

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter on the Commission's own motion)	
to implement the provisions of 2013 PA 95.)	Case No. U-17377
<hr/>)	

At the July 11, 2013 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

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

ORDER AND NOTICE OF OPPORTUNITY TO COMMENT

On July 1, 2013, Governor Rick Snyder signed 2013 PA 95 (Act 95) into law, which amends 1939 PA 3 by adding Section 9t, MCL 460.9t. Act 95 creates 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.

On June 24, 2013, the Commission's Executive Secretary sent a notice to all affected utilities informing them of the potential need to file the required information by July 1, 2013, and opened this docket to receive those filings. Several utilities filed the required reports on or before July 1, 2013, and others filed information after that date. Upper Peninsula Power Company, Wisconsin Public Service Corporation, Wisconsin Electric Power Company, d/b/a We Energies, Alpena Power Company, Cloverland Electric Cooperative, Great Lakes Energy Cooperative, and Ontonagon County Rural Electrification Association have all filed notice of their intent to opt out. Northern States Power Company and DTE Electric Company have filed notice of their intent to participate and have included their meter count.

The Michigan Municipal Electric Association¹ (MMEA) filed a request for an extension of time. The MMEA states that each of its 41 members must confer with their respective governing bodies before deciding whether to opt out, and must comply with the Open Meetings Act in so doing. The MMEA requests a deadline of July 24, 2013, for the filing of opt-out decisions or meter counts by its members.

Although the July 1 deadline has passed, the Commission intends to comply with the July 31 deadline for setting the final funding factor. The Commission directs all affected utilities to file information showing the number of retail billing meters the utility serves that are subject to the funding factor, or file a notice that the utility intends to opt out of collecting the funding factor, by 5:00 p.m. on July 24, 2013.

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 zero. Thus, on the assumption that all utilities that have filed nothing with the Commission thus far will opt in, and in reliance on the information that has been filed in this docket and information (where available) regarding meter

¹ The MMEA’s members include Village of Baraga, City of Bay City, City of Charlevoix, Chelsea Department of Electric and Water, Village of Clinton, Coldwater Board of Public Utilities, Crosswell Municipal Light & Power Department, City of Crystal Falls, Daggett Electric Department, Detroit Public Lighting Department, City of Dowagiac, City of Eaton Rapids, City of Escanaba, City of Gladstone, Grand Haven Board of Light and Power, City of Harbor Springs, City of Hart Hydro, Hillsdale Board of Public Utilities, Holland Board of Public Works, Village of L'Anse, Lansing Board of Water & Light, Lowell Light and Power, Marquette Board of Light and Power, Marshall Electric Department, Negaunee Department of Public Works, Newberry Water and Light Board, Niles Utility Department, City of Norway, City of Paw Paw, City of Petoskey, City of Portland, City of Sebewaing, City of South Haven, City of St. Louis, City of Stephenson, City of Sturgis, Traverse City Light & Power, Union City Electric Department, City of Wakefield, Wyandotte Department of Municipal Service, and Zeeland Board of Public Works.

counts that is publicly available in renewable energy plan filings, the Commission calculates a funding factor of \$0.91 per meter per month, and invites comment on that factor, which could rise or fall slightly based on the yet to be submitted data. Any person may submit written and electronic comments regarding the proposed funding factor. The comments should reference Case No. U-17377, and must be received no later than 5:00 p.m. on July 24, 2013. Written comments should be mailed to: Executive Secretary, Michigan Public Service Commission, P.O. Box 30221, Lansing, MI 48909. Electronic comments should be e-mailed to: mpscdockets@michigan.gov. If any person requires assistance prior to filing, they may contact Commission staff at (517) 241-6180 or by e-mail at mpscdockets@michigan.gov. All information submitted to the Commission in this matter will become public information available on the Commission's website and subject to disclosure; and all comments will be filed in Case No. U-17377. Please do not include information that you wish to remain private.

THEREFORE IT IS ORDERED that:

A. Electric utilities, municipally owned electric utilities, and cooperative electric utilities shall, by 5:00 p.m. on July 24, 2013, file information showing the number of retail billing meters the utility serves that are subject to the low-income energy assistance funding factor, or file a notice that the utility intends to opt out of collecting the low-income energy assistance funding factor, in this docket.

B. Any person may file written comments regarding the calculated proposed funding factor of \$0.91 per meter per month. To be considered, all comments must be received at the Commission no later than 5:00 p.m. on July 24, 2013, and should reference Case No. U-17377. Commenters should be aware that the calculated funding factor may increase or decrease based on the submission of data and opt in/opt out determinations that have yet to be made.

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 Talberg, Commissioner

By its action of July 11, 2013.

Mary Jo Kunkle, Executive Secretary