

**UTILITY CONSUMER REPRESENTATION FUND
ANNUAL REPORT**

CALENDAR YEAR 2020

UTILITY CONSUMER PARTICIPATION BOARD

Mr. James MacInnes, Chair
Dr. Paul Isely, Vice Chair
Mr. Sam Passmore
Ms. Elise Matz
Mr. Bali Kumar

EXECUTIVE SUMMARY

PA 304 of 1982 established a separate proceeding that allows energy utilities to more quickly recover costs for power supply and purchased gas than they otherwise could in a full rate case. It further created the Utility Consumer Representation Fund (UCRF) to provide financial resources for customers who pay these costs to be represented in these utility cost recovery proceedings.

UCRF funds are collected by certain utilities in their rates. The UCRF funds collected are split between the Attorney General (AG) and the Utility Consumer Participation Board (UCPB). The Attorney General uses the funding to advocate on behalf of the interests of the State of Michigan utility customers in general, and the UCPB is responsible for granting funding to specific interest groups to advocate on behalf of the residential consumer groups they represent. The scope of the UCPB representation on behalf of residential rate payers was expanded in PA 341 of 2016 to include rate cases, certificate of necessity cases and integrated resource plan cases which can include demand response, energy waste reduction, distributed generation programs and many more.

In 2020, Michigan's investor-owned utilities serving over 100,000 customers that have applied for the initiation of an energy cost recovery proceeding shall remit to the UCRF its proportional share of \$1,649,355 (adjusted annually) and utilities servicing less than 100,000 customers that have applied for the initiation of an energy cost recovery proceeding shall remit to the UCRF its proportional share of \$212,820 (adjusted annually). Together they remitted \$1,862,175 to the Utility Consumer Representation Fund. The UCPB was allocated \$750,000, of which 5 percent (\$37,500) was allocated for administrative costs.

The FY 2020 budget authorization for the UCPB was \$750,000. Of that amount, \$712,500 was available for awarding FY 2020 grants and \$37,500 was allocated for administrative costs.

In 2020, AY 2020 grants totaling \$709,584 were awarded to: Citizens Against Rate Excess (CARE), Michigan Environmental Council (MEC), the Residential Customer Group (RCG), Great Lakes Renewable Energy Association (GLREA), the Citizens Utility Board of Michigan (CUB) and Soulardarity. The above groups advocated on behalf of Michigan residential ratepayers and the areas of focus in 2020 were: Fuel transport costs, Return on Equity, cost disallowances, assisting to shape IRPs, reduction of rates, energy waste reduction, purchase power agreements, non-volumetric charges, low income residential customers, refunds, classification of utility scale battery storage, evaluation of projects, cost of service expenses, contingency allowances, moratorium on new rate case, extension of leases, modeling deficiencies, value of solar, outflow credit for distributed generation, distributed generation and low-income communities, low-income renewables programs.

UCPB grants resulted in millions in savings to residential and other ratepayers as outlined in Section 3.

TABLE OF CONTENTS

1. Introduction
2. UCPB Major Responsibilities
 - 2.1. UCPB Board Action 2020
 - 2.2. UCRF Grants Awarded in 2020
 - 2.3. UCRF Resource Availability
 - 2.4. UCPB Resource Efficiency and Non-Duplication Due Diligence
 - 2.5. UCPB Administrative Efficiency
3. UCRF Results
 - 3.1. Benefit - Cost Analysis
 - 3.2. Grant Activity and Results
4. Financial Reporting and Administrative Process
 - 4.1. Calendar year 2020 Remittances
 - 4.2. Calendar year 2020 Appropriation and Accrued Funds
 - 4.3. Scope of Work
 - 4.4. Application and Selection Process

ATTACHMENT A

UCRF Grant Activity and Results for 2020 Calendar Year

ATTACHMENT B

UCRF 2020 Grantees Membership Scope and Description

Questions regarding this report should be addressed to:

Utility Consumer Participation Board
Attention: Shawn Worden
Finance and Administrative Services
Licensing and Regulatory Affairs
611 W. Ottawa
Lansing, MI 48933
(517) 335-5968
WordenS1@michigan.gov

1. INTRODUCTION

Public Act 304 of 1982, as amended, provides for the establishment and implementation of gas and power supply cost recovery clauses in the rates and rate schedules of public utilities. The Utility Consumer Participation Board (UCPB) and the Utility Consumer Representation Fund (UCRF) were created by the Act to achieve equitable representation of interest of energy utility customers in energy cost recovery proceedings. The purpose of the UCPB is to make grants from the fund to qualified nonprofit organizations and local units of government to represent the interests of residential utility customers before the Michigan Public Service Commission.

Public Act 341 was passed on December 15, 2016, and signed by Governor Rick Snyder on December 21, 2016. PA 341 of 2016 updates Michigan's energy laws relating to utility rate cases, electric choice, certificate of necessity, and electric capacity resource adequacy, and establishes an integrated resource planning process. The law took effect on April 20, 2017. The law expanded the UCPB's scope of cases that were allowed to use UCRF grants for residential rate payers. As set forth in 460.6m(16), UCRF grants could be used for MCL 460.6a, 6h, 6j, 6s and 6t and federal administrative and judicial proceedings that directly affect the costs or rates paid by residential utility customers. For purposes of making grants, the board may consider energy conservation, the creation of employment within the state, energy waste reduction, demand response, rate design and maintenance of energy resources.

This annual report to the Legislature, which is required under Section 6m (22) of the Act, covers the activities of the UCPB for the 2020 calendar year.

From January 1, 2020, to December 31, 2020, the board awarded \$328,633 from FY 2020 funds to a consortium of several nonprofit consumer groups. Grant recipients in 2020 included Citizens Against Rate Excess (CARE), Michigan Environmental Council (MEC), the Residential Customer Group (RCG), the Great Lakes Renewable Energy Association (GLREA), the Citizens Utility Board (CUB) and Soulardarity. Combined, the grantees represent statewide nonprofit groups with tens of thousands of individual members focused on issues related to energy costs, consumer protection, environmental, public health, emerging energy, energy conservation and community action. The actions of these grantees influence energy costs for more than 3 million residential natural gas customers and 3.5 million residential electric customers in the State of Michigan.

In 2020, UCRF grant recipients participated in proceedings on behalf of residential customers in the State of Michigan. UCRF funds helped Michigan citizen advocates achieve, directly and in collaboration with other parties, significant benefits for residential utility customers across the state. In certain cases, UCRF grantees were the only advocates for Michigan residential customers. Major areas of impact for residential customers included PSCR-related decisions on transfer prices, fuel transportation costs, reliability and adequacy of electricity supply, PSCR 5-year and load forecasting, offsets to Gas Cost Recovery (GCR) cost of gas sold to GCR customers, monitoring developments at the Midcontinent Independent System Operator (MISO), Rate Cases, Integrated Resource Plans (IRP), energy waste reduction, purchase power agreements, non-volumetric charges, low income residential customers, refunds, classification of utility scale battery storage, evaluation of projects, cost of service expenses, contingency allowances, moratorium on new rate case, extension of leases, modeling deficiencies, value of solar, outflow credit for distributed generation, distributed generation and low-income communities, low-income renewables programs.

The Attorney General's Office also receives UCRF funding for intervention on behalf of the utility ratepayers of Michigan. Coordination between the Attorney General, MPSC staff and other participants in UCRF funded cases is monitored by the board. Thorough review of grant applications, grant amendments, and regular reporting on case status and interventions by the UCPB continue to improve coordination of grantees' efforts with the Attorney General. This provides efficient use of resources and maximizes coverage of cases and issues without duplication of effort. The Attorney General's office is also consulted in its role as legal counsel to the board. Expenditures and results of the Attorney General's office are provided in a separate annual report submitted by its office to the legislature.

2. UCPB MAJOR RESPONSIBILITIES

MCL 460.6l provides for the creation of a Utility Consumer Participation Board (UCPB), defines its membership, and prescribes its duties. MCL 460.6m creates the Utility Consumer Representation Fund (UCRF), establishes provisions for its generation, distribution and use, limits the beginning dates of cost recovery proceedings, and places reporting requirements on both fund recipients and the Board.

The duties and responsibilities of the Act under these two sections were discharged as described in sections 2.1 and 2.2.

2.1 UCPB Board Activities 2020

The Board approved and maintained a bimonthly meeting schedule in 2020. Regular meetings were held February 3, April 13, June 1, August 3, August 24, October 5, and December 7. A special work group meeting was held October 29, 2020. All meeting notices were published and held in compliance with the Open Meetings Act. Members of the public were present at many meetings, given opportunity for public comment, and participated in board education. The board held education sessions or was given educational materials on the following topics and/or dates.

- February 3, 2020
MPSC presented material on the New Power Grid Partnership
[MPSC - Gov. Whitmer partners with MPSC in launch of MI Power Grid to help guide Michigan through transition to clean energy](#)
[MPSC - MI Power Grid \(michigan.gov\)](#)
- April 13, 2020
CUB Report: Utility Regulatory Measures to Improve Electric Reliability in Michigan
Executive Order No. 2020-15
- June 1, 2020
https://www.environmentalcouncil.org/dte_rate_case_decision_blunts_health_financial_burdens_on_customers?utm_campaign=051520_mer&utm_medium=email&utm_source=environmentalcouncil
IPU report sponsored by the Mott Foundation
- August 3, 2020
Jan Beecher from the Institute of Public Utilities (IPU) presented the findings of the Mott Foundation Project
- October 5, 2020
https://www.michigan.gov/ag/0,4534,7-359-92297_47203-539349--,00.html
<https://gcc01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fcdn.misoenergy.org%2F20200918%2520MTSTF%2520Item%252002%2520%2520MI%2520CIL-CEL%2520Study%2520Results475039.pdf&data=02%7C01%7CKitchenK2%40michigan.gov%7Cb41b1f994b884dec884908d859c12f91%7Cd5fb7087377742ad966a892ef47225d1%7C0%7C0%7C637358033539040189&sdata=mJJSfBdzfavhJwq5BodAQVCcLk9romkJoul3vdNNzo%3D&reserved=0>
<https://www.theatlantic.com/politics/archive/2020/08/how-trump-appointees-short-circuited-grid-modernization/615433/>
https://www.michigan.gov/mpsc/0,9535,7-395-93307_93312_93593_95590_95595_95689-508668--,00.html
- October 29, 2020 Special Workgroup Meeting
Amended the Grant Application to make is a rolling grant process.
Discussed next steps for the website and the process of getting input from the Attorney General and MPSC.
- December 7, 2021
Approved Assistant to the Board position for FY 2021 to Kelly Jo Kitchen.
Set the Schedule for 2021.
Nominated and approved Paul Isely as interim Chair and Elise Matz as interim Vice Chair.
<http://legislature.mi.gov/doc.aspx?2020-SB-1108>
<http://www.legislature.mi.gov/documents/2019-2020/publicact/pdf/2020-PA-0228.pdf>

Amendments and approval of new grants occurred on February 2, April 13, June 1, August 3, August 24, October 5, and December 7.

The 2020 UCRF Grant Announcement and Application were distributed on July 13, 2020.

The 2021 regular meeting schedule was approved on December 7, 2020. Meeting minutes for all meetings are available on the web site www.michigan.gov/lara under "All About LARA", "Utility Consumer Participation Board."

2.2 UCRF Grants and Contracts Awarded by UCPB in Calendar Year 2020

2/3/2020

CUB: Amendment to Grant 20-06 for \$20,200 for DTE Gas Rate Case (U-20642) was approved.

CUB: Amendment to Grant 20-06 for \$20,200 for CECo Gas Rate Case (U-20650) was approved.

GLREA: Amendment to Grant 20-03 for \$33,330 for CECo Electric Rate Case (U-20697) was approved, ELPC representing.

MEC: Amendment to Grant 20-04 for \$90,900 for CECo 2020 Rate Case (U-20697) was approved.

MEC: Amendment to Grant 20-04 for a no cost transfer of \$5,000 from expert to legal for DTE PSCR-R Case was approved.

4/13/2020

RCG: Amendment to Grant 20-05 for \$16,665 for CECo PSCR-R Case (U-20220) was approved.

MEC: Amendment to Grant 20-04 for \$30,300 for DTE PSCR-R (U-20222) was approved.

MEC: Expert Bob Ozar was approved.

GLREA: Experts Ronny Sandoval, Carl Rabago and Gabe Chan were approved.

CARE: Amendment to Grant 20-02 for \$17,500 for MISO/FERC was approved.

6/1/2020

MEC: Amendment to Grant 20-04 for \$15,150 for DTE Rate Case (TBD) was approved.

MEC: Amendment to Grant 20-04 for a no cost transfer of \$5,000 from expert to legal for DTE Rate Case (U-20561) was approved.

CUB: Amendment to Grant 20-06 for \$8,080 for DTE Gas Rate Case (U-20642) was approved.

CUB: Amendment to Grant 20-06 for \$6,060 for CECo Gas Rate Case (U-20650) was approved.

8/3/2020

CARE: Amendment to Grant 20-01 for \$17,500 for UPPCO RDM (U-20697) was approved.

MEC: Amendment to Grant 20-04 for \$5,050 for CECo Electric Rate Case (U-20697) was approved.

8/24/2020

CARE: Amendment to Grant 20-01 for \$7,500 for UPPCO RDM (U-20697) was approved.

MEC: Amendment to Grant 20-04 for \$5,050 for DTE Electric Rate Case (U-20561) was approved.

MEC: Grant Request 21-04 for \$50,500 for DTE 2021 PSCR Plan Case (U-20826) was approved.

CUB: Grant Request for MISO/FERC 2021 participation for \$35,000 was approved.

CUB: Grant Request 21-06 for UMERL PSCR 2021 Plan Case (U-20808), \$6,800 from 2020 funds and \$2,000 from 2021 funds was approved.

CUB: Grant Request 21-06 for UPPCO PSCR 2021 Plan Case (U-20810), \$6,878 from 2020 funds and \$2,000 from 2021 funds was approved.

10/5/2021

MEC: Amendment to Grant 21-04 for \$15,150 for DTE PSCR-R (U-20222) was approved.

12/7/2021

CUB: Amendment to Grant 21-06 for \$11,400 for UMERL PSCR Plan Case (U-20808) was approved.

CUB: Amendment to Grant 21-06 for \$11,322 for UPPCO PSCR Plan Case (U-20810) was approved.

Total Amount of 2020 UCRF Grant Funding Awarded in 2019 = \$537,111

Total 2019 Grant Authorization = \$712,500

Total 2019 Grants Awarded (All Years) = \$865,744

Unspent 2019 Grant Authorization = \$2,916

Total Amount of 2020 UCRF Grant Funding Awarded in 2019 = \$37,872

2.3 Resource Availability

The total UCRF funding requested by applicants in the initial 2020 authorization year grant cycle was: \$516,147. The UCRF

authorization for grants was \$712,500¹. The board determined that grants would be prioritized and awarded in phases. This allowed the board to examine work plans for cases more closely and more proximate to the actual filing dates. This also allowed grantees to refine and modify grant requests prior to full consideration and approval. Grantees deferred many requests due to the phase-in approval process adopted by the board.

2.4 Resource Efficiency and Non-Duplication/Due Diligence

To further resource efficiency, the board has modified its grant review process to consider and award grants in phases closer to the actual filing dates and has also made very conservative approvals based on the work plans presented by grantees. The board has encouraged grantees to use resources carefully but to also return to the board if developments in or demands of the case require additional resources. This allows detailed work plans based on the proceedings and expected results in the case can be provided and evaluated.

The UCRF grant application requires each applicant to provide a work plan specifying, among other things, the cases they intend to intervene in, the issues and strategies they intend to pursue and potential benefits to consumers. Individual board members, the UCRF board assistant, and Attorney General staff review the proposals in advance and provide comments to the board. Any potential duplication among grantees or with the Attorney General is identified and reviewed for purpose and justification. The board has not approved or reduced funding in some cases for unsupported duplication. When multiple grantees are approved for funding in the same case, grantees must report to the board on their distinct contributions and strategies in those cases. Bi-monthly case status reports are required from grantees and testimony reviewed in order to prevent or address any potential duplication of effort. The board encourages coordination of effort where it serves the interest of consumers.

2.5 Administrative Efficiency

The Board achieved administrative efficiency in the following ways:

1. Continued a grant review process requiring more detailed work plans.
2. Awarded grants in phases closer to the filing dates of actual cases and analyzed potential issues.
3. Used the grant review process to encourage more defined strategic focus areas by grantees through case updates.
4. Used the revised UCRF grant application designed by LARA Purchasing and Grant Services and the Michigan Attorney General's Office.
5. Requested the opinion of the Attorney General's office during grant review regarding the legal compliance of the individual grant applications with the governing statute or case law prior to the approval of grants and whether there was any objection to either the approval or the submission of individual grants to the State Administrative Board.
6. Requested the opinion of utility representatives present during grant review as to concerns or objections regarding the legal compliance of the individual grant applications with the governing statute or case law prior to the approval of grants and whether there was any objection to either the approval or the submission of individual grants to the State Administrative Board.
7. Renewed the contract position for a part-time contractor to assist the Board and coordinate efforts with other parties of interest.
8. Followed regular bi-monthly meeting schedule.
9. Continued to request bi-monthly case status reports from grantees.
10. Formalized process of written grant amendments and documented board approval prior to submission to LARA.
11. Continued regular board education sessions.
12. Updated annual report.
13. Coordinated with LARA staff to distribute board information and post public information on a web site.
14. Worked with MSU/IPU on their grant from the Mott Foundation to analyze the UCPB and offer recommendations.

3. UCRF GRANT RECIPIENT RESULTS

¹ This was the amount of funds the board understood was available for the grant year based on financial reports provided by LARA, the spending authorization approved and the adequacy of current and reserve funds. The issue of a 50/50 "shared" reserve fund was brought to the attention of the board in August 2014 and addressed thereafter.

3.1 Benefit-Cost Analysis and Discussion

In creating cost recovery mechanisms that allowed utilities to recover energy supply costs from ratepayers outside of a contested rate case, the Michigan Legislature assured that Michigan's residential energy customers would be effectively represented through the creation of the Utility Consumer Representation Fund (UCRF). UCRF funding is collected from assessments on utilities that use the cost recovery mechanism. This cost is paid by customers through their rates. Therefore, the revenue for the fund is generated from ratepayers and expended to assure their representation in utility rate cases, power supply cost recovery, gas cost recovery, reconciliation phases of PSCR and GCR cases, certificate of necessity cases, and integrated resource plan cases.

Rate Case filing requirements 460.6a

The new energy law shortens the deadline for rate cases to be completed from 12 months to 10 months. It also removes the ability of utilities to "self-implement" new rates after 6 months if a final order has not been issued by the MPSC. The new energy law updates provisions related to the electric choice program, which allows up to 10% of the electric load in a utility's service territory to choose a non-utility provider of electric generation service. The utilities request a rate increase which initiates a contested case. The rate is developed through the determination of the revenue requirement for a test year. Costs are then allocated to customer classes (cost of service study). A rate design is established on how the utility will recover its costs through rates and charges.

PSCR and GCR filing requirements 460.6h, j

The PSCR and GCR cases have "plan" and "reconciliation" phases. The plan cases for each utility set the framework and establish the cost of fuel recoverable from all customers. The reconciliation phase looks back at the assumptions and performance of the utility under the plan and "corrects" or "true-up" the plan factors with reality. The differences are then passed through to customers through collections, credits or refunds. UCRF grant funded parties advocate for the interests of residential customers in this process.

Certificate of Necessity Filing Requirement 460.6s

Electric utilities are able to apply to the MPSC for a Certificate of Necessity to obtain new electric generation resources.

Integrated Resource Plan Filing Requirement 460.6t

The new energy law requires rate-regulated electric utilities to submit integrated resource plans to the MPSC for review and approval. The law also requires that the MPSC hold a collaborative proceeding to set modeling parameters and assumptions for utilities to use in filing integrated resource plan. The MPSC is required to conduct a study to determine the potential to use demand response resources and energy waste reductions resources to meet electric needs and to promote energy conservation.

Code of Conduct/ value added programs

Under the new energy law, the MPSC is required to establish a code of conduct that applies to electric, natural gas, and steam utilities, and which is intended to prevent cross-subsidization, preferential treatment, and information sharing, between a utility's regulated services and unregulated programs and services. The law also allows utility companies to offer their customers "value-added programs and services."

There are many factors that impact assessment of effectiveness of UCRF funded intervention on behalf of residential customers including: 1) certain cases and proceedings span more than one grant year; 2) proceedings, through the appeal process, may remain pending for several years; 3) impact of a decision in one year often continues to benefit ratepayers in future years; 4) outcomes may result from multiple parties interventions and may be reported (in whole or part) by each party; 5) lack of a standardized reporting approach and validation method; and 6) indirect benefits not reflected in direct cost reductions.

UCRF funded intervention in cases decided in 2020 calendar year (based on actual orders issued) again yielded substantial benefits for residential utility customers. The following are highlights of measurable benefits and results achieved for residential customers by consumer advocates using UCRF grant funds. Details of UCRF Grant Activity and Results are provided in **Attachment A**:

MEC objected to fuel transport costs in U-20203, DTE Electric 2018 PSCR-R Case, the Commission disallowed \$137,250 of those costs. The Return on Investment (ROI) was \$137,250 (savings)/\$28,940 (grant for case) 5 to 1.

MEC advocated for residential rate payers in U-20221, DTE 2019 PSCR Case, the Commission reserved for reconciliation NEXUS issues that may lead to disallowances. UCPB grant for the case was \$45,237.90.

MEC advocated for residential rate payers in U-20471, DTE Section 6t IRP Case, the Commission directed DTE to change its current plan and gave direction for the next IRP based on MEC's advocacy. UCPB grant for the case was \$97,933.64.

MEC's efforts in U-20561, DTE Electric Rate Case, the Commission reduced the rate increase and required DTE to implement several provisions MEC advocated. The (ROI) was \$1,905,885 (savings)/ \$110,148 (grant for case) = 17 to 1.

MEC Prevailed on a number of issues in U-20697, CECo Electric 2020 Rate Case, the Commission reduced the residential rate increase from 14% to 8.3% and disallowed several expenses. The (ROI) was \$7,822,172 (savings)/95,950 (grant for case) = 82 to 1.

CARE Intervened in U-20350, UPPCO Section 6t IRP Case, UPPCO agreed to further study its new gas plant and increase its energy waste reduction program. UPPCO also agreed to proceed with a Purchase Power Agreement (PPA) on a solar facility and to allow its hydroelectric facility to operate directly in the wholesale power market which will allow for avoided capacity purchases in the future. UCPB grant for the case \$53,244, balance of \$7,92.

CARE advocated for residential rate payers in U-20591, I&M Section 6t IRP Case, after review of the IRP all parties agreed to allow I&M to withdraw their plan to allow stakeholder workshops to analyze third party agreements and cost approvals. UCPB grant for the case was \$45,000 balance of \$27,133.

CARE advocated for residential rate payers in U-20359, I&M 2020 Rate Case. CARE was successful in getting a \$22.1 million revenue decrease from \$58.5 million sought. I&M also agreed to drop all charges that were non volumetric and the Return on Equity was lowered from 10.5% to 9.9%. CARE estimates its efforts resulted in a \$2 million savings per year to residential rate payers. The (ROI) was \$2,000,000 (saving)/\$30,000 (grant for case) = 67 to 1.

CARE prevailed in U-20150, UPPCO RDM Case and will continue to monitor the case to assure compliance. UPPCO settled the case and agreed to refund residential customers \$1.625 million as well as contribute \$75,000 to local community action agencies to help with weatherization efforts. The (ROI) was \$1.625 (returned to customers)/\$75,000 – (balance) \$17,056 = 28 to 1

CARE participated in U-20533 and U-20535 UMERC and UPPCO PSCR Case respectively, after reviewing the filings the cases were settled as filed. UCPB grant for case \$15,000 each balance of \$12,015 and \$14,227 respectively.

CARE actively participated in MISO/FERC Advisory Committee and the Consumer Advocate Sector. A major activity was the classification of utility scale battery storage. Coordinated planning was another issue CARE participated in advocating for better ways to evaluate proposed projects. UCPB grant for case \$35,000.

CUB advocated for low income residential customers in U-20650, CECo Gas Rate Case, the settlement reduced the requested rate increase from 18.5% to 9.9%. CECo also agreed to contribute \$2 million to the Heat and Warmth fund and other non-profits that provide assistance to low income customers. The ROI is calculated at 10% of the \$2 million; \$200,00 (assistance to low income rate payers)/\$38,815 (grant for case) = 5 to 1.

CUB advocated for residential ratepayers in U-20642, DTE 2020 Gas Rate Case, the settlement agreement reduced the requested residential rates from 8.3% to 3.9%. CUB also argued against shifting cost-of-service expenses from industrial to residential, by demonstrating that Michigan is in alignment with other neighboring states, saving future costs to residential rate payers. One year of savings to residential rate payers is \$27 million (savings from the cost shift)/\$39,060 (grant for case) an ROI of 692 to 1.

CUB intervened in U-20810, UPPCO 2020 PSCR Plan Case and through discovery found no issues warranting further litigation. The Attorney General did not participate in this case leaving CUB to be the only residential advocate reviewing the case. UCPB grant for case \$8,878 balance of \$5,141.

CUB participated in U-20808 UMERC 2020 PSCR Plan Case through discovery found no issues warranting further litigation. The Attorney General did not participate in this case leaving CUB to be the only residential advocate reviewing the case. UCPB grant for case \$8,800 balance of \$539.

RCG advocated in U-20209, CECo 2019 GCR-R Case, the Commission ordered a downward rate adjustment of \$6,766,978 in line with the reasoning RCG used in the case. RCG was one of three intervenors advocating for the downward rate adjustment which equals \$2,555,659 (savings)/\$13,635 (grant for case) an (ROI) of 187 to 1.

RCG preserved issues in U-20219, CECo 2019 PSCR Plan Case for the reconciliation case. The issues needing further analysis were the demand charges which may be duplicative and to analyze the expenses of using a gas manager. UCPB grant for case \$\$16,665.

RCG participated in U-20561, DTE Electric Rate Case, the Commission rejected as moot CECo's request for "contingency allowances" to cover cost overruns at its Blue Water Energy Center since CECo withdrew the request \$17.7 million in its brief. RCG and Staff opposed those costs. UCPB grant for case \$33,330 balance of \$6,703.87.

GLREA expanded their participation in U-20359, I&M Electric Rate Case, the Commission approved the settlement agreement reached by all parties. GLREA advocated opposition of I&M's extension of the Rockport lease, which I&M decided not to extend. GLRE also advocated for a moratorium on a new rate case until 2022 with no rate increase until 2023. In the settlement agreement I&M agreed to lower its requested rate increase from \$58.5 million to \$36.4 million as well as agreed to a favorable Distributed Generation (DG) tariff for residential customers. UCPB grant for case (2019) \$9,090 (2020) \$24,240.

GLREA advocated in U-20471, DTE Section 6t IRP Case, the Commission approved DTE's revised IRP noting deficiencies on the part of DTE in its modeling. GLREA argued that the planning lacked (DG) capacity. The Commission rejected parts of DTE's competitive bidding process and ordered separate Renewable Energy Plan (REP) and Public Utilities Regulatory Policies ACT (PURPA) cases. GLEA's opposition to the River Rouge conversion resulted in \$1 million (short term savings)/\$36,996 (grant for case) an ROI of 27 to 1.

GLREA partnered with others in U-20697, CECo Electric Rate Case to advocate for a fair outflow credit for (DG) customers. The commission did not adopt the argument by the Joint Parties, but it did agree that a Value of Solar study and work groups should be commenced in the first quarter of 2021. UCPB grant for case \$33,330.

Soulardarity advocated in U-20471, DTE Section 6t IRP Case for the beneficial impacts of distributed generation on low-income communities. DTE agreed in its settlement agreement to implement three community solar projects in low-income communities, which could save low-income subscribers \$25-\$30 per month in costs. UCPB grant was \$7,500 balance of \$5,285.09.

Soulardarity advocated in U-20561, DTE Electric Rate Case, the Commission denied DTE's proposed low-income renewables program and required DTE to construct a renewables program that better met the needs of low-income rate payers. Soulardarity along with other intervenors advocated for a lower rate base which saved rate payers around \$37 million dollars. Soulardarity along with others also achieved a lower ROE from 10.5% to 9.9%. UCPB grant was \$7,500 balance of \$6,366.78.

4. FINANCIAL REPORTING AND GRANT ADMINISTRATION

4.1 Calendar Year 2020 Remittances

The following information is compiled and provided by the Michigan Department of Licensing and Regulatory Affairs (LARA) for purposes of the Annual Report.

Public Act 341 of 2016, Sec. 6m(2) requires energy utility that has applied to the commission for the initiation of an energy cost recover proceeding shall remit to the fund before or upon filing its initial application for that proceeding, and on or before the first anniversary of that application, an amount of money determined by the board in the following manner:

- Energy utility company serving at least 100,000 customers in this state, its proportional share of \$900,000 adjusted annually by a factor as provided in subsection (4)
- Energy utility company serving at least 100,000 residential customers in this state, its proportional share of \$650,000 adjusted annually by a factor as provided in subsection (4).
- Energy utility company serving fewer than 100,000 customers in this state, its proportional share of \$100,000 adjusted annually by a factor as provided in subsection (4)

- Energy utility company serving fewer than 100,000 residential customers in this state, its proportional share of \$100,000 adjust annually by a factor as provided in subsection (4).

The consumer price index for the Detroit standard metropolitan statistical area...between January 1981 and January of the year in which the payment is required to be made." Since enactment of Act 304, total remittances have been as follows:

1982	\$630,600	2002	\$946,150
1983	\$653,400	2003	\$981,150
1984	\$582,250	2004	\$988,350
1985	\$569,600	2005	\$1,013,299
1986	\$592,650	2006	\$1,052,150
1987	\$596,050	2007	\$1,069,450
1988	\$615,250	2008	\$1,096,950
1989	\$650,450	2009	\$1,088,750
1990	\$683,450	2010	\$1,103,851
1991	\$715,300	2011	\$1,125,700
1992	\$728,650	2012	\$1,176,700
1993	\$745,838	2013	\$1,198,650
1994	\$760,266	2014	\$1,204,750
1995	\$791,900	2015	\$1,173,850
1996	\$813,000	2016	\$1,180,500
1997	\$834,050	2017	\$1,750,000
1998	\$851,728	2018	\$1,788,325
1999	\$864,600	2019	\$1,808,625
2000	\$899,000	2020	\$1,862,175
2001	\$930,650		

In 2020, the factor is set at a level not to exceed the percentage increase in the Consumer Price Index for urban wage earners and clerical workers, select areas, all items indexed, for the Detroit standard metropolitan statistical area, compiled by the Bureau of Labor Statistics of the United States Department of Labor. The factor for subsequent years will be established by calculating the percentage increase in the Detroit CPI-W for January each year over the CPI-W for January the following year.

<u>Source of Calendar Year 2020 Remittance Revenue</u>		<u>Distribution of Calendar year 2020 Revenue</u>	
<u>Utility</u>	<u>Amount Contributed</u>	<u>Recipient</u>	<u>Amount Allocated</u>
Consumers Energy	\$762,243	Attorney General	\$1,000,000
DTE Electric	605,278	Intervenor Grants	712,500
DTE Gas	185,099	Administration (5%)	<u>37,500</u>
Michigan Gas Utilities	18,763		\$1,750,000
SEMCO	37,623		
Northern States Power (dba XCEL)	19,554		
Alpena Power	22,975		
American Electric Power (I&M)	38,150		
Upper Peninsula Power	90,875		
Upper Michigan Energy Resources	79,416		
TOTAL	\$1,862,175		

Letters were sent to each utility on 06/10/2020 and all remittances were made by 09/30/2020.

In addition to the calendar year 2020 utility fees, interest was earned for the Fiscal Year ending 9/30/2020. This was allocated to the Attorney General.

4.2 Fiscal Year 2020 Appropriation and Accrued Funds

Total funding available for awarding intervenor grants was \$712,500 for FY20 as shown below and \$750,000 FY20 authorization subject to budget approval.

Intervenor Grant Funding for fiscal year 2020:

Appropriation (Public Act 207 of 2019)	\$750,000
Less 5% for Administration	(37,500)
Appropriation Available for Intervenor Grants	\$ 712,500
New Revenue	\$712,500
Fiscal Year 2019 Unreserved Fund Balance	16,971
Fiscal Year Interest Earned from Common Cash Fund	<u>0</u>
Total Available if sufficient spending authorization	\$729,4711

4.3 Scope of Work

Money from the UCRF, less administrative costs, may be used only for participation in administrative and judicial proceedings under sections 6a,6h, 6j, 6s and 6t [of P.A. 341] and in federal administrative and judicial proceedings which directly affect the energy costs paid by Michigan energy customers. 6m(11) "For purposes of making grants, the board may consider energy conservation, energy waste reduction, demand response, and rate design options to encourage energy conservation, energy waste reduction, as well as the maintenance of adequate energy resources." The Attorney General has issued formal and informal opinions to guide the Board regarding cost matters that may be covered by Act 341 grants. The Act describes several kinds of proceedings. Cases required by statute are:

Gas supply and cost recovery	Power supply and cost recovery
Gas supply and cost reconciliation	Power supply cost reconciliation
Rate Case	Certificate of Necessity
Integrated Resource Plan	

Decisions in any of these proceedings may be appealed to the Court of Appeals. Grant proposals compliant with the provisions of the Act were solicited for intervention in on-going and new GCR Plan cases, GCR Reconciliation proceedings, PSCR Plan cases, PSCR Reconciliation proceedings, Rate, Certificate of Necessity and Integrated Resource Plan and other cases eligible under Act 341.

4.4 Application and Selection Process

Act 341 of 2016 limits eligibility for funding to non-profit organizations or local units of government in Michigan, places specific additional restrictions on applicants, and suggests criteria that could be used in the selection process.

Applications for grants were received from the Residential Customer Group (RCG), the Michigan Environmental Council (MEC), Citizens Against Rate Excess (CARE) and Great Lakes Renewable Energy Association (GLREA), Soulardarity. The board followed a phased-in approach to awarding grants. Funding decisions were made as close to the filing of cases as possible in order to review the grant application work plans in more detail and render better decisions on potential benefits to consumers.

Questions regarding this report should be addressed to:

Utility Consumer Participation Board
Attention: Shawn Worden
Finance and Administrative Services
Licensing and Regulatory Affairs
611 W. Ottawa
Lansing, MI 48933

(517) 241-2973
WordenS1@michigan.gov

ATTACHMENT A: UCRF Grant Activity and Results

The following are results in cases in which an ORDER(S) has been issued in the period January 1, 2019-December 31, 2019. Some of the cases in which UCRF grantees participate in 2019 will not conclude until subsequent years. Results for those cases will be reported in future annual reports. Results are reported by grantees and audited by UCPB board staff based on an independent review of the record and edited for purposes of this annual report. Complete dockets related to the majority of cases are available through the Michigan Public Service Commission's Electronic Docket Filing System (eDocket) at www.michigan.gov/mpsc. Results for individual cases may be verified by reviewing the case docket. MPSC case numbers have been included for purposes of research and validation.

Grantee: Michigan Environments Council, 2020

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20203	DTE Electric PSCR Reconciliation – 2018	19-04 and 20-04	\$25,255.05 (19-04) +\$8,080.00 (20-04) \$33,335.05	\$4,395.27	

The Commission submitted its final order for this case on December 9, 2020.

In this case, MEC objected to recovery of \$1.4 million that DTE incurred the first two months the new NEXUS pipeline was in service (November and December 2018). In those two months, DTE paid for capacity that was not used by DTE for generation, and the cost to transport gas to MichCon far exceeded the benefit of reaching the Marcellus/Utica supply basin. While the ALJ summarily rejected MEC's arguments, the Commission agreed with MEC that DTE had not supported some of the costs and disallowed \$137,250 in fuel transport costs. This result produced a Return on Investment or ROI of about 5 to 1. It also sets the table for savings in future years based on the same rationale.

ROI for this case is \$137,250 in savings / \$28,940 funds awarded = **5 to 1**.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20221	DTE PSCR Plan - 2019	19-04 and 20-04	\$40,400.00 (19-04) +\$4,837.90 (20-04) \$45,237.90	\$0.00 and \$0.00	

The Commission submitted its final order for this case on May 8, 2020.

MEC focused efforts in this case on opposing approval of cost recovery for the affiliate NEXUS pipeline gas transport contract. The total amount DTE pays its affiliate for transport on NEXUS is \$8 million per year in the near term. Once the new gas plant in St. Clair County is on-line the cost will increase to more than \$19 million per year. Over the 20-year life of the contract, the total amount DTE will pay for transport on NEXUS will exceed \$300 million.

In the Commission's final Order, it reserved for reconciliation the following NEXUS issues that may lead to additional disallowances: (a) whether TEAL costs may be recovered; (b) what amount of NEXUS costs meet the affiliate price cap; and (c) whether DTE may recover costs for capacity not delivered to DTE plants for generation.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20471	DTE Electric Section 6t IRP	19-04	\$97,933.64	\$0.00	Partner groups also contributed expert and legal funds

The Commission submitted its initial order for this case on February 20, 2020 and its final order on April 15, 2020. The final order is consistent with the initial order.

The Commission issued its initial order on February 20, 2020. The Commission adopted many (though not all) of the ALJ’s findings and the ALJ made favorable findings on most of our issues. However, the ALJ recommended that the Commission disapprove DTE’s plan and directed the company to return in 24 to 30 months with a new IRP whereas the Commission recommended changes to DTE’s plan rather than denying it outright.

The Commission’s determinations on pertinent issues in this case are as follows:

- 1) *“Flexible” Proposed Course of Action (PCA)*. DTE identified a near-term PCA covering the years 2020-2024 and a “flexible PCA” covering the years 2025-2035. In briefing, DTE requested approval of both the near-term and flexible PCAs. The Commission agreed with arguments of Staff and MEC, finding “that it is necessary for the applicant to identify the potential pathway that it proposes is the most reasonable and prudent.” The Commission noted that it “does not object to being given multiple pathways to consider. But without any selection of a single pathway by the utility, the Commission is deprived of the utility’s opinion on which scenario is most likely to play out.” The Commission directed DTE to select a single preferred pathway as part of its next IRP.
- 2) *Competitive Procurement*. MEC submitted testimony by Douglas Jester stating that DTE failed to comply with the IRP statute’s requirement to issue a request for proposals (RFP) for new generation before filing its IRP. DTE argued that it was not obligated to issue an RFP because it did not have a capacity need within its IRP planning period. We countered that DTE does have a capacity need for resources to meet its Renewable Portfolio Standard (RPS) and Voluntary Green Pricing (VGP) requirements, as well as to replace some of the Tier 2 coal capacity retiring in the early 2020s that will not be fully offset by the new gas plant. The Commission agreed and declined to approve any supply-side resources in this case.
- 3) *Belle River Retirement Scenarios*. At the request of MEC and its partner groups, DTE also modeled a potential retirement date of 2025-26. DTE concluded that operating Belle River until 2029-30 had a lower Net Present Value of Revenue Requirements (NPVRR) than retiring the plant in 2025-26, meaning that it was more economic to continue operating the plant as DTE planned. We challenged these results as using unreasonable assumptions concerning capital spending, EWR, and wind and solar costs. The Commission agreed with us: “The Commission agrees with the intervenors and the ALJ that the retirement analysis for Belle River provided with the company’s filing is inadequate and fails to demonstrate that the 2029/2030 retirement scenario is reasonable and prudent. As such, the Commission directs DTE Electric to provide additional retirement information pursuant to Section 6t(5)(k) and (m) as part of its next IRP filing.” The Commission specifically directed DTE to evaluate potential retirement dates of 2024/2025.

- 4) *River Rouge Unit 3 Conversion.* DTE announced for the first time a new plan to retire the burning of coal at River Rouge, but to continue operating the plant on steel mill waste gas for two more years (instead of retiring in May of 2020). MEC and its partner groups opposed DTE's plan to continue operating River Rouge, arguing that it would not be economic. The Commission found that "the record in this matter is not robust enough to allow the Commission to appropriately analyze the conversion proposal." The Commission anticipated that "the pending rate case [U-20561] or a future one, where cost recovery is actually an issue, will provide a better record for determining whether the conversion and its associated costs are reasonable and prudent."
- 5) *Wind Resources.* DTE modeled wind resources in its IRP based on generic assumptions from the National Renewable Energy Laboratory's (NREL's) forecast. We did not contest the NREL forecast per se, but we contested several ways in which DTE applied the forecast to generate its modeling assumptions. The ALJ recommended that "...the costs of near-term wind resources should be based on an RFP, assuming that the company intends to add wind resources in the first three years of the plan. In the company's next IRP, the Commission should reevaluate the information sources used for wind generation modeling inputs. Although the...inputs DTE used are not unreasonable, MEC/NRDC/SC's [Levelized Cost of Energy] LCOE analysis demonstrates that DTE's assumed wind costs may be inflated, thus affecting the optimization results." The Commission adopted these recommendations.
- 6) *Solar Resources.* Parties including ELPC and MEC also disputed some of DTE's assumptions for solar resources. Specifically, MEC and its partners contested DTE's assumption that the Effective Load Carrying Capacity (ELCC) for solar – a measure of how well it will meet peak demand – will decline in future years as more solar is added to the grid. The Commission found that these solar assumptions should be in the next round of updates to the IRP planning parameters, which will begin in 2022.
- 7) *Energy Efficiency (aka Energy Waste Reduction).* In this case, DTE proposed to ramp up the energy savings in its Energy Waste Reduction (EWR) plan to 1.65% in 2020 and to 1.75% effective in 2021. MEC and its partners advocated that DTE should instead ramp energy savings up to 2%. The ALJ did not conclude that 2% energy savings is more reasonable than DTE's proposed 1.75% savings, but instead recommended that DTE should file its next IRP within 24-30 months and correct these issues at that time. Staff filed exceptions to the ALJ's recommendation, arguing that the Commission should recommend changes to DTE's IRP – and that 2% energy savings should be one of those changes. We replied that if the Commission recommended changes, we strongly supported 2% energy savings as one of those changes – for all the reasons outlined above. The Commission adopted Staff's recommendation, based on our analysis.
- 8) *Transmission and Power Imports.* The IRP statute requires DTE to submit a transmission analysis as part of its IRP, per MCL 460.6t(5)(h). The Commission found that "DTE Electric failed to support its decision to ignore resources available from outside of Zone 7." The Commission further found that "failure to consider all resource options, including those that exist outside Zone 7, violates the dictates of Section 6t(5)(h), (j), and (k)." However, the Commission then found that DTE's failure to consider these options cannot be remedied in this case. Instead, the Commission required DTE to examine potential ways to increase the CIL in its next IRP. The Commission also directed that "the next transmission analysis shall provide the Commission with an examination of the full suite of options, including renewable energy imports, transmission limits and transmission growth opportunities, and ways to optimize the utility's portfolio to reduce risk and improve cost-effectiveness."
- 9) *Rate Impact Analysis.* Finally, we contested the rate impact analysis submitted by DTE for its IRP and contended that it did not comply with Section 6t(5)(l) of the IRP statute or the Commission's order in Case No. U-18419. The Commission found that DTE's rate impact analysis was insufficient and

recommended that DTE revise the IRP to provide a rate impact analysis that reflects the decisions in its order.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20561	DTE General Rate Case	19-04 and 20-04	\$15,150.00 (19-04) +\$94,998 (20-04) ¹ \$110,148.00	\$0.00 and \$0.00 ²	Partner groups also contributed expert and legal funds

The Commission submitted its final order for this case on May 8, 2020.

Highlights of the Final Order on our issues are:

- DTE proposed a rate increase of \$351 million annually. The Commission approved a rate increase of \$188 million, 47% of the requested amount. A significant portion of the rate reduction results from DTE's failure to support capital spending on fossil units.
- The Commission disallowed \$11.4 million in historic and test-year capital investments for River Rouge Unit 3.
- The Commission also disallowed costs in this proceeding for the continued operation of River Rouge Unit 3 on natural and industrial waste gas, though reserving the opportunity for DTE to make a better case for cost recovery in a future case.
- The Commission chided DTE for failing to engage the community impacted by the closure of River Rouge Unit 3, and ordered the Company to provide a detailed community transition plan as part of its next rate case.
- The Commission required DTE to provide an updated retirement analysis for the Belle River units, with alternative retirement dates, in its next rate case.
- The Commission retained the current Production Cost Allocator of 4CP 75-25, contrary to our position, but also required DTE to provide the information necessary to support alternative cost allocations in the next rate case.
- The Commission ordered DTE to work with stakeholders and Staff to address and improve affordability issues for DTE customers. While this is an important step forward, we had advocated for the Commission also to adopt interim changes the current program, which the Commission declined to do.
- The Commission approved much of DTE's requested distribution spending request as necessary to support reliability, but not all of it. The Commission raised concerns about historic underspending, and reduced some requested increase by 20%, consistent with historic spending.
- The Commission ordered DTE to include, in its next Distribution Planning Docket filing (due June 2021) a performance-based ratemaking (PBR) mechanism that is tailored to the utility, included best practices, and includes auditing and reporting mechanisms.

- The Commission concluded that DTE should explore non-wires alternatives (NWAs) in its distribution planning process.
- The Commission agreed with Staff's proposed loss factor, contrary to our position, but also ordered DTE to undertake a new loss study before its next rate case, to include marginal losses or an explanation why it did not do so.
- On Contribution in Aid of Construction (CIAC), the Commission agreed the current policy is cause for concern, but rather than adopting our proposed recommendations for an alternative policy, the Commission ordered DTE to demonstrate in its next rate case that its current CIAC policy is cost-based and provide evidence that new customers offset the other customers' costs.
- The Commission rejected DTE's proposed residential pilot programs (low-income renewables program and its fixed bill pilot) and ordered DTE to engage with stakeholders related to the transition to the summer on-peak (time of use) rate.

Overall, the ALJ recommended a rate increase of about \$100 million – or \$251 million less than DTE requested. The Commission adopted a rate increase of \$188,285,000, or about \$163 million less than DTE requested. The Commission also imposed numerous requirements on DTE in its next rate case and other proceedings. These requirements create a road map for DTE's next rate case, as outlined in our grant request for that case.

ROI for this case is $(\$11,734,402 \text{ River Rouge total savings} + \$208,796 \text{ Fixed Bill pilot savings} = \$11,943,198) / \$110,148 \text{ spent} = \mathbf{108 \text{ to } 1}$.

-
1. There was an additional \$11,052.00 of FY-2020 funds not included in this report because it was used for the appeal.
 2. There was an additional \$1,411.47 of FY-2020 funds not included in this report because it was for the appeal.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20697	Consumers Electric Rate Case 2020	20-04	\$95,950.00	\$0.00	Partner groups also contributed expert and legal funds

The Commission submitted its final order for this case on December 17, 2020.

Consumers sought a total annual rate increase of \$244 million for a 2021 projected test year. On a percentage basis, Consumers requested an overall increase in revenue of 5.9%. For the residential class, however, the total annual rate increase requested was higher than the total rate increase, at \$280 million or 14%. This incongruous scenario resulted from Consumers proposing to decrease primary rates by \$68.7 million or 5.2%.

In the final order, the Commission authorized a total annual rate increase of \$90,209 million for 2021, which is a 2.2% total increase. For the residential class, however, the total rate increase will be \$166 million or 8.3%. The primary class will enjoy a \$74 million (7.2%) rate decrease in 2021.

The Commission made specific disallowances based in whole or in part from MEC's work in this case in the following subject areas:

- Distribution capital expenditures (\$9.1 million);
- Storm restoration expense (\$11.1 million);
- Fossil generation capital expenditures (\$13.6 million); and
- Fossil generation O&M expense (\$672,000).

The Board's investment of \$95,950 in MEC's advocacy in this case helped to produce total savings of \$7,822,172, for an ROI of 82 to 1. Despite the Commission's many disappointing reversals of the ALJ, this is still one of the stronger ROIs we have achieved. It also does not account for several positive policy outcomes, and a couple of outcomes that may produce savings later.

ROI for this case is \$7,822,172 in savings / \$95,950 awarded = **82 to 1**.

Total 2020 ROI for all cases in this report: \$9,865,277 savings / \$378,209 fund used = **26 to 1**.

Grantee: Citizens Against Rate Excess, 2020

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20350	UPPCO IRP	18-01 & 19-01	\$53,244	\$7092	\$0

UPPCO filed this case on Feb 13, 2019. CARE intervened on Feb 26, 2019. Briefs were filed 8/14/19 & 8/29/19. Under the agreement, UPPCO will: Remove from its IRP, pending further study and analysis, plans for a natural gas reciprocating internal combustion engine the company had proposed to build to replace a combustion turbine that failed catastrophically in 2018; Increase its energy waste reduction target to 1.65 percent for 2020 and 1.75 percent for 2021, up from the 1.5 percent proposed by UPPCO. Energy waste reduction helps lower costs through reductions in energy use; it's estimated that every \$1 spent on energy waste reduction saves around \$4 in avoided energy costs; Proceed with a long-term, 125-megawatt power purchase agreement on a proposed solar facility, with a financial compensation mechanism below the maximum allowed by law; Move ahead on its proposal to allow its Hoist and McClure hydroelectric generating facilities to operate directly in the wholesale power market, which will increase UPPCO's capacity credits with the Midcontinent Independent System Operator, the regional transmission organization. This move will increase the reported capacity of the two units by a combined 7.6 MW, benefiting customers in the form of avoided capacity cost purchases in the future; File a new IRP by Dec. 6, 2024.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20591	I&M IRP	20-01	\$45,000	\$27,133	\$0

I&M's IRP was filed 8/14/2019. The proposal sought to continue to operate the Cook units through the remainder of their current license periods (through 2034 for Unit 1 and 2037 for Unit 2); Make short-term market capacity purchases beginning in 2023 to address the capacity shortfall when the Rockport Unit 2 lease is assumed to expire; Develop new supply-side renewable resources beginning in 2022, including the addition of over 3,600 MW of wind and large scale solar by 2038; Develop 50 MW of batteries and 54 MW of micro- or mini-grid resources by 2028; Add 2,700 MW of NGCC generation, including 770 MW in 2028 when Rockport Unit 1 retires, 770 MW in 2034 when Cook Unit 1 reaches the end of its license period, and 1,155 MW in 2037 when Cook Unit 2 reaches the end of its license period; Develop demand-side resources, including 180 MW of EWR and DR; incorporate distributed generation resources from residential and commercial customers, primarily in the form of residential and commercial rooftop solar. According to I&M, their plan provided maximum flexibility by not committing to a large gas-fired unit until 2028. Because I&M did not ask for cost approvals in its plan and major unsettled matters pertaining to 3rd party agreements, etc, the parties agreed to allow I&M to withdraw their plan and refile in the future after holding stakeholder workshops.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20359	I&M Rate Case	20-01	\$30,000	\$3	\$0

On June 24, 2019 I&M filed for a \$58.5 million rate increase which would have resulted in a whopping 25% increase for residential customers. CARE intervened on July 2, 2019 and filed testimony on October 17, 2019 opposing I&M's effort to shift its rate design from traditional volumetric charges to fixed monthly charges that would disproportionately affect low income customers. These new charges ranged from a monthly residential service charge of \$10/mo.; a residential local demand charge; a residential declining block rate, and an EZ bill

proposal. Additionally I&M sought a 10.5% Return on Equity. Hearings were held and briefs were filed. Shortly thereafter settlement discussions began and resulted in a \$22.1 million revenue decrease from the \$58.5 million originally sought. In the Settlement, I&M agreed to drop all of its proposed charges that were non volumetric as mentioned above. The Settlement also reduced the ROE to 9.9%. Despite all of these concessions from I&M, the final impact on residential rates still resulted in an increase of approximately \$12/month on the average customer bill due to the fact that the utility is guaranteed recovery on previously approved capital investments and maintenance. Given CARE's high level of engagement in these settlement discussions we feel it's appropriate to take credit for 10% the savings or approximately \$2 million per year.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20150	UPPCO RDM	18-01, 19-01, 20-01	\$75,000	\$17,056	\$0

This case has a long and tortured litigation history. Essentially the case began when an industrial customer received a refund due to a determination by the Court of Appeals that the charge was unlawful. CARE then filed a complaint case asking that residential ratepayers receive a refund as well on April 6, 2018. UPPCO vigorously opposed the effort and filed a motion to dismiss and appealed the decision of the Commission. Then UPPCO unsuccessfully appealed to the Circuit Court. On February 6, 2020 the Attorney General joined the case on CARE's side. More motions were filed and rejected. Testimony was submitted by the AG and CARE on May 1, 2020. Staff filed testimony on June 1, 2020. Rebuttal testimony was filed July 1, 2020. More motions were filed to no avail. Finally, on October 8, 2020 a Settlement Agreement was entered. The Agreement called for a \$1.625 million refund to residential ratepayers over the 1st 4 months of 2022. Additionally, UPPCO agreed to contribute \$75,000 to local community action agencies to assist with weatherization efforts. The case remains open so that CARE's expert can oversee compliance in 2022.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20533 & U-20535	UMERC & UPPCO PSCR	20-01	\$15,000 \$15,000	\$12,015 \$14,227	\$0

These were the annual power supply plan cases filed by UMERC and UPPCO. Both filings were reviewed by CARE's expert, Douglas Jester and settled as filed.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
MISO/FERC	MISO/FERC	20-02	\$35,000	\$173	\$0

In 2019 CARE received a \$35,000 grant to monitor and participate in selected MISO and FERC proceedings. CARE has been actively representing all of Michigan's residential ratepayers since 2009 as a voting member of the MISO Advisory Committee and the Consumer Advocates Sector. A summary of some of two of CARE's MISO/FERC 2019 activities are highlighted below.

Of the many complex and contested issues that arise each year, the major activity in 2020 continued to be the classification of utility scale battery storage. As mentioned in CARE's 2019 report to the UCPB, CARE teamed up

with aligned stakeholders to try and get MISO to classify utility scale battery facilities as a non-transmission asset. Instead, MISO classified such facilities as storage as a transmission only asset (SATO). The negative impact of such classification was that large scale utility storage facilities would have to participate in the generation queue and that would mean a 2 - 3 year wait before the facility could be constructed or put online. The issue was appealed to FERC, however, FERC upheld MISO's determination. The matter is now in the DC Circuit Court of Appeals. CARE participated heavily at the beginning of the process by recruiting other residential ratepayer organizations throughout the midwest to join the effort. One other important issue that CARE tracked was the Coordinated Planning issue. This was an issue in the Planning Advisory Committee to look at better ways to evaluate proposed projects so that multiple factors could be considered thus allowing more renewable projects to obtain approval. Past practice has resulted in 43 clean energy projects being withdrawn from consideration between 2016 – 2020. Efforts to change these policies are front & center in 2021 as part of the Demand Energy Resource (DER) process. That effort is ongoing.

Grantee: Citizens Utility Board of Michigan, 2020

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/20)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20650	Consumers Gas Rate Case	20-06	\$46,460	\$7,645	\$0

Consumers Energy filed this gas rate case on Dec 16, 2019. Initially, they sought an 18.5% increase in residential rates as part of their requested revenue deficiency of \$245 million. On Aug. 20, 2020 a settlement agreement was reached between Consumers and several parties to this case, including the Citizens Utility Board of Michigan, and the Michigan Public Service Commission approved the settlement on Sept. 10, 2020. Consumers Gas originally requested an 18.5% average increase in residential rates, and ultimately received 9%. In its last rate case, U-20322 (decided in September 2019), the utility requested a 16.7% increase but only received 7.6%. The biggest piece of the \$245 million in requested additional revenue (ultimately reduced to \$144.5 million) was \$124 million from infrastructure investment. Consumers Gas proposed to increase its fixed monthly customer charge from \$11.75 to \$13.75. That increase would have made Consumers Gas's monthly charge the highest of any gas utility in Michigan, based on December 2019 data from the Michigan Public Service Commission. The 10.5% requested return on equity is up from 9.9% approved in the previous rate case. The utility had requested 10.75%, but received 9.9%. Besides the significant reductions to the rate increase and other elements of the rate case as mentioned above, other provisions of the settlement include: The utility will contribute \$2 million to The Heat and Warmth Fund and other nonprofits that provide energy assistance to utility customers, and this amount will be borne by Consumers Energy shareholders, not ratepayers. Consumers Gas will explore a pilot program to provide more assistance to low-income customers, particularly those at or below 150% of the federal poverty level. It is nearly impossible to put an exact amount on the amount of savings attributable to CUB's intervention. Nevertheless, we believe it's fair to say that our involvement in the low-income assistance issue resulted in 10% of the \$2 million contribution by Consumers' shareholders, or \$200,000. Therefore, we estimate, a cost/benefit ratio of 5:1 (\$200,000/\$38,815).

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/20)	Other Financial Support (matching funds, pro-bono support, etc.)
------------	------------	----------------	--------------------------------------	--------------------	--

U-20642	DTE Gas Rate Case	20-06	\$48,480	\$9,420	\$0
---------	-------------------	-------	----------	---------	-----

DTE Gas filed this rate case on November 26, 2019 requesting a \$203.8 million revenue increase, a 10.5% return on equity and an 8.3% increase in residential rates. On August 20, 2020 a settlement was reached allowing a total revenue increase of \$110 million, a 9.9% return on equity and a 3.9% increase in residential rates. CUB submitted testimony that stated DTE uses inconsistent time periods as the basis for its forecasts of gas volume. The result is that DTE tends to pick the timeframe that supports a larger rate increase. We called for a consistent timeframe to be used to support forecasts. CUB also opposed changes to rates that would shift additional burden from larger customers onto residential and small business customers. Those changes, proposed by the industrial intervenors, were not included in the settlement. In its testimony, CUB demonstrated that Michigan is already similar to neighboring states in the Midwest in terms of industrial rates, so there is not a gas rate problem for Michigan’s ability to competitively attract or retain industrial customers. The proposal by ABATE to change the cost-of-service study would have shifted \$27 million per year to residential customers. This was opposed by CUB and Staff. This shift would have had a long lasting effect on residential ratepayers which is difficult to determine. For example, a \$27 million dollar shift onto residential customers PER YEAR! For purposes of this exercise, if CUB takes credit for only one year, the cost/benefit ratio would be 692:1 (\$27 million/\$39,060).

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/20)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20810	UPPCO PSCR Plan	20-06	\$8,878	\$5,141.01	\$0

In this case, UPPCO requested approval by the Commission of their annual power supply cost recovery (PSCR) adjustment factor and provided the Commission an opportunity to comment on UPPCO’s 5-year plan to acquire power supply for their customers. The PSCR factor is a uniform adjustment in the cost per kWh of electricity to all customers, as a surcharge or surcredit on the rates established in the last utility rate case. The original intention of these cases was to provide a mechanism to adjust utility rates for changes in the cost of fuel used in power plants. Since the advent of regional wholesale power markets, this type of case has also been a means to adjust for the net costs of interchange power as a result of utilities buying and selling power in the wholesale market. UPPCO proposed a PSCR factor of a reduction (surcredit) in the price of power equal to \$0.00508 per kWh for 2021. Issues in these cases include whether UPPCO is using the most appropriate forecasts of sales and prices, and whether they are meeting their power supply obligations in the most economical manner. We requested additional details through discovery and reviewed Company testimony and discovery responses and concluded that there were no issues warranting testimony. Commission Staff reached a similar conclusion and we reached a settlement of the case, which was approved by the Commission at its March 4, 2021 meeting. The settlement in this case did not result in any “savings” for the customer. Nevertheless, we think residential customers benefit by having CUB review the filing given that the Attorney General did not intervene in the case and only \$3,737 of UCPB funds was spent to do so.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/20)	Other Financial Support (matching funds, pro-bono support, etc.)
------------	------------	----------------	--------------------------------------	--------------------	--

U-20808	UMERC PSCR Plan	20-06	\$8,800	\$5,390.01	\$0
<p>In this case, UMERC requested approval by the Commission of their annual power supply cost recovery (PSCR) adjustment factor and provided the Commission an opportunity to comment on UMERC's 5-year plan to acquire power supply for their customers. The PSCR factor is a uniform adjustment in the cost per kWh of electricity to all customers, as a surcharge or surcredit on the rates established in the last utility rate case. UMERC was created by combining former Michigan service territories of WEC and WPSC, and currently has two underlying rate cases and therefore two PSCR factors. The original intention of these cases was to provide a mechanism to adjust utility rates for changes in the cost of fuel used in power plants. Since the advent of regional wholesale power markets, this type of case has also been a means to adjust for the net costs of interchange power as a result of utilities buying and selling power in the wholesale market. UMERC proposed a PSCR factor of a reduction (surcredit) in the price of power equal to \$0.007709 per kWh in the WEC zone and \$.00329 per kWh in the WPS Zone for 2021. Issues in these cases include whether UMERC is using the most appropriate forecasts of sales and prices, and whether they are meeting their power supply obligations in the most economical manner. We requested additional details through discovery and reviewed Company testimony and discovery responses and concluded that there were no issues warranting testimony. Commission Staff reached a similar conclusion, and we reached a settlement of the case, which has been presented to the Commission for its consideration. The settlement did not result in any "savings" for the customer. Nevertheless, we think residential customers benefit by having CUB review the filing given that the Attorney General did not intervene in the case and only \$3,410 of UCPB funds was spent to do so.</p>					

Grantee: Great Lake Renewable Energy Association, 2020

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/20)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20359 MPSC Order issued 01/29/2020	Indiana Michigan Power Co electric rate increase	19-03	\$9,090.00	-0-	\$288 Legal pro bono \$525 Expert pro bono
		20-03	\$24,240.00	-0-	\$396 Legal pro bono \$1,463 Expert pro bono

This case involved the application by Indiana Michigan Power Company (IM Power) to increase its electric rates by \$58.5 million. IM Power filed its rate application on June 24, 2019. The first prehearing conference was held on July 23, 2019. The intervention of the Great Lakes Renewable Energy Association (GLREA) was granted on August 5, 2019, but limited temporarily to issues regarding renewable energy. However, GLREA ended up filing testimony and briefs on all major issues in the case, and participated in extensive settlement discussions relative to all major issues. Following discovery, evidentiary hearings were held on November 20, 21, 25 and 26, 2019. The parties, including GLREA, filed Initial Briefs on December 20, 2019. The case parties entered into a Settlement Agreement on January 8, 2020, which resolved several issues in accordance with positions advocated by GLREA in evidence, briefing, and settlement discussions.

On January 23, 2020, the Commission issued its Order approving the Settlement Agreement. The Order approved the Settlement Agreement by authorizing an electric rate increase of \$36.4 million, with an authorized common equity return of 9.86%, utilizing a capital structure ratio (equity to debt) of 46.56%. The Order also approved the

Settlement Agreement terms which included IM Power's agreement not to file a new electric rate increase before January 1, 2022, with any such rate increase being effective no sooner than January 1, 2023. The Settlement Agreement as approved by the Commission barred any increases in existing customer service charges, eliminated IM Power's proposal for a residential local demand charge and residential declining block rates, and any demand charge pilot or EZ Bill proposals. The approved Settlement Agreement also required IM Power to present a benefit/cost study in its next rate case concerning the deployment, if any, of advanced metering infrastructure (AMI), and bars IM Power from deferring for future recovery the implementation expenses incurred on any AMI investment between the implementation of this rate case and the next rate case. The approved settlement agreement also included provisions regarding the handling of the utility's capacity charges, the plugged in vehicle pilot program, and major storm damage costs. The approved Settlement Agreement also required the utility to notify the Commission, Staff, and the intervenors (including GLREA) if the utility decides to extend its lease of its large Rockport Unit 2 coal plant beyond the current 2022 termination date, and to agree to a contested case in the event the utility seeks to extend the lease. Importantly, the approved settlement also established a Distributed Generation (DG) tariff to compensate DG customers for net outflow contributed to the grid from customer-owned DG facilities based on IM Power's power supply costs, including transmission (which provided compensation equal to or above 11 cents per Kwh, significantly higher than the 7.4 cents per Kwh determined in DTE's most recent electric rate case, but at a rate below the retail rate or value of solar).

GLREA contributed substantially to the significant outcomes obtained in the Settlement Agreement as approved by the Commission. For example, GLREA advocated opposition to IM Power's extension of the lease for the Rockport Unit coal plant, beyond its 2022 termination date, which lease, if extended, would have resulted in scores of millions of dollars in higher rate impacts to obtain capacity and energy from the Rockport 2 coal plant compared to alternatives, including significantly higher rate impacts attributable to the cost to meet ongoing environmental requirements and standards. (Ultimately, IM Power notified the case parties in early 2021 that IM Power has decided not to seek an extension of the Rockport 2 coal unit lease.) GLREA also focused extensively on the request for a rate case moratorium, which resulted in the utility agreement not to file another rate increase case until no earlier than January 1, 2022, with rates being effective no sooner than January 1, 2023. GLREA also supported the lower common equity return as adopted in the approved settlement agreement. GLREA also opposed IM Power's proposals for a residential customer demand charge, or any increases in fixed service charges, a feature that was also adopted in the approved Settlement Agreement.

GLREA also advocated in favor of the DG tariff that was approved by the Commission's Order and Settlement Agreement for customers who invest their own funds to install DG resources, resulting in lower cost capacity and energy compared to that obtainable from IM Power's coal plants or other alternatives.

A more reasonable DG compensation rate is beneficial to the residential class because: (a) it empowers all residential customers with the option to consider installing solar facilities to lower their bills; (b) customer solar facilities add diversity and resiliency to the electric grid, and can save distribution costs over time; (c) the DG Tariff Rider moves toward cost-of-service principles (although the agreed-upon outflow credit, which compensates DG customers in addition to the savings obtained at the retail rate due to reduced consumption, is still lower than the value of solar), and contributes toward savings of both capacity and non-capacity costs that would otherwise be incurred by the utility, and (d) the DG Tariff serves to reduce the utility and ratepayer costs because customer-owned DG (funded by the customer) constitutes the lowest cost resource for capacity and energy compared to all other alternatives.

GLREA's participation in this case directly resulted in, or contributed to, substantial multi-million dollar savings in residential customer rates, due to GLREA's advocacy (including in several settlement negotiation sessions) of: (a) a reduction in IM Power's rate increase from \$58.5 million to \$36.4 million; (b) the implementation of a rate moratorium applicable to any future rate increase of nearly 3 years, to January 2, 2023; (c) the rejection of new rate proposals such as increases in residential service charges, residential demand charges, and the adoption of a

lower common equity return and more favorable capital structure; (d) IM Power’s deferment of its proposal to extend the high cost Rockport 2 coal unit lease beyond its 2022 termination date (which lease extension was removed from the case for further evaluation in a potential future case). The Rockport Unit 2 lease extension has now been withdrawn by IM Power as of early 2021, and (e) the establishment of a Distributed Energy (DG) Tariff which is considerably more favorable to residential customers than approved for either DTE Electric or Consumers Energy.

GLREA was the primary contributor to the results obtained with respect to the rate increase moratorium (issue (b) above), the Rockport 2 unit coal lease (issue (d) above, and the DG Tariff (issue (e) above), and was a supporting contributor to the results obtained on the other issues, resulting in a \$22.1 million reduction in the approved rates as compared to the company’s case.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/20)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20471 MPSC Orders issued 02/20/2020 and 04/15/2020	DTE Electric application for approval of an Integrated Resource Plan	19-03	\$36,966.00	-0-	\$3564 Legal pro bono \$16,988 Expert pro bono

This case involved a review of DTE Electric Company’s (DTE) Integrated Resource Plan (IRP), filed pursuant to the various subsections of Section 6t, MCL 460.6t, which requires Commission review of utility plans for meeting capacity and energy needs for prospective 5, 10, and 15 year periods.

DTE filed its IRP Application with supporting testimony and exhibits on March 29, 2019. GLREA filed its Petition to Intervene on April 9, 2019, which was granted at the April 26, 2019 Prehearing. Following the exchange of extensive discovery, GLREA filed on August 21, 2019, the Direct Testimony and Exhibits of three (3) expert witnesses responding to DTE’s application and pre-filed evidence. The Staff and other Intervenors also filed testimony and exhibits on August 21, 2019. On September 19, 2020, following the exchange of additional discovery (including between GLREA and DTE, the parties filed rebuttal testimony. GLREA filed Rebuttal Testimony of three (3) expert witnesses. On September 30, 2019, GLREA filed certain limited revisions to its Direct and Rebuttal Testimony. Following yet additional discovery, hearings were held in this case on October 2, 3, 4, 7, 8, 9, in which GLREA participated. All of GLREA’s Testimony and Exhibits were accepted into the evidentiary record. On October 29, 2019, GLREA and the other case parties, including GLREA, filed their Initial Briefs. On November 15, 2019, the case parties, including GLREA, filed their Reply Briefs. On December 23, 2019, the Administrative Law Judge (ALJ) issued her Proposal For Decision (PFD). On January 9, 2020 GLREA and other case parties filed Exceptions to the PFD. On January 21, 2020, the case parties including GLREA filed Replies to Exceptions filed by other parties.

On February 20, 2020, the MPSC issued its Order in this case. As provided in the order, based upon procedural requirements under the statute, the various case parties, including GLREA, filed comments in response to the Order on March 6, 2020. On April 15, 2020, the Commission issued its Order approving DTE’s revised IRP (including DTE’s acceptance of revisions to the IRP required by the Commission’s February 20, 2020 Order and the March 6, 2020 comments filed by the case parties, including GLREA).

The Commission’s February 20, 2020 adopted in part some of the positions and recommendations presented by GLREA. The Order noted significant deficiencies in the modeling utilized by DTE in its planning (e.g., DTE essentially

included in its IRP future unapproved additional supply resources, and totally excluded any Distributed Generation (DG) capacity and energy resources in the IRP planning model, an important issue focused upon by GLREA). The order also found that DTE's planning failed to utilize an adequate competitive bidding process (or Request for Proposals or "RFPs") to determine the most cost effective and best resource additions to be added to DTE's system. Due to the lack of an adequate competitive bidding process for such resources, the Commission rejected important parts of DTE's IRP and required the commencement of a separate renewable energy plan (REP) case, and a PURPA case, and other cases to address the need for a robust competitive bidding process to select future additions of capacity and energy resources. The Commission Order also provided procedures under the statute for DTE to accept or to modify its IRP in accordance with the Order, and to provide comments by the case parties concerning the requirements of the order. The Commission's order also rejected various positions presented by DTE, including its assertion that it had no capacity need in the upcoming years covered by the IRP and that DTE's pre-determined unapproved supply resources should be adopted. The order also adopted the position of GLREA and another party to reject DTE's proposal to convert its River Rouge Unit 3 coal plant to utilize uncertain supplies of industrial gases, supplemented by natural gas, due to the lack of any adequate cost analysis to support such a more costly proposal compared to alternatives. GLREA also opposed DTE's IRP proposal to plan the future addition of another large natural gas generating plant on or by 2029, in addition to the Blue Water Energy Center plant which is expected to commence operation in 2022. The Order concurred with GLREA's position on this issue.

With respect to DG resources, the Commission's Order agreed with GLREA's position regarding the need to include DG capacity and energy resources as part of the IRP, stating (p 62):

The Commission finds that a DG analysis is imperative for IRPs. The Commission finds that the pace of changes in technology and customer behavior in this area demands that DTE Electric not screen out DG in its next IRP filing. The company's rationale that DG resources are not dispatchable or schedulable is unconvincing, as the same could be said for other elements of a modern electric grid. Similarly, its arguments over cost seem to ignore the investments customers have made in these systems, and focuses only on utility-owned DG resources. The Commission directs the company to fully analyze the effects of DG on the company's plan in its next IRP filing.

Overall, GLREA's expert testimony and briefing recommended that the Commission reject DTE's IRP for several reasons, a position adopted by the ALJ and by the Commission in its order.

Due to the lack of a proper basis to approve DTE's proposed unapproved company-owned capacity additions, and without the robust competitive bidding process to consider all alternatives, the Commission required the undertaking of an expedited PURPA case and REP case for DTE.

The GLREA in its March 6, 2020 comments filed in response to the Commission Order agreed with the modifications to DTE's IRP required by the Order. DTE ultimately agreed to the modifications leading to the Commission's subsequent April 15, 2020 Order approving the revised IRP.

This case involved an extensive planning proceeding as required by Section 6t, MCL 460.6t, and was not a rate increase case (although the IRP determinations greatly affect costs and rates on a going forward basis). Therefore, a cost benefit calculation as to rate savings obtained in this case is not generally applicable. Nevertheless, GLREA's evidence and briefing opposing the conversion of the River Rouge Unit 3 coal plant, along with that presented by another party, resulted in short term savings of at least \$2 million (which savings may be shared \$1 million by GLREA and \$1 million by the other party).

GLREA's extensive participation in this case significantly contributed to the MPSC Order's findings that: (1) DTE's modeling was deficient by attempting to pre-determine the result DTE wanted (by including in its IRP unapproved future DTE owned resources, thereby foreclosing alternative resources, and DTE's resulting assertion that it had no

capacity need for several years); (2) That DTE failed to conduct an adequate competitive (RFP) process with respect to proposed resource additions, thereby necessitating the commencement of reopened Renewable Energy Plan (REP), PURPA, and other cases; and (3) rejecting DTE’s proposal to undertake the conversion of its River Rouge coal plant, Unit 3, at unsupported costs in contrast to other alternatives; and (4) in finding that it was imperative for the modeling and proposals in future IRPs include DG resources.

GLREA’s participation was also the primary (if not the sole) factor that resulted in the Commission’s Order finding that it was imperative to include DG resources in DTE’s next IRP case modeling and proposals.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/20)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20697 MPSC Order issued 12/17/2020	CECO Electric rate case	20-03	\$33,330		

This case involved the application by Consumers Energy Company (CECO) to increase its electric rates. GLREA in this case participated on a joint basis with certain other parties (the Environmental Law and Policy Center, Vote Solar, and Solar Energy Industries Association), referred to in the case as the “Joint Clean Energy Organizations (JCEO),” and in this summary as “Joint Parties/GLREA”) to share expert witness costs and the hearing and briefing presentations, on common issues involving the determination of the outflow credit to be received by Distributed Generation (DG) customers, and to determine the Value of Solar to support more reasonable compensation to DG customers, and to recognize the cost savings and other benefits derived from DG resources.

CECO filed its rate case filing announcement regarding this rate case on January 24, 2020. The Joint Parties/GLREA filed counsel’s appearance in this case on January 31, 2020. On February 27, 2020, CECO Filed its application, and testimony and exhibits. On March 12, 2020, the Joint Parties/GLREA filed a Petition to Intervene in the case, which was granted at the prehearing conference held on March 23, 2020. Following extensive discovery by the case parties, including the Joint Parties/GLREA, the Staff and Intervenors (including the Joint Parties/GLREA) filed the expert testimony of several witnesses. Following additional exchanges of discovery, rebuttal testimony was filed by the case parties on July 14, 2020. Evidentiary hearings were thereafter held on July 27, 29, 30, 31, and August 3, 4, and 5. On August 27, 2020, the Joint Parties/GLREA, among other case parties, filed their Initial Briefs. On September 16, 2020, the Joint Parties/GLREA, and the other case parties, filed reply briefs. On October 22, 2020, the Administrative Law Judge (ALJ) issued her Proposal for Decision (PFD). The Joint Parties/GLREA, among other case parties, filed Exceptions to the PFD on November 10, 2020. On November 20, 2020, the Joint Parties/GLREA, among other case parties, filed Replies to Exceptions.

On December 17, 2020 the Commission issued its order in this case. The Commission’s order addressed the major issues presented by the Joint Parties/GLREA in its Order, pp 311-330, 338 (paragraph K). While the Commission did not adopt the arguments of the Joint Parties/GLREA in support of a more reasonable outflow credit to compensate DG customers for the capacity and energy supplied by them, the Commission Order adopted the Joint Parties/GLREA position and recommendation that a Value of Solar study and workgroup should be commenced in the first quarter of 2021 to determine the proper Value of Solar and other benefits derived from customer-owned DG resources. This process has been commenced with the participation of the Joint Parties/GLREA, which may lead to more reasonable Value of Solar determinations by the Commission in upcoming cases.

While the important issues raised by the Joint Parties/GLREA do not yet translate into a cost benefit or rate savings determination in this case, the issues presented by the Joint Parties/GLREA involve major policy matters of an ongoing nature, which will serve as the basis for appropriate determinations regarding the Value of Solar resources

and outflow credits in upcoming Commission cases.

Grantee: Residential Customer Group, 2020

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/20)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20209 MPSC Order issued 09/24/2020	CECO GCR reconciliation for the 12 months ending March 31, 2019	20-05	\$13,635	-0-	\$2,988 Legal Pro Bono

This case involved the application of Consumers Energy Company (CECO) to reconcile its gas costs for the 12-month period April 1, 2018 through March 31, 2019 pursuant to the Gas Cost Recovery (GCR) clause adopted pursuant to Section 6h, *et seq* of 1982 PA 304, MCL 460.6h, *et seq*.

CECO filed its application with supporting testimony and exhibits on June 28, 2019, seeking approval of a cumulative under-recovery of \$17,473,154.00 through the end of the GCR year. The Attorney General filed a Notice of Intervention on July 24, 2019. On August 5, 2019, the Residential Customer Group (RCG) filed its Petition to Intervene. The Petition to Intervene was also filed on that date by the Retail Energy Supply Association. On February 27, 2020, and March 1, 2020, discovery requests were served on CECO on behalf of the RCG. On March 6, 2020, the RCG filed its testimony and exhibits of its expert witness. On May 5, 2020, the evidentiary hearings were held with respect to the pre-filed testimony of the parties. On June 5, 2020, Initial Briefs were filed on behalf of the MPSC Staff, CECO, the Attorney General, and the RCG. On or by July 3, 2020, Reply Briefs were filed by the RCG, Attorney General, CECO, and the MPSC Staff. On July 29, 2020, the Administrative Law Judge (ALJ) issued her Proposal for Decision (PFD). On August 19, 2020, the Attorney General, CECO, and the RCG (but not the MPSC Staff) filed Exceptions to the PFD. On or by September 2, 2020, the RCG, Attorney General, CECO, and the MPSC Staff filed Replies to Exceptions.

The RCG in its evidence and briefing challenged certain increased gas costs incurred by CECO during the reconciliation year resulting from a fire which had occurred at CECO's Ray Station Gas Storage Field as being unreasonable and imprudent. The fire occurred due to the negligent design of certain Ray Station Storage facilities and the operation of said facilities during a cold vortex weather situation that occurred on January 30-31, 2019. The RCG advocated in evidence and briefing that additional gas purchases caused directly by the fire and the resulting derate of the storage field's gas supplies was attributable to CECO justifying a downward rate adjustment to disallow additional emergency gas purchases. RCG's evidence and briefing relied in part upon an investigation conducted by the Commission in its separate docket U-20463, and the underlying filings made by the utility and the Staff in that case.

On a separate issue, the RCG in its evidence and briefing also asserted that CECO had not carried its burden of proof to establish that it had undertaken adequate actions to seek reductions from its gas suppliers and vendors due to the adoption of the Tax Cuts and Jobs Act (TCJA), effective January 1, 2018, which reduced the federal corporate income tax expense applicable to CECO's suppliers and vendors by 40%.

The Commission issued its Order in this case on September 24, 2020. The Commission Order determined that a

downward rate adjustment should be recognized for the additional cost for emergency gas purchases made by CECO due to the fire at the Ray Station storage field, as advocated in the evidence and briefing filed by the Staff, the RCG, and the Attorney General. While the Staff and the RCG had recommended a downward rate adjustment of \$7,947,275, the Commission adopted a downward adjustment of \$6,766,978, by accepting CECO's argument that the disallowance should be offset by "savings" of \$1.18 million CECO realized by purchasing additional gas in February 2019, at a price lower than the gas storage field inventory values.

RCG in its Reply Brief and Exceptions presented several reasons as to why CECO's proposed offset adjustment was without merit, as said incremental February 2019 purchases would have been unnecessary absent the fire emergency which derated the availability of the Ray Storage field gas supplies, and because the February 2019 gas purchases had no nexus to the fire at the Ray Storage field (which had caused CECO to undertake additional gas purchases in January 2019 and in March 2019). The Commission in its Order nevertheless approved the offset adjustment asserted by CECO for the February 2019 gas purchases, resulting in a net downward rate adjustment of \$6,766,978 as the result of the Ray Station fire.

The evidentiary and briefing presentation by the RCG materially assisted in obtaining from the Commission a disallowance of \$6,766,978 on the basis of the lack of CECO's reasonableness and prudence in designing and operating the Ray Storage field station, which caused the resulting fire, the derate of the storage field, and the resulting need to purchase emergency replacement gas supplies at high cost. RCG would assert that the Staff, the Attorney General, and the RCG all contributed to this result, such that RCG would claim 1/3 of the downward adjustment (or \$2,555,659) as being achieved for purposes of evaluating the cost/benefit of RCG's participation in this case. The RCG continued to seek a Commission reversal of the \$1.18 million off-set for the February 2019 gas purchases by filing on October 26, 2020 a Motion for Reconsideration of this aspect of the Commission's decision. CECO also filed a Petition for Rehearing of the Commission's decision on October 23, 2020 to reassert its challenge in opposition to the Commission's adoption of the net downward adjustment of \$6,766,978 associated with the January and March 2019 emergency gas purchases caused by the fire and derate of the Ray Station storage field facilities. On November 13, 2020, the RCG, the Attorney General, and the MPSC Staff filed answers in opposition to CECO's Petition for Rehearing. On January 21, 2021, the Commission denied the Petitions for Rehearing filed by CECO and by the RCG. On February 18, 2021, CECO filed an appeal of the Commission order in the Michigan Court of Appeals. The MPSC has filed an appearance as an Appellee in CECO's appeal. The RCG has also filed an appearance as an Appellee in that appeal for purposes of defending the Commission's Order determining a downward GCR rate adjustment of \$6,766,978 in this case.

In light of RCG's evidence and briefing on the Ray Station fire issue, and resulting disallowance of CECO's January and March 2019 gas purchases, RCG materially contributed to the net disallowance of \$6,766,978 determined by the Commission Order. One-third of this amount, or \$2,555,659, may reasonably be allocated as the ratepayer benefit resulting from RCG's participation in this case.

On a separate issue, the RCG in its evidence and briefing also asserted that CECO had not carried its burden of proof to establish that it had undertaken adequate actions to seek reductions from its gas suppliers and vendors due to the adoption of the Tax Cuts and Jobs Act (TCJA), effective January 1, 2018, which reduced the federal corporate income tax expense applicable to CECO's suppliers and vendors by 40%. The Commission in its Order rejected RCG's separate recommendation that CECO should have undertaken more steps to seek reductions from its gas suppliers and vendors as a result of the federal income tax reduction adopted by TCJA, and absolving CECO of having to provide more information of any efforts to seek such cost reductions from its suppliers.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/20)	Other Financial Support (matching funds, pro-bono support, etc.)

U-20219 MPSC Order issued 04/15/2020	CECO PSCR Plan for 2019	19-05	\$16,665.00	-0-	\$2,724.00 Pro bono legal \$2,587.50 Pro bono Expert
---	----------------------------	-------	-------------	-----	--

This case involved the application of Consumers Energy Company (CECO) for approval of its Power Supply Cost Recovery (PSCR) plan for the 12 months ending December 31, 2019.

CECO filed its application with supporting testimony and exhibits on September 28, 2018. Petitions to Intervene were filed on or before November 27, 2018 by the Michigan Environmental Council (MEC), the Michigan Power Limited Partnership and ADA Cogeneration Limited Partnership, the Attorney General, and the Residential Customer Group (RCG), which Petitions for Intervention were all granted at the December 4, 2018 Prehearing. Thereafter, discovery was conducted by the parties including discovery exchanges between CECO and the RCG. On May 24, 2019, expert testimony and exhibits were filed by the MPSC Staff, and the RCG (but not by the Attorney General or any other intervening party). On June 25, 2019, rebuttal testimony was filed by CECO, and not by any other party. The RCG issued additional discovery to CECO on July 1, 2019. Hearings in this case were conducted on July 10, 2019. On August 12, 2019, only the RCG and CECO filed an Initial Brief, with no Initial Brief filed by the Attorney General, the MPSC Staff, or any other intervening party. RCG's additional confidential Initial Brief was filed on August 13, 2019. On September 11, 2019, only the RCG and CECO filed Reply Briefs. On January 14, 2020, the ALJ issued her PFD. On February 4, 2020, the RCG filed Exceptions to the PFD. On February 18, 2020, CECO filed a Reply to RCG's Exceptions.

On April 15, 2020, the MPSC issued its Order in this case. The Order did not adopt the RCG's proposed downward rate adjustment applicable to RCG's evidentiary and briefing claim that demand charges charged to CECO by Southeastern Michigan Gas Company (SEMCO) for use of the 7.5 mile interconnection pipeline serving CECO's Zeeland Natural Gas Generating Plant should be disallowed for failure of CECO to exercise its option to purchase the pipeline for \$1.00 under its existing agreements with SEMCO, which RCG asserted would be less costly than the demand charges paid by CECO.

The Commission Order also rejected RCG's assertion that CECO had undertaken inadequate steps to seek reductions in its natural gas supplier and other vendor contracts (or other purchase arrangements) to reflect the 40% federal income tax reduction realized by the suppliers and vendors due to the adoption of the federal income tax reduction effective pursuant to TCJA on January 1, 2018.

The Commission's Order rejected in part, and granted in part, RCG's other issue presented in evidence and in briefing challenging the excessive or duplicative demand charges paid by CECO to itself (CECO) for use of the interconnection pipeline serving CECO's Jackson Natural Gas generating plant (which pipeline CECO also owns).

RCG advocated in evidence and briefing that the Jackson Interconnection Pipeline Demand charges were established by a 50-year contract when the pipeline was owned by an independent third party. However, CECO had subsequently purchased the pipeline in 2002 and included all the costs of ownership and operation of the interconnection pipeline in its base rates, which resulted in a duplicative cost recovery for the pipeline in both base rates and in the separate contract CECO assumed from an independent party when CECO purchased the pipeline. RCG had also challenged the duplicative nature of said gas recoveries by CECO as being a violation of the MPSC's Code of Conduct which should be further scrutinized. While the Commission did not make a downward rate adjustment in this case, the Commission did find that further exploration of this issue was necessary in upcoming PSCR cases, stating (p 10) as follows:

...Therefore, the Commission declines to disallow demand charges related to the Jackson lateral as suggested by RCG and finds the charges to be reasonable and prudent. However, the Commission

further finds that, in future reconciliation and plan cases, Consumers should provide additional documentation of its demand payment agreement and transactions related to the Jackson lateral because the payments are an affiliate transaction, the contract was negotiated 18 years ago with the prior owner, and there appears to have been no discussions between the gas side and electric side businesses regarding potential amendments to the contract since Consumers finalized its purchase.

The Commission Order (pp 12) also rejected in part, and in essence granted in part, RCG’s challenge of CECO’s use of a high-cost independent gas management agent to obtain gas supplies for its Jackson, Zeeland, and Karn plants in contrast to utilizing the lower cost services of CECO’s own Gas Division to obtain and manage these supplies. While the Commission did not require a downward rate adjustment in this plan case, the Commission Order (p 12) stated that “...the Commission finds the gas management service expenses to be reasonable and prudent, but expects that the contracts and expenses to be adequately examined in the reconciliation case.” In accordance with this Commission direction, RCG is pursuing a further exploration of the gas agent costs in CECO’s subsequent PSCR reconciliation case for the year 2019 in Case U-20220, which is ongoing in 2021.

While the Commission did not adopt RCG’s downward rate adjustments in this case, the RCG has preserved the issues, and is pursuing the Jackson Interconnection Pipeline demand charges and the gas agent cost issues in subsequent cases, in accordance with the Commission’s Order in this case.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/20)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20561 MPSC Order issued 05/08/2020	DTE Electric rate increase	20-05	\$33,330.00	\$6,703.87	\$4,446 Legal pro bono

This case involved DTE’s application for a substantial increase in its electric rates and for miscellaneous accounting approvals. DTE filed its rate application and supporting testimony and exhibits of its expert witnesses on July 8, 2019.

On or by July 25, 2019, numerous parties filed intervention petitions in this case, including the Residential Customer Group (RCG). The RCG’s intervention was granted at the prehearing held on July 31, 2019. Following extensive exchanges of discovery, the intervening parties including the RCG filed the direct testimony and exhibits of their expert witnesses by November 6, 2019. Following further discovery procedures, some of the intervening parties (but not RCG) filed rebuttal testimony on December 2, 2019. Following further discovery, evidentiary hearings were then held on December 12, 13, 16, 17, 18, 19, and 20, 2019. On or by January 14, 2020, the case parties filed their initial briefs, followed by the filing of Reply Briefs on February 6, 2020. On March 5, 2020, the Administrative Law Judge (ALJ) issued her Proposal for Decision (PFD). On or by March 26, 2020, the case parties including the RCG filed Exceptions to the PFD, followed by the filing of Reply Exceptions by the parties (including RCG) on or by April 7, 2020.

The RCG in its briefing to the ALJ and Commission urged the adoption of either an historical test year, or at most a shorter projected test year comprising 12 months after the date of the rate filing, in opposition to DTE’s case which proposed the adoption of an overly extended projected test year of 22 months after the rate filing (despite the statutory mandate that the Commission issue a final decision only 10 months after the rate filing). The RCG based its opposition to DTE’s overly extended projected test year on the basis that the historical test year, or a shorter projected test year, provided a more reliable basis to set rates based upon actual investment and costs, in contrast to DTE’s overly exaggerated rate increase based upon speculative future projections of plant and costs which did

not yet exist (or may never exist). RCG argued also that a review of the overall statutes applicable to the Commission, when interpreted and administered in a consistent and harmonious fashion, supported RCG's position that the test year utilized to establish reasonable rates should be the shorter historical or 12-month projected test year, and not DTE's overly extended 22 month test year. RCG also advocated that DTE's use of the overly extended projected test year also served to add great unnecessary complexity to the case in addition to causing a greatly exaggerated rate increase request.

RCG also challenged some of the costs asserted by DTE for implementation of its AMI system, and the opt-out surcharges which it charges customers who do not consent to an AMI smart meter as being unsupported by any cost study.

RCG also requested that the Commission disallow in rates certain cost increases incurred by DTE attributable to DTE's widespread violation of the Commission's billing rules, which violations the Commission had determined in contemporaneous completed MPSC Dockets.

The RCG in its Initial Brief also opposed DTE's addition of "contingency costs," which DTE added to its cost projections, which contingency costs were also opposed by the MPSC Staff. However, the RCG's briefing presented additional grounds for the rejection of said contingency costs, which included sizeable DTE projected cost overruns applicable to the construction of its new natural gas generating plant to be on line in 2022, referred to as the Blue Water Energy Center (BWEC). RCG's briefing asserted that DTE's request for these sizeable contingency costs was contrary to Section 6s, MCL 460.6s, and the Commission's April 27, 2018 Order in U-18419, wherein the Commission granted DTE a Certificate of Necessity (CON) to DTE for the BWEC. The statutory provisions and the Commission's previous CON order made it clear that the cost overruns that DTE was seeking in the form of "contingency costs" were subject to a presumption of unreasonableness and imprudence and could not be granted in this case. Ultimately, DTE in briefing withdrew its request for \$17.7 million in contingency costs for the BWEC project.

The Commission in its May 8, 2020 Order did not adopt RCG's proposal for the use of either an historical test year, or a shortened 12-month projected test year commencing on the date of the rate filing, and instead utilized an over-extended projected test year of 22 months after the rate filing. The result of the adoption of DTE's overly extended 22-month projected test year was to greatly increase the complexity of the issues in the case dealing with theoretical and speculative investment and cost projections, and an unnecessarily exaggerated rate increase.

The Commission Order did make a downward rate adjustment to certain AMI costs, but rejected RCG's presentation recommending the elimination or reduction of the monthly AMI surcharges applicable to customers who opt out of having an AMI smart meter at their residence.

The Commission also rejected RCG's recommendation in favor of a rate disallowance applicable to increased costs incurred by DTE as a result of its extensive violations of the Commission's billing rules as found by the Commission's investigations in contemporaneous completed Dockets.

The Commission Order, p 14, however, rejected as moot DTE's request for "contingency allowances" to include DTE's unwarranted request for \$17.7 million in contingency costs to cover cost overruns at its BWEC natural gas plant construction project, recognizing DTE's withdrawal of this cost recovery request.

While RCG did not obtain approval of a more limited historical or projected test year of no more than 12-months beyond the rate filing, the RCG has filed an appeal of the Commission's order on this issue in the Michigan Court of Appeals, which remains pending. This appeal also contains the issues regarding the AMI opt-out surcharges and the cost issues relating to DTE's violations of the Commission's billing rules.

RCG's position in opposition to DTE's request for the grant of a contingency allowance relating to BWEC cost overruns may have assisted in the withdrawal of this request by DTE. RCG's position on this issue preserves RCG's ability to oppose a future request by DTE for BWEC cost overruns in upcoming cases. RCG asserts that BWEC cost overruns are presumptively unreasonable and imprudent under the provisions of Section 6s, MCL 460.6s, and the Commission's CON Order in MPSC Docket U-18419, dated April 27, 2018.

Grantee: Soulardarity, 2020

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20471	DTE IRP	UCRF-20-07	7,500.00	5,285.09	\$100,000

Soulardarity's intervention and advocacy in the IRP case led directly to DTE's recent agreement, memorialized in a proposed settlement of its Voluntary Green Pricing proceeding, U-20713, to implement three community solar projects in low-income communities. Soulardarity argued that DTE failed to consider the beneficial reliability, economic, and justice impacts of distributed generation on low-income communities. As a direct result of this advocacy, the Commission ordered DTE to include an analysis of distributed generation in future IRP proceedings. In response to these directives from the Commission as well as ongoing advocacy by Soulardarity, DTE agreed in the VGP case to contribute \$900,000 to build three community-solar projects that will provide direct monthly benefits of \$25-\$30 to low-income subscribers.

Soulardarity leveraged hundreds of hours of free legal representation from Abrams Environmental Law Clinic (AELC) at the University of Chicago. AELC did not receive any of the grant funding from the UCPB. AELC estimates that it provided well above \$50,000 worth of attorney services.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/19)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20561	DTE Electric Rate Case	UCRF-20-07	7,500.00	6,366.78	\$100,000

Soulardarity's intervention and advocacy led directly to DTE's recent agreement, memorialized in a proposed settlement of its Voluntary Green Pricing proceeding, U-20713, to implement three community solar projects in low-income communities. Soulardarity argued that DTE's proposed low-income renewables program was inadequate unless DTE implemented a community solar program. As a direct result of this advocacy, the Commission denied DTE's proposed low-income renewables program requiring that DTE construct a low-income renewables program that better met the needs of low-income ratepayers. In response to these directives from the Commission as well as ongoing advocacy by Soulardarity, DTE agreed in the VGP case to contribute \$900,000 to build three community-solar projects that will provide direct monthly benefits of \$25-\$30 to low-income subscribers.

Soulardarity also argued for lower rates for residential customers, specifically low-income customers. In its initial application, DTE Electric projected a total electric rate base of approximately \$18.25 billion, which the company

revised to approximately \$18.17 billion in its initial brief. However, following Soulardarity's and other parties' advocacy, the Commission adjusted the rate base to \$17,885,894,000. This resulted in an estimated 37-million-dollar difference in the total rate base, which occasioned large savings for customers. Further, Soulardarity argued for a lower return on equity (ROE) than DTE initially proposed. DTE Electric proposed an ROE of 10.50%⁸ and Soulardarity argued that in light of the COVID-19 pandemic, DTE was better situated to manage a short-term financial challenge that its customers were. The Commission found that an ROE of 9.90% was more appropriate, resulting in a 0.60% difference in ROE and added customer savings.

For these cases, Soulardarity leveraged hundreds of hours of free legal representation from Abrams Environmental Law Clinic (AELC) at the University of Chicago. AELC did not receive any of the grant funding from the UCPB. AELC estimates that it provided well above \$50,000 worth of attorney services.

ATTACHMENT B: UCRF 2020 Grantees Membership Scope and Description

Michigan Environmental Council (MEC) www.environmentalcouncil.org. Statewide nonprofit public interest and environmental organization consisting of over 70 public health and environmental organizations, having over 200,000 members.

Citizens Against Rate Excess (CARE) www.utilityratewatch.org. Michigan non-profit corporation that serves as a consumer watchdog group to focus on utility rates. They have members across the State of Michigan, mostly in outstate Michigan, including the Upper Peninsula. The goal of the organization is to seek grants from the UCPB and help the Board “maximize the number of hearings and proceedings with intervener participation” as provided by MCL 460.6m (18). For example, Intervener participation in PSCR cases of the electric utility companies that serve the upper peninsula have been rare and this organization has filled that gap. The organization also sought to fill the void in the lack of Michigan residential ratepayer participation in federal proceedings “which directly affect the energy costs paid by Michigan utilities,” MCL 460.6m (17). The objective to participation in these federal proceedings is to 1.) advocate for a U.P. solution that avoids SSR charges, and 2.) encourage regional transmission authorities to approve transmission construction that decreases congestion and brings low-cost renewable energy to Michigan thereby saving ratepayers money.

Great Lakes Renewable Energy Association (GLREA) www.glrea.org. GLREA is a state-wide non-profit that promotes renewable energy by advocating for stronger state policies and by informing and educating Michigan citizens, organizations, and leaders on how they can achieve a greater use of renewable energy and its many economic and environmental benefits.

Residential Customer Group (RCG) purpose is to promote social welfare and the interests of residential public utility customers or consumers of energy, utility or other essential services. The corporation will advocate for: just and reasonable energy and public utility costs and rates; the implementation of public utility costs minimization and energy efficiency strategies; the promotions of more efficient and diverse energy sources and the mitigation of inequitable cost and rate impacts on residential ratepayers or consumers.

Citizens Utility Board of Michigan (CUB) www.cubofmichigan.org. The Citizens Utility Board of Michigan (CUB of MI) was formed in 2018 to represent the interests of residential energy customers across the state of Michigan. CUB of MI educates and engages Michigan consumers in support of cost-effective investment in energy efficiency and renewable energy and against unfair rate increase requests. CUB of MI gives a voice to Michigan utility customers and helps to ensure that citizens of the state pay the lowest reasonable rate for utility services and also benefit from the environmental implications of investment in clean energy. CUB of MI is a nonpartisan, nonprofit organization whose members are individual residential customers of Michigan’s energy utilities.

Soulardarity www.soulardarity.com. Soulardarity is a membership-based 501c3 non-profit. The board is comprised of and elected by our members and must be a majority of Highland Parkers.