

UCPB Meeting Minutes
October 2, 2017 at 12:30 p.m.
Michigan Library & Historical Center
1st floor Lake Superior Room
702 W. Kalamazoo St., Lansing, Michigan

Present: Jim MacInnes (Chairperson), Paul Isely (Board Member), Brian Vilmont (Board Member), Sam Passmore (Board member), Kelly Jo Kitchen (Board Assistant), Chris Bzdok (MEC), Susan (via conference call) John Liskey (CARE), Don Keskey (RRC and GLREA), Jim Wilson (LARA), Celeste Gill (Attorney General Bill Schuette), Lola Killey (President RCG)

1. Call to Order and Roll Call

Approval of minutes from August 25, 2017

Motion: Paul Isely to approve minutes of August 25, Seconded Brian Vilmont:

Discussion to add case numbers where known.

Motion carried.

2. Business Items

- a. LARA Budget Update: Current amount \$335,793 this includes the AY2017 carryover.
- b. 2016 UCPB Annual Report: Final Approval
Motion: Sam Passmore, to approve report, seconded Paul Isley: Discussion.
Motion carried.
- c. Attorney General Update (Celeste Gill) Attorney General's office will be involved in PSCR plan cases as well as the reconciliation cases. The Attorney General's office does not intervene in Renewable Energy Plan cases (REP) at this time. Reorganization of Attorney Generals office; Mike Moody will be the head of the special litigation division focusing on utility cases.
- d. MEC:
 - Grant Amendment Request #1 – Supplemental funds of \$5,050.00 is requested for new expert on low income customer issues, Roger Colton, for DTE Electric Rate Case No. U-18255 (resume in memo). Memo includes position MEC will be taking in this case looking at low income utility customers, working with NRDC. Discussion of the myriad of issues that low income customers face in paying their utility bills. MEC is seeking additional outside funding aside from the UCPB to finish up on the current issues in this case.
Question: What brought MEC to these issues?
Answer: MEC is a member of other groups which looks at impacts of utility customers, CARE, NRDC and others. A staff attorney from Sierra Club helped to spear head this issue. Board is sensitive to the importance of this issue. Under the new law UCPB can be in rate cases unrestricted.

Question: Is there any effort to link the water usage with energy usage?
Concern: If the Board goes into these cases it could open up a whole new avenue of cases, Board needs to do a good risk vs. utility analysis.

MEC: This is a specialized case which will end in April.

Motion: Brian Vilmont, to grant MEC \$5,050 for expert fees in U-18255, seconded Paul Isley. Discussion.

Motion carried.

- Grant Amendment Request #2 – \$20,200 for Consumer Energy Renewable Energy Plan Case, U-18231. This is half the approved amount granted at the August 25th meeting. MEC is looking at allocation fairness between commercial and industrial vs. residential customers.

Motion: Brian Vilmont, to release \$20,200 of approved funds budgeted for U-18231, seconded Sam Passmore.

Motion carried.

- Grant Amendment Request #3 – \$25,250 for Consumer Energy PSCR Plan Case (Case number not yet available). This is half the approved amount granted at the August 25th meeting. MEC is looking at regulatory liability balance issues.

Motion: Brian Vilmont, to release \$25,250 for Consumer Energy PSCR Plan Case (Case number not yet available); Seconded Paul Isley.

Discussion: Attorney General will not be in U-18231, but will be in PSCR Plan case. Board could defer this action until December which would allow for coordination with the Attorney

Motion denied.

- Request for addition of expert for DTE Con IRP case U-18255. Dale Osborn is a retired MISO engineer who can provide experience in analyzing DTE's evidence. Transmission modeler paid for by Grid Lab.

Discussion regarding the local clearing requirement within the state of Michigan.

Motion: Paul Isley, to accept Dale Osborn as an expert for MEC. Seconded Brian Vilmont.

Motion carried.

3. Reports

a. Grantees

Don Keskey on behalf of RCG:

Update on U-17771 amended. RCG opposed settlement agreement based on cost shifting argument. The agreement is through 2017. Savings to residential rate payers was 34.5 million, but more savings were shifted to the business class. U-18261 will set surcharges going forward into 2021.

Update on U-18250 CEC Co for a financing order approving the securitization of qualified costs and related approvals. RCG opposed securitization of the buy-out for \$184.6 million. RCG argued that the Commission is not to make management decisions, but rather to make sure the decision was prudent and economical.

Now that Palisades is going to stay on line until 2022 some of these issues are moot. RCG is waiting to see if Consumers files a petition for rehearing because Entergy doesn't want to do the deal anymore.

Question: Does the palisades decision affect your work plan?

Answer: Not sure.

John Liskey on behalf of CARE:

Update on U-18224 (UMERC) ALJ issued an opinion and has sided with CARE's cost allocation proposal. There was a 23 million cost allocation shift to residential rate payers' property taxes. Tilden only had to pay 50% of costs and uses 70% of energy created. CARE is waiting for a decision from the MPSC.

Update on U-17911-R (UPPCO reconciliation) UPPCO has filed rebuttal testimony to CARE's direct testimony. UPPCO has filed for a waiver for the billing rules. There is also an issue that the new meters may have defects. UPPCO hinted at a rate increase.

Chris Bzdoc on behalf of MEC:

No commission orders or Proposal for Decision (PFD) from the ALJ have been issued in cases that MEC is involved in.

Board and Grantees discussed MPSC decision making process and its relationship to the ALJ decisions.

4. Public Comment

5. Next meeting: 12/4/2017

Motion to adjourn Paul Isley, seconded Brian Vilmont

Motion Carried.

6. Adjournment 3:30
