The meeting began promptly at 9 a.m.

A sign in sheet was passed around and those attending for the first time were asked to provide contact information. A request was made for typed contact information for the group and Don Mazuchowski (Don) agreed to provide the information via email to the group.

Introductions were made of those attending the meeting both in person and via teleconference.

An agenda and a draft of the forecast were distributed.

Kim Molitor (Kim) reviewed the draft forecast and a discussion ensued. Significant discussion points include:

1. Forecast should be requirements not sales
   a. Consumers to provide updated forecast data

2. Need missing forecast pieces for:
   a. Alpena Power Company
   b. Municipals: City of Dowagiac, Paw Paw and Wyandotte
   c. Entire Upper Peninsula

3. Need to update DTE forecast for NSO data instead of sales data

4. Consumers to see if older MPSC forecast included wholesale transactions

5. Question: What about NUG? Do we add a line in forecast for non-utility generation?

Dennis Derricks discussed efforts to complete the final demand and energy forecast for the Upper Peninsula. He hopes to have something to Kim in order to meet the February 18th deadline for submitting an electronic copy of the forecast to Don for distribution to all members of the demand work group.

A decision was made by the members of the demand work group to create a weighted average composite load duration curve. The group discussed the need to keep the data confidential and Staff provided an overview of the FOIA procedure necessary to assure the confidentiality of the hourly load data. George Stojic noted that Commission Staff would take the lead on this item by sending out a letter to initiate the FOIA procedure. This composite load duration curve will be compared against the summed peak forecast data.

The demand work group discussed whether the group should identify and include the forecast assumptions in the forecast effort. It was decided by the group that each forecast participant should provide a written summary of its forecasting assumptions for review at
the next meeting. A decision will be made at the March 2nd meeting regarding what written assumptions will be included in the forecast provided to the other work groups.

The group discussed possible forecast scenarios but decided that we need to complete the base case forecast first before identifying any scenarios. Additionally, Tom Stanton (Tom) initiated the discussion on how the group might address the impact of energy efficiency and demand-side management. Tom thought that the group might compare the results of the forecast with demand-side management nationally. John Sarver (John) said that he had ACEEE report that he could email to Don and that the Staff could post on its website for review by the group. Alicia Ward (Alicia) mentioned that a draft of the ACEEE summary for Michigan and other states would be available in the next week and that she would also make those available to Commission Staff for posting on the MPSC website.

The demand work group discussed the need to establish boundaries on natural gas prices for use by the other work groups. The Commission Staff will take the lead on this item.

A question was raised as to whether demand response could be used as a peaking option. Alicia suggested that the group should review the New England demand response initiative report.

Finally, the following important future consideration was discussed with the result being that it would be included on a list for future consideration. This list of important considerations will become part of the demand work group minutes and will be carried forward.

**Important Future Consideration:** How do losses for delivery between regions impact the peak forecast?

The meeting was adjourned at 10:45 a.m.

**Action Items**

1. Don to provide a typed list of the contact information.
2. Consumers to provide response regarding whether older MPSC forecast data included wholesale sales.
3. Consumers to provide updated forecast data (requirements vs. sales) and growth projections.
4. DTE to provide growth projections.
5. Jim Weeks to provide missing municipal data and growth projections.
6. George to provide updated forecast data for I&M and to obtain missing Alpena Power forecast data, along with growth projections for both.
7. Dennis Derricks to provide UP forecast data, including growth projections.
8. Each of the work group participants to prepare a write-up summarizing their individual underlying forecast assumptions.
9. Commission Staff to send letter initiating FOIA procedure.
10. Commission Staff to create detailed instructions for submission to the demand work group participants regarding the specifics of the hourly load data to be provided to the Commission as noted in Item 4.
11. Work group participants to work through FOIA procedure with final action item being the submission of hourly load data for 2002, 2003 and 2004 to Don.
12. Kim to send updated forecast (including graphs) to Don by close of business February 18, 2005 for distribution to demand work group members.
13. Commission Staff to post all ACEEE reports on website for viewing by demand work group participants.
14. Commission Staff to take the lead on the following demand work group objective: establishing boundaries on natural gas prices for use by the other work groups.
15. Don to coordinate projector availability for March 2nd meeting.

The next meeting was scheduled for March 2, 2005 at 10 a.m. The meeting will be held at the Commission office in Hearing Room A.