

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission’s own motion,)	
regarding administration and operation of the)	Case No. U-13129
Low-Income and Energy Efficiency Fund.)	
_____)	

At the November 19, 2010 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman
Hon. Monica Martinez, Commissioner
Hon. Greg R. White, Commissioner

OPINION AND ORDER

The Customer Choice and Electricity Reliability Act, 2000 PA 141, authorized the creation of the Low-Income and Energy Efficiency Fund (LIEEF) administered by the Commission via grants to qualifying organizations. The purpose of the fund is to provide shut-off and other protection for low-income customers and to promote energy efficiency by all customer classes. The fund’s original source of funding was the utilities’ securitization savings that exceeded the amount needed to achieve a 5% electric rate reduction for residential and business customers. MCL 460.10d(7) provides for the use of a portion of the savings.

Beginning with the interim rate relief order for The Detroit Edison Company, which was issued on February 20, 2004 in Case No. U-13808, the Commission began including the LIEEF funding requirement into base rates for several of the State’s electric and gas utilities as part of their cost of service. Further, in prior orders in this docket, the Commission has followed an

established framework for administering the LIEEF and procedures for considering specific proposals.

On October 27, 2010, the Commission invited non-profit organizations to submit proposals that will continue currently operating programs developed by the applicant that design and facilitate the installation and operation of small scale, on-site energy systems using renewable energy sources as defined in MCL 460.10g(g) and energy efficiency upgrades at multiple Michigan public and private K-12 schools, community colleges, junior colleges, and universities. By the November 12, 2010 deadline, the following organizations submitted proposals seeking a total of \$18,997,730: Clean Energy Coalition, Elkton Pigeon Bay Port Laker Schools, Energy Works Michigan, Great Lakes Energy Service, Michigan Association of Non-public Schools, Michigan State University, and Romeo Community Schools.

The Commission expresses its appreciation to the applicants for providing thoughtful proposals. In selecting recipients for the grants, the Commission used the criteria outlined in the Request for Proposal.

Based on its review of the applications, the Commission awards the following grants:

- Energy Works Michigan – \$4,400,000 to continue and expand upon its currently operating Michigan Renewable Schools Program available to schools throughout Michigan.
- Great Lakes Energy Service – \$600,000 to continue to provide educational opportunities, mobile renewable energy classroom visits, and conduct energy camps for schools throughout Michigan.

If the grantees received less than requested in their proposal, the proportion of funds budgeted for administrative and indirect costs must remain the same or less than originally requested. The Commission directs the Commission Staff to complete the necessary grant agreement documents

with the grantees. As always, the grants are contingent upon review and approval of the State Administrative Board.

THEREFORE, IT IS ORDERED that:

A. The following grants for a total of \$5 million are approved:

- Energy Works Michigan – \$4,400,000 to continue and expand upon its currently operating Michigan Renewable Schools Program available to schools throughout Michigan.
- Great Lakes Energy Service – \$600,000 to continue to provide educational opportunities, mobile renewable energy classroom visits, and conduct energy camps for schools throughout Michigan.

B. The Commission Staff shall complete the necessary grant agreement documents with the grantees.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26.

MICHIGAN PUBLIC SERVICE COMMISSION

Orjiakor N. Isiogu, Chairman

Monica Martinez, Commissioner

Greg R. White, Commissioner

By its action of November 19, 2010.

Mary Jo Kunkle, Executive Secretary

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Case No. U-13129

Suggested Minute:

Case No. U-13129 involves applications for Michigan energy efficiency grants from the Low-Income and Energy Efficiency Fund. The order before you approves grants for two of the applicants.