

UTILITY CONSUMER PARTICIPATION BOARD

August 6, 2018 12:30 p.m.
Michigan Library & Historical Center
1st Floor, Lake Superior Room
702 W. Kalamazoo St., Lansing, MI
REGULAR MEETING MINUTES

Present: Jim MacInnes (Chairperson), Paul Isely (Board Member), Brian Vilmont (Board Member), Sam Passmore (Board Member), Susan Haroutunian (Board Member), Kelly Jo Kitchen (Board Assistant), Chris Bzdok (MEC), Don Keskey (RCG and GLREA), Jim Wilson (LARA), Douglas Jester (CARE), Jim Ault (Michigan Electric and Gas Association), Ed Haroutunian (Public), Michelle Rison (RCG), Paul Lang (CARE), Valerie Brader (Rivenoak Consulting), Mike Moody (Attorney General)

I. Call to Order and Roll Call of Members 12:45

- a. Approval of Agenda and minutes from June 4, 2018
Moved: Paul Isely, Seconded: Brian Vilmont
Motion Carried

II. Business Items

- a. LARA Budget Update
The financial updates for the end of fiscal year 2018 and the projections for next year were provided. 2019 will be the last year to make payments back to AG
- b. Attorney General
Mike Moody: The attorney general will be in CECO IRP, CECO rate, DTE rate, PSCR and GSCR cases, Credit B tax cases, and the Credit C cases coming in the next fiscal year. UPPCO tax case settled after lengthy negotiations. The Attorneys General prioritizes cases based on the size of the utility and the impact on the rate payer. They will participate in a few of the UP cases since they are now contributing into the fund. AG will also do a few of the other utilities on a case by case basis.
- c. MEC:
 - Request 18-04 #16 CECO Rate Case U-20134 (\$8,080) already granted \$21,210.
Board provided some straddle funding knowing the case would go into fiscal year 2019. The issue is around average and excess rates that may have a negative impact on residential rate payers. The partner group brought in another expert, so MEC has to pay for their own expert. MEC is requesting additional monies for FY 2019.
Moved: Paul Isley, Seconded: Brian Vilmont
Motion carried contingent on MEC returning to the UCRF unused funds in cases U-18231 (\$1,861.42), U-18232 (\$12,120), U-18402 (\$7,070) totaling \$21,051.42.

- Request 18-04 #17 DTE Rate Case U-20162 (\$12,120)
Rate increase requested by DTE is substantial in regards to revenue requirement. DTE is also requesting recovery of cost of investment which MEC will argue is not prudent. MEC had success on this issue in a recent CECO case. There is a tariff in net metering and solar charging stations, MEC will use other funds for those issues.

Moved: Paul Isley, Seconded: Susan Haroutunian

Discussion if funding this request could wait until the next board meeting scheduled for August 27.

Motion carried contingent on MEC returning to the UCRF unused funds in cases U-18231 (\$1,861.42), U-18232 (\$12,120), U-18402 (\$7,070) totaling \$21,051.42.

- Request 18-04 #18 DTE PSCR Case U-18403 transfer from expert to legal (\$11,490)
Partner group contributed to the expert funds and issues not have become more expansive and therefore would like to transfer the funds to legal in order to do that work.

Moved: Paul Isley, Seconded: Susan Haroutunian

Discussion

Motion Carried

d. Approval of Annual Report

Moved: Paul Isley, Seconded: Susan Haroutunian

Discussion: The executive summary section needs to be reworked for the next annual report so it explains the funding and distribution of the UCRF with respect to the annual year and fiscal year explained clearly.

Motion carried

III. Reports

a. Grantees:

CARE: The credit C tax case for UPPCO will be complicated. CARE is currently working through a PSCR case. MISO update: FERC ordered a change in the market rules to incorporate storage.

RCG: Has been involved in the credit A cases and they have all been settled except the Consumer gas case. CECO wants to give most of the benefit to the cost of service customer; commission ruled that the refund will be spread evenly. There was a settlement in CECO gas which saved customers 13 to 14 million.

GLREA advocated that the allocation demands match surcharges. On the gas side there was a similar outcome. GLREA advocates that the residential class should not subsidize other classes. In the tax law cases GLREA is looking at the calculations..

Discussion Topics:

Grant amount balances sometimes are carried over into the next fiscal year.

Grantees request extensions when cases are being carried into the next fiscal year usually wrapped up by March of the next year. RCG and GLREA are 6 months behind in invoicing. The board would like the late invoicing taken care of before the next meeting. Board would like to discuss priorities for how they make

decisions for the upcoming grant cycle. Looking at where the board can have the most impact and how that can be done while deciding how to have the most effect.

Douglas Jester discussed the seams between RTOs and nudging FERC to look at allowing energy to flow from one to the other. He is writing a comparative performance report that he is willing to share with the board.

Board will set aside an hour of time to talk about the priorities for the board for the coming year.

The board discussed hiring someone to help prioritize their decision making going forward with the breadth of cases and the limited resources that the board is now responsible for.

IV. Public Comment

Discussion regarding the expense DTE is going to request for their expensive distribution upgrades.

V. Next meeting: August 27, 2018

VI. Adjournment 4:03
