e. the ratemaking statutes applicable herein).
 - If approved by ALJ, must file an entry of appearance

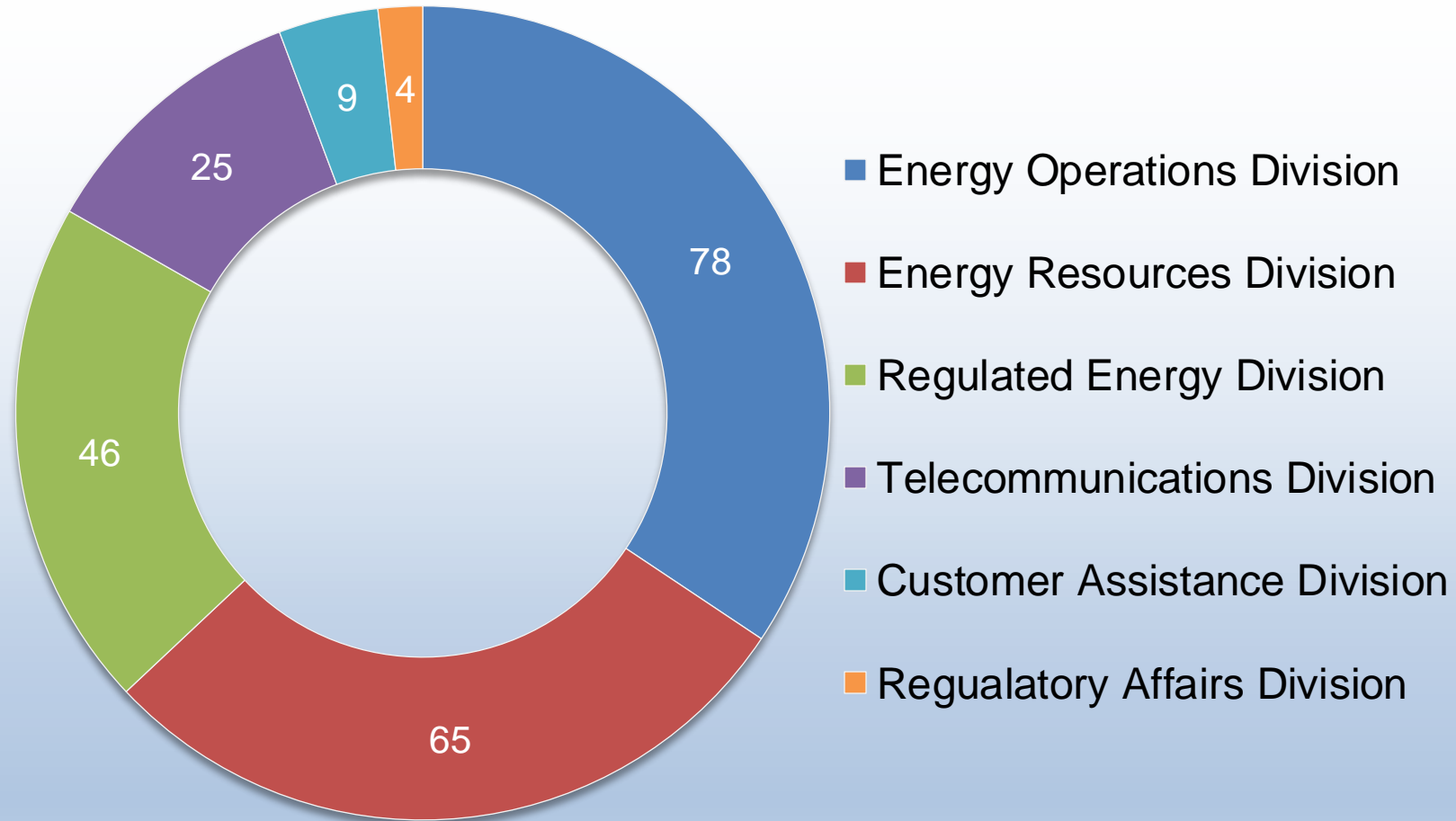
Contested Case Process



Commission Decisions

- Must be supported by **law** and the **facts** *in the evidentiary record* with appropriate justification. The moving party bears the burden of proof.
- Parties can seek rehearing or reconsideration
 - Due 30 days from final order and governed by Rule 437
 - Must be based on claims of (1) error, (2) newly discovered evidence, facts or circumstances arising after the hearing, or (3) unintended consequences resulting from compliance
- Final order subject to judicial review
 - Court of Appeals for most contested case orders (circuit courts for customer complaints)

Open Commission Cases



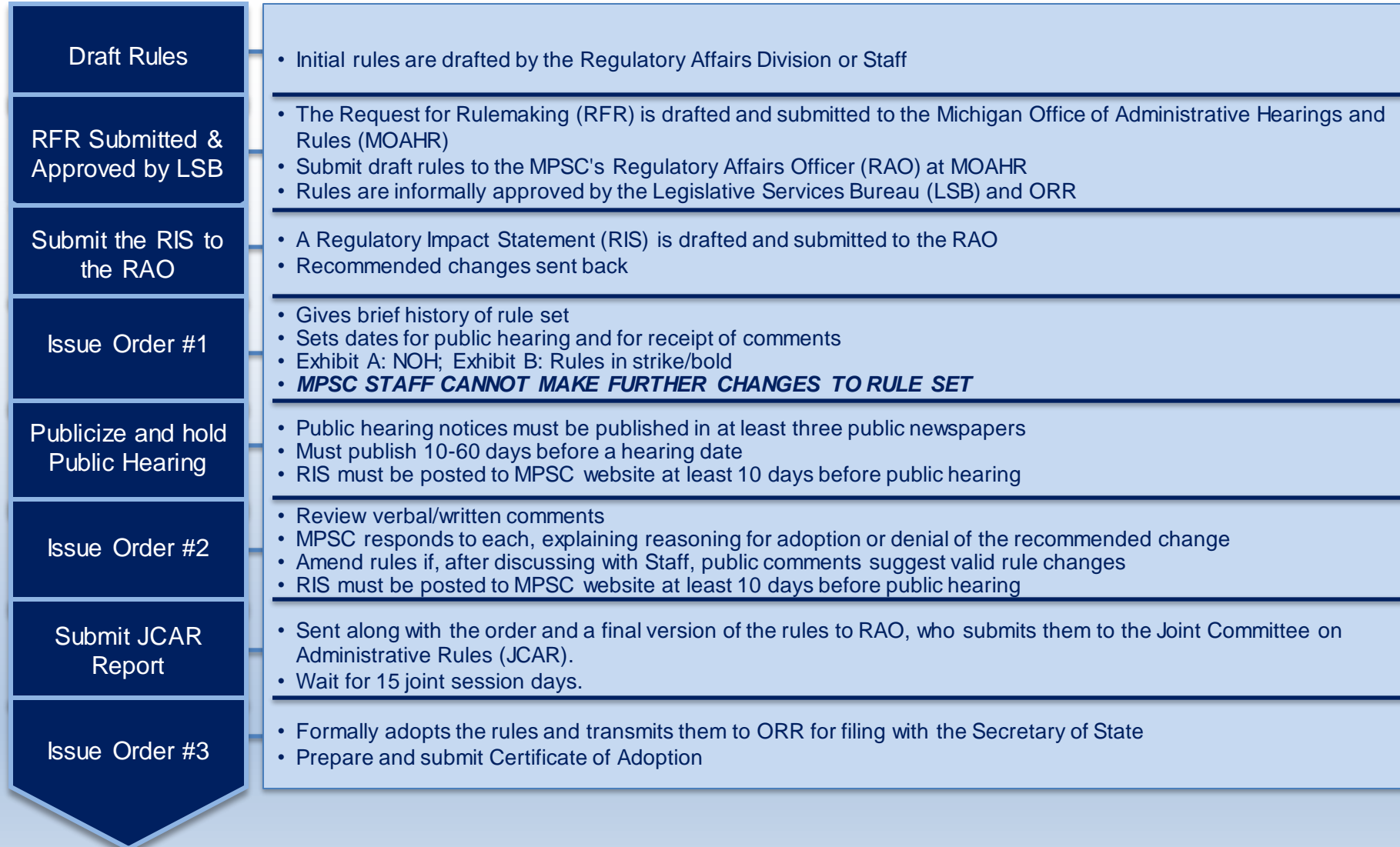
Rulemaking

“[The] commission shall have power and authority to make, adopt, and enforce rules and regulations for the conduct of its business and the proper discharge of its functions . . . [and to] make and prescribe regulations for the conducting of the business of public utilities, subject to the jurisdiction thereof . . . ”

Public Act 419 of 1919, MCL 460.55

- What is a rule?
 - Establishes requirements for those who are regulated by or deal with the Commission and sets forth enforcement procedures for rule violations
- Rules apply generally, not individually
- Examples of Commission rules:
 - Consumer Standards and Billing Practices for Electric and Natural Gas Utilities
 - Gas safety standards
 - Telecommunications discontinuance of service
- Rulemaking process set forth in APA

MPSC Rulemaking Process



Stakeholder Workgroups

The screenshot shows the Michigan.gov website for the Michigan Public Service Commission (MPSC). The page is titled "Stakeholder Workgroups" and features a navigation menu with links for "ABOUT THE MPSC", "COMMISSION ACTIVITIES", "CONSUMER INFORMATION", and "REGULATORY INFORMATION". The main content area is titled "ABOUT WORKGROUPS" and includes a paragraph explaining the purpose of the workgroups. Below this, there is a section titled "MPSC WORKGROUPS" with three columns, each describing a different workgroup: "MPSC Statewide Energy Assessment (SEA)", "Data Accessibility Stakeholder Forum", and "Demand Response Aggregation".

Michigan.gov E-DOCKETS CONTACT US SEARCH

LARA
MPSC

ABOUT THE MPSC COMMISSION ACTIVITIES CONSUMER INFORMATION REGULATORY INFORMATION

MPSC / COMMISSION ACTIVITIES

ABOUT WORKGROUPS

The MPSC has established workgroups with the purpose of investigating specific issues or developing and streamlining various regulatory activities. These workgroups can include participants from MPSC Staff, regulated utilities, industry experts, utility customers and others and are open to the public. On this page you will find information about current MPSC workgroups and about opportunities for participation.

MPSC WORKGROUPS

MPSC Statewide Energy Assessment (SEA)

The Energy Assessment is a statewide review of the supply, engineering, and deliverability of natural gas, electricity, and propane systems, as well as contingency planning related to those systems. The Energy Assessment culminated with a final report published on September 11, 2019.

Data Accessibility Stakeholder Forum

The Data Accessibility Stakeholder Forum was created to develop more refined, clear, and consistent language addressing customer data accessibility as utilities comply with billing rules – particularly, R 460.153 (2) (g) which requires utilities to “provide clear instructions regarding the method by which a customer and a third

Demand Response Aggregation

The Commission directed Staff to work with interested stakeholders to discuss issues related to demand response aggregation. Staff held a series of stakeholder meetings to discuss aggregation issues and filed a report presenting its findings on May 30, 2019.

The Commission & The Legislature



- Constituent concerns
- Energy education
- Policy development

Commission Outreach

MPSC
Michigan Public Service Commission

Official Social Michigan.gov

MI Public Service Commission ✓
@MichiganPSC Follows you

We serve the public by ensuring safe, reliable, accessible energy and telecommunications at reasonable rates. Need utility help? Call 1-800-292-9555.

Lansing, MI michigan.gov/mpsc Born February 15, 1939
Joined October 2010

518 Following 2,543 Followers

2020 HOME HEATING CREDIT
Residential Customers

The Michigan Public Service Commission (MPSC) doesn't want you to miss your chance to receive the Home Heating Credit (HHC) from the state of Michigan! The HHC can help pay your winter heating bills and is funded by the federal Low Income Home Energy Assistance Program (LIHEAP). If you use a large portion of your monthly income to pay heating costs, you may be eligible for the HHC for the 2020 tax year.

WHO is eligible to apply?

Eligible customers must meet all of the following requirements:

- ✓ Your homestead (where you live) is in Michigan.
- ✓ You own or rent a home where you live (e.g. a rented apartment or mobile home on a lot in a mobile home park).

Income Guidelines	
Exemptions	Income Ceiling
0 - 1	\$14,043
2	\$18,986
3	\$23,900

MPSC
Michigan Public Service Commission

Issue Brief

Consumers Energy Integrated Resource Plan

1. Does Michigan's 2016 energy laws require electric utilities to file Integrated Resource Plans (IRPs)? What is an IRP and why is it important?

An Integrated Resource Plan (IRP) is a roadmap for how an electric utility will meet its future electricity needs to serve customers in a cost-effective, reliable manner. A plan addresses issues such as the utility's expected



Questions?

Reka Holley Voelker
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ELEVATE

Guiding Values

Briana Parker

Policy Manager, Elevate

Eric Pardini

Director, Public Sector Consultants

What do you value?

- **Values** are the things that are important to us, the characteristics and behaviors that motivate us and guide our interactions with others.
- For example, maybe you value honesty and that motivates you to be truthful and transparent in your life.



Survey Process



Volunteers designed a survey to solicit input on guiding values

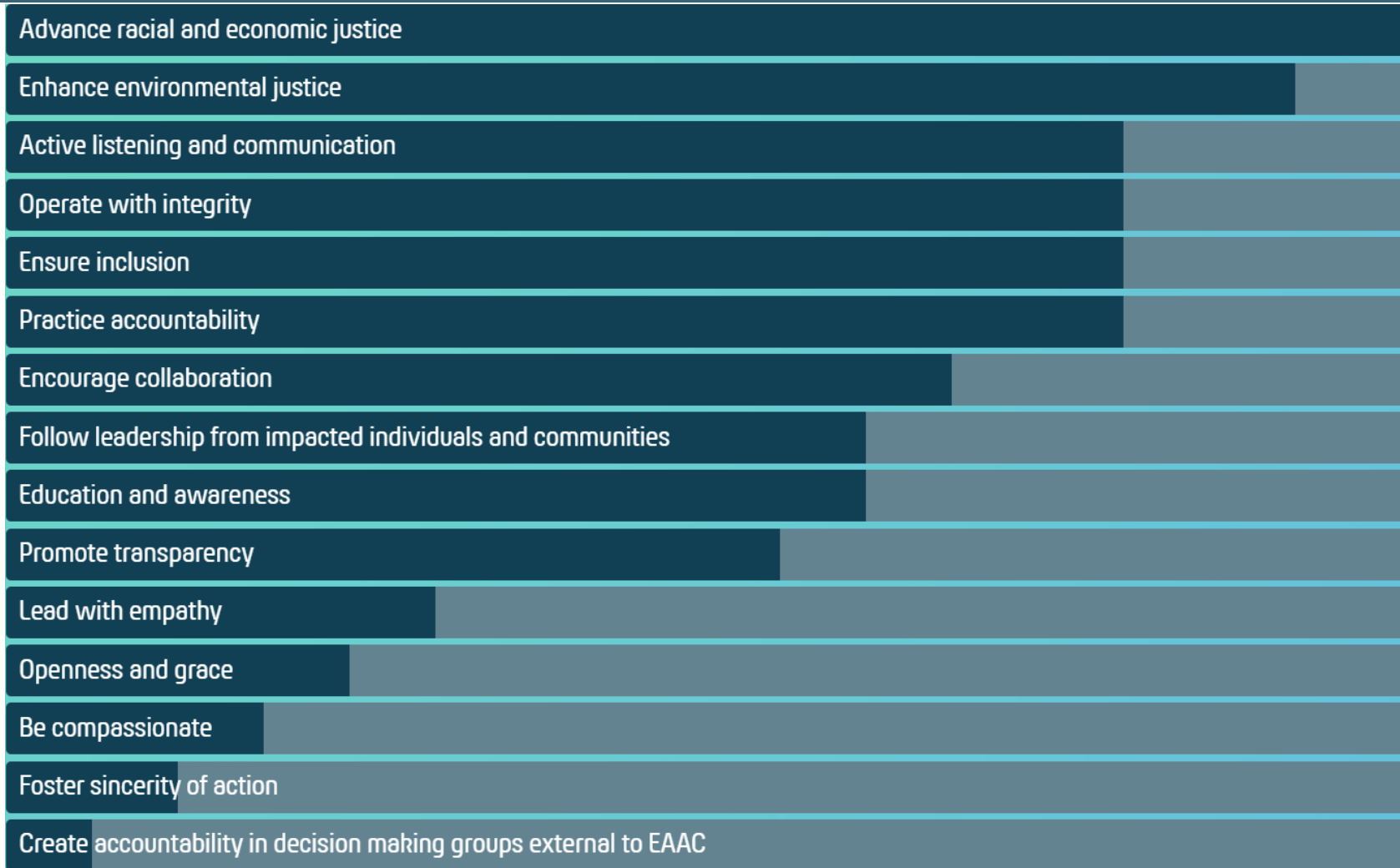


Survey was distributed to all collaborative participants



Participants were asked to identify the values that were most important to them

Survey Results



Survey Results – Core Values

- Advance racial and economic justice
- Enhance environmental justice
- Active listening and communication
- Operate with integrity
- Ensure inclusion
- Practice accountability
- Encourage collaboration
- Follow leadership from impacted individuals and communities
- Education and awareness
- Promote transparency

Breakout Rooms: Core Values Discussion

Overview:

- Each group will discuss one of the core values identified through the survey.
- You will have 20 minutes these breakout groups
- Remember to take space; make space; one person, one mic; and ask for help if you need it.

Breakout Rooms: Core Values Discussion

Instructions:

- Designate a facilitator and notetaker to keep the conversation on track and someone to report out from your group.
- Discuss:
 - What does your core value mean to you?
 - Why is the core value important to advancing the work of the collaborative?
 - How can the collaborative uphold the value in practice?
- In 2-4 sentences, define why your group's core value is important for ensuring an engaging and effective collaborative process.

Breakout Group Assignments

1. Advance racial and economic justice
2. Enhance environmental justice
3. Active listening and communication
4. Operate with integrity
5. Ensure inclusion
6. Practice accountability
7. Encourage collaboration
8. Follow leadership from impacted individuals and communities
9. Education and awareness
10. Promote transparency

Next Steps

- Core values will be compiled and shared with collaborative participants.
- Participants will have the opportunity to make additional comments and suggestions at the following link – tinyurl.com/EAACValues
- How we will use these values
 - At each meeting we will remind ourselves of the core values.
 - Participants will be asked to reflect on these core values to ensure that decision making upholds what is important.

Break: 5 minutes

Stakeholder Priorities

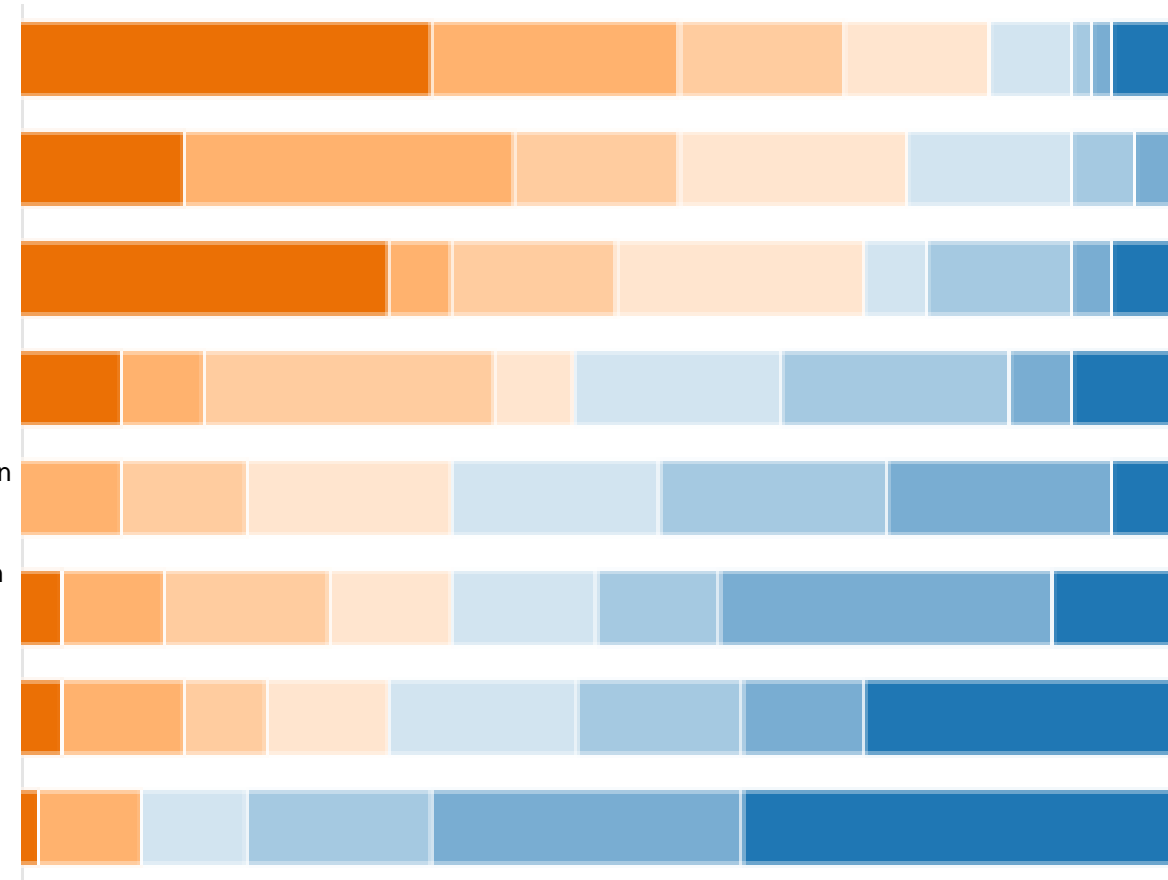
EAA Collaborative Process

1. Commission Order in Case No. [U-20757](#)
2. Solicit feedback from participants
3. Identify priority issue areas
4. Form workgroups to address key issue areas
5. Next steps in this session:
 1. Review priorities from survey, including written comments – 2 min
 2. Introduce proposed workgroup and committee structure – 2 min
 3. Discussion of priorities and proposal in breakout rooms
 1. Overview – 2 min
 2. Breakout rooms – 10 min
 3. Report out – 15 min

EAA Collaborative Priority Issue Areas

First choice Last choice

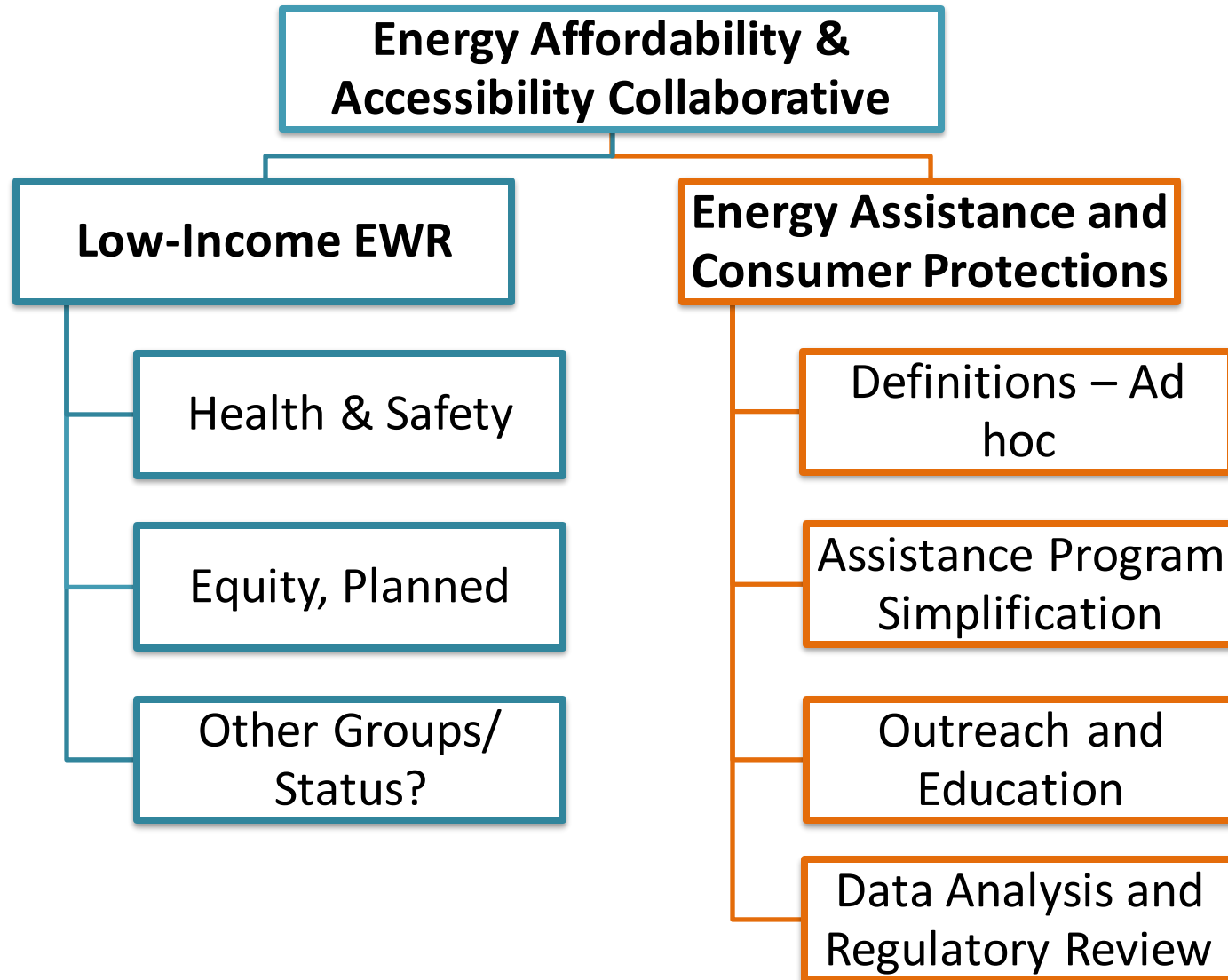
1. Study the alignment of income eligibility across energy assistance programs and customer protections, including studying the impacts of expanding eligibility to 200% of the FPL; and under Commission jurisdiction, make recommendations on aligning application processes if beneficial
2. Analyze the application, eligibility determination, and program design for the various assistance programs and utility-based credits, additionally making recommendations for alignment and simplification
3. Adopt a common definition of energy affordability and energy self-sufficiency
4. Direct utilities to pilot the targeting of communications so that recipients of an energy assistance program will be alerted to eligibility for energy efficiency programs.
5. Streamline and improve affordable payment plans (APPs with consideration of the objectives set forth in the Collaborations and Communications Staff Report
6. Develop recommendations for a Long Term Data Strategy. Includes looking at demographic information such as race, gender, income, and zip code and working with current data submission requirements
7. Develop a strategy for communication and engagement that would establish regular mechanisms for stakeholders to provide input on improving communication and materials, and broaden its outreach to groups traditionally not a part of utility communications
8. Engage in a review of Rule-based Protections- Part 7 of the Commission's billing rules, Mich Admin Code R 460.128 *et seq.*, and make recommendations for improvements to customer protection



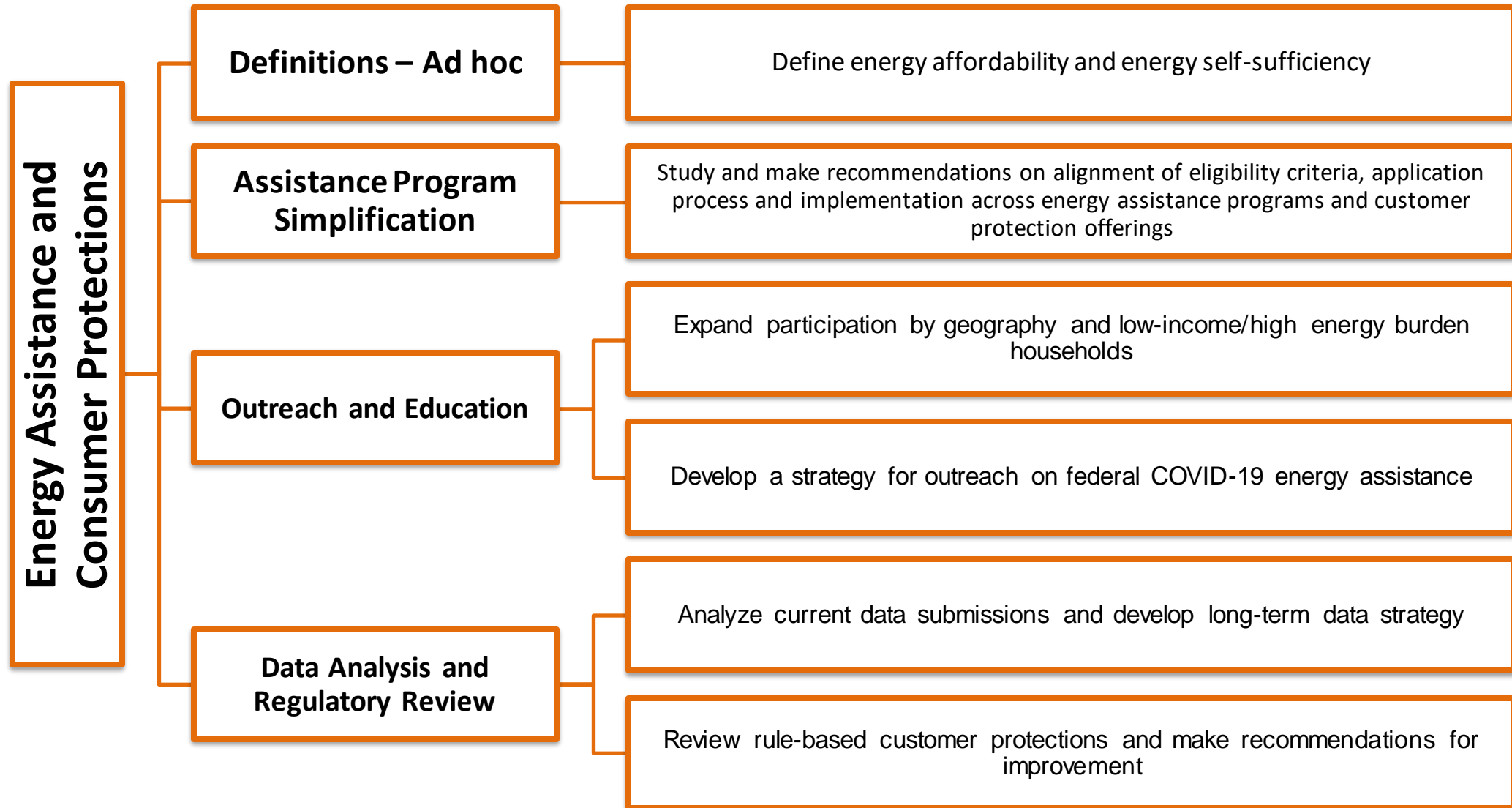
Progress on Survey Written Comments

- Ensure strong interface with LI-EWR group
- Increase collaboration with agency/services
 - MPSC EWR and Customer Assistance Divisions, MDHHS, and local agencies meet through MEAP Workgroup, Coalition to Keep MI Warm and other venues on improving assistance and EWR program offerings
- Low-income, affordability, equity standards for case filings
 - MPSC Staff researching under internal DEI Committee
 - EAAC work on affordability/self-sufficiency standards to inform process
- Working with DTE ([U-20929](#)) and Consumers ([U-21021](#)) to pilot Percent of Income Payment Plans (PIPP)
- Proactive engagement with low-income customers
 - MPSC staff engaged in outreach with non-traditional utility organizations statewide
- Fix 211 – EWR the lead

Proposed Subcommittee Structure



Overview of Subcommittees



Breakout Room Process

- Choose a leader and recorder/report-out person
- Discuss proposed subcommittee structure and make recommendations for improvement or clarification – feel free to focus on a particular area
- You will have 10 minutes for this discussion
- Directions and workgroup structure are linked in chat – see slides 20, 21, 23
- 15 minutes for report-outs (1.5 min per group)
- As the report out section is short, please copy and paste your report out into the chat

Next Steps

- June Meeting
 - Review guiding values
 - Link to document for additional comments on guiding values:
<https://tinyurl.com/EAACValues>
 - Roll-out of subcommittee and draft work plan
 - A communication will be sent to members for participation in a specific subcommittee
 - Subcommittee leadership and group members will be provided
 - Presentation on and discussion of affordability definitions/standards
 - Discussion of common work with the Low-Income Energy Waste Reduction workgroup
 - [EAAC Webpage](#)

Thank you for participating

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