

UTILITY CONSUMER PARTICIPATION BOARD

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), Bali Kumar (Board Member), Sam Passmore (Board Member), Elise Matz (Board Member), Kelly Jo Kitchen (Board Assistant), Chris Bzdok (MEC), Don Keskey (RCG and GLREA), Jim Wilson (LARA), Amy Bandyk (CUB of MI), Mike Moody (AG), John Freeman (GLREA), Robert Nelson (CUB), Paul Lange (CARE), Suzy Westmoreland (MEGA), Douglas Jester (CUB/CARE/MEC), Charlotte Jameson (MEC), Janice Beecher (IPU-MSU), Jackson Koepfel (Solardarity), Justin Schott (EcoWorks)

Monday August 26, 2019

I. Call to Order and Roll Call of Members

a. Approval of Agenda (including consent items)

Moved: Sam Passmore; Seconded: Paul Isely

Motion Carried

b. Consent Items

- Minutes of August 5, 2019

- LARA Budget Update

There appears to be about \$10,243 available for grant making for FY 2019 before September 15th. Projected amount for next year is \$712,500, all awards are contingent upon the FY20 budget being implemented October 1, 2019.

II. Business Items

- ##### a. Attorney General Update: Went down the list of requests before the UCPB and discussed which cases they are in and how they are coordinating with grantees. Discussed the intervention in the MISO/FERC proceedings. Discussion regarding funding Energy Waste Reduction Cases (EWR) through the UCRF. Don Keskey states that he would like a written opinion request from the AG regarding this type of case.

What would a formal opinion from the AG look like; its discretionary by the AG, UCPB would need to make the request, AG responds, goes to opinion review board (couple of months), comes back to the board to reply, then AG issues opinion and it could be challenged. By 2021 the energy standards get rolled into IRP, which would diminish the need for stand-alone EWR cases.

AG discussed I & M electric rate case, determining who can intervene. Discussed intervention by right and permissive intervention. Intervention by right you have to have a member in the territory. Permissive intervention, is when the intervener provides relevant unique information that might not otherwise be available. See the ALJ opinion on GLREA and RCG intervention in the I&M Rate Case U-20359 for further clarification.

When does AG enter in a cooperative agreement with other interveners? AG states they look at the relationships with non-profit groups.

b. Mott Project Update:

Sam Passmore gave an overview of the project. Jim MacInnes talked about the Board considering the potential benefit to cost ratio of grants in order to help demonstrate quantifiable benefits to residential ratepayers. Actual results are normally summarized in the annual report. Dr. Jan Beecher gave an update of the project. Describes report as informative not evaluative. Past-present-future look at the cases. Summarize the history of the board, look at today and where the biggest impact may reside (some issues may have big impact, but this may have been initially unforeseen) looking at revenue requirements of utility and the prudence of their decision making, collecting the data of past work, developing a survey of what everyone thinks, look at NASUCA and what the group is doing and what their priorities are. A handout was provided looking at the agendas of those meetings. The next phases will be based on the survey and compiling the data that has been collected. What is going to be important to consumers going forward will also be a focus.

Jim MacInnes; Power industry is in a new set up. General cost increases are interesting and varied. Social justice issues are showing up more and more, global warming and resiliency costs and storage, intermittency issues.

General discussion regarding the future of energy and all the moving parts. Jim MacInnes will provide a handout of an expert which outlines the major changes in grid architecture. These will likely shape future grant priorities.

There was discussion about using UCRF funds to help fund operations for environmental groups. Jim MacInnes pointed out that while an environmental group may be a qualified grantee, only a small percentage of UCRF funds (typically 1%) can be used for organizational administration purposes.

c. CUB:

- SEMCO Gas Rate Case No. U-20479 (\$40,000 + \$7,000 from previous request) MEC is in the middle of discovery currently. Focusing on delivery costs and storage. Doing the economic storage analysis. Have a formal agreement with AG and sharing experts.

Moved: Bali Kumar; Seconded: Elise Matz
For \$7,000 from FY2019 budget
Motion Carried

Moved: Paul Isely; Seconded: Bali Kumar
For \$40,000 from FY 2020 contingent upon the FY2020 budget being implemented on Oct 1, 2019.
Motion Carried

Phase 2 (December)

- DTE GCR Case, No. TBD (27,000)
- CECO GCR Case, No. TBD (27,000)
- SEMCO GCR Case, No. TBD (27,000)

- MGU GCR Case, No. TBD (\$27,000)
Phase 3 (March)
- DTE GCR-R Case, No. TBD (\$27,000)
- CECO GCR Case, No. TBD (\$27,000)
- SEMCO GCR Case, No. TBD (\$27,000)
- MGU GCR-R Case, No. TBD (\$27,000)

d. CARE

- UPPCO IRP, U-20350 (\$10,000) Coordinating with the AG's office.

Moved: Bali Kumar; Seconded: Sam Passmore
 Whatever is left of the FY2019 budget ~\$3,000
 FY2020 amount ~\$6,700 to bring the total grant to \$10,000
 Motion Carried

- I & M Rate Case, U- 20359 (\$30,000) cost allocation is an important issue. Discussion of rate design and competition. Cost allocation decisions have historically fallen heavily on residential customers. I&M has ~ 134,000 customers in Michigan.

Moved: Paul Isely; Seconded: Sam Passmore
 Motion carried for \$30,000 from FY 2020 funds contingent upon the FY2020 budget being implemented on Oct 1, 2019.

- UPPCO 2020 PSCR Plan Case, U-TBD (\$15,000)
- UMERC 2020 PSCR Plan Case, U-TBD (\$15,000)
- MISO/FERC, (\$17,500) there will be work in October that will need to be done. Benefit to Cost question. CARE is involved in the stakeholder process; they monitor and they make comments and give feedback on issues. The AG is not monitoring MISO and they get feedback from CARE regarding the stakeholder proceedings. Board would like some narratives regarding MISO work. Jim MacInnes commented the MISO and FERC decisions may become more important in a world where grid architecture needs to change as we add more variable renewable generation.

Moved: Paul Isely; Seconded: Bali Kumar for
 Motion Carried for \$17,500 from FY 2020 funds contingent upon the FY2020 budget being implemented on Oct 1, 2019.

Phase 2

- UPPCO PSCR-R Case, U-TBD (\$15,000)
- UMERC PSCR-R Case, U-TBD (\$15,000)
- MISO/FERC, (\$17,500)

e. GLREA: John Freeman discussed the cases GLREA has been in and their impact.

- Request to add expert; Emily Prehoda, discussion about her work and experience. The board agreed to accept Dr. Prehoda as an expert for GLREA.
- DTE Rate Case, No. U-20561 (\$33,330), DTE filed a new rate case immediately at the completion of their prior case. Question about what

GLREA focuses on. Policy regarding PURPA contracts. Q: Cap utility is not required to go above 1%.

Discussion of the value of solar which is not currently well defined.

- I&M Rate Case, No. U-20359 (\$33,330) applying the same issues they put forth in the DTE Case.

Sam Passmore wants to have the conversation regarding “Special classes” of ratepayers and the relative importance of DER’s.

Moved: Elise Matz; Seconded: Bali Kumar

Motion carried, one opposed for the amended amount of \$24,240 from FY 2020 funds contingent upon the FY2020 budget being implemented on Oct 1, 2019.

- CECO Rate Case, No. TBD (\$33,330) will file a new case in 2020 distributed energy tariff issue. GLREA are in talks with CECO ahead of time, will be filed in January.

f. RCG: In prioritizing their cases, DTE Rate Case is most important.

- DTE Rate Case, No. U-20561 (\$33,330) Test year issue, rehearing appeal.

Moved: Paul Isely; Seconded: Sam Passmore

Motion Carried from FY 2020 funds contingent upon the FY2020 budget being implemented on Oct 1, 2019.

- CECO GCR-R Case, No. U-20209 (\$13,635), look at the new tax law and the contracts that were entered into and if those contracts have been renegotiated.

Moved: Sam Passmore; Seconded: Bali Kumar

Motion carried from FY 2020 funds contingent upon the FY2020 budget being implemented on Oct 1, 2019.

- DTE PSCR-R Case, No. U-20203 (\$13,635)
- CECO EWR-R Case, No. U-20365 (\$8,484)
- DTE GCR-R Case, No. U-20210 (\$13,635)

Moved: Sam Passmore; Seconded: Elise Matz

Motion carried from FY 2020 funds contingent upon the FY2020 budget being implemented on Oct 1, 2019.

- DTE EWR-R Case, No. U-20366 (\$8,484)
- CECO PSCR-R Case, No. U-20220 (\$13,635)

g. MEC: Gave a presentation on what their requests are for FY2020

- DTE Electric Rate Case, No. U-20561 (\$90,900)

Moved: Paul Isely; Seconded: Elise Matz

Motion Carried from FY 2020 funds contingent upon the FY2020 budget being implemented on Oct 1, 2019.

- DTE Electric Rate Case Appeal, No. U-20162 (\$10,100)

Moved: Paul Isely; Seconded: Bali Kumar

Motion Carried from FY 2020 funds contingent upon the FY2020 budget being implemented on Oct 1, 2019.

- DTE Electric PSCR Plan Case, No. U-20221 (\$5,050)

Moved: Paul Isely; Seconded: Sam Passmore

Motion Carried from FY 2020 funds contingent upon the FY2020 budget being implemented on Oct 1, 2019.

- DTE Electric PSCR-R Case, No. U-20203 (\$15,150)
- CECO PSCR Plan 2020 Case, No. U-TBD (\$40,400)
- DTE Electric PSCR Plan Case, No. U-TBD (\$50,500)
- CECO 6t IRP Case, No. U-20165 (\$5,050)

Moved: Paul Isely; Seconded: Bali Kumar

Motion carried from FY 2020 funds contingent upon the FY2020 budget being implemented on Oct 1, 2019.

Phase 2

- CECO Rate Case, No. TBD (\$90,900)
- DTE Electric PSCR-R Case, No. TBD (\$40,400)

h. ECOWORKS: A presentation by the President: Justin Schott

- DTE EWR Plan Case, No. U-20373 (\$13,424)
- DTE EWR Gas Plan Case, No. U-20429 (\$13,424)

i. SOURLARDARITY: A presentation by the executive director: Jackson Koeppel

- DTE 6t IRP Case, No. U-20471 (\$7,500)
- DTE Rate Case, No, U-20561(\$7,500)

III. Reports

a. Grantees (reports were waived until next meeting)

IV. Public Comment

V. Next meeting: October 7, 2019

VI. Adjournment: 6:30
