

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter on the Commission's own motion)	
to implement the provisions of 2013 PA 95.)	Case No. U-17377
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At the July 22, 2014 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

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

ORDER

2013 PA 95 (Act 95), MCL 460.9t, created the Low-Income Energy Assistance Fund (LIEAF) within the State Treasury. Section 9t(5) of Act 95 provides that money from the LIEAF shall be expended by the Department of Human Services as provided in the Michigan Energy Assistance Act, 2012 PA 615.

Act 95 provides that the Commission, after an opportunity to comment, may annually approve a low-income energy assistance funding factor no later than July 31 of each year for the subsequent fiscal year. Section 9t(10)(B) of Act 95 provides that the funding factor is a nonbypassable surcharge to be added to each retail billing meter (but no more than one residential meter per residential site), payable monthly by every customer receiving retail distribution service from an electric utility, municipally owned electric utility, or cooperative electric utility, regardless of the identity of the customer's electric generation supplier. The funding factor shall be the same across all customer classes, shall appear as a separate line item on each customer's bill, and shall

not exceed \$1. Section 9t(7) provides that electric utilities, including the municipally owned and cooperative electric utilities, may elect not to collect the funding factor by annually filing a notice with the Commission by July 1; however, utilities that do not collect the funding factor shall not shut off service to any residential customer from November 1 to April 15 for nonpayment of a delinquent account. For utilities that do not opt out, Section 9t(8) provides that they shall annually, by July 1, provide to the Commission the number of retail billing meters the utility serves in Michigan that are subject to the funding factor. The Commission will thereafter determine the funding factor by July 31.

Section 9t(6) provides that “The amount used by the public service commission to calculate a low-income energy assistance funding factor during each fiscal year shall not exceed \$50,000,000.00 minus both the amount appropriated from the general fund in that fiscal year for home energy assistance and the amount remaining in the fund from the prior fiscal year.” The Commission is informed that the latter two amounts are currently zero.

Based on information filed as of July 1, 2014, the Commission issued an order on July 8, 2014, proposing a funding factor of \$0.97 for September 2014 through August 2015, and providing for the filing of comments through July 15, 2014. The Commission did not receive any comments on the proposed funding factor.

Based upon the utilities’ elections and meter count information, and taking into account the funding target of \$50,000,000, the Commission finds that the LIEAF funding factor shall be \$0.97 per meter per month for the September 2014 through August 2015 billing months.

THEREFORE IT IS ORDERED that:

A. The Low Income Energy Assistance Fund funding factor is \$0.97 per meter per month for the September 2014 through August 2015 billing months. Utilities that have elected to participate

shall begin collecting the nonbypassable surcharge in conformance with 2013 PA 95 for the September 2014 billing month. Utilities that have opted out of collection of the surcharge shall not shut off service to any residential customer from November 1, 2014, to April 15, 2015, for nonpayment of a delinquent account.

B. Utilities whose rates are regulated by the Commission and who opted to collect the surcharge shall, within 30 days of the date of this order, file a tariff sheet with the Commission reflecting the surcharge.

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, under MCL 462.26.

MICHIGAN PUBLIC SERVICE COMMISSION

John D. Quackenbush, Chairman

Greg R. White, Commissioner

Sally A. Talberg, Commissioner

By its action of July 22, 2014.

Sally L. Wallace, Acting Executive Secretary