

**UTILITY CONSUMER REPRESENTATION FUND  
ANNUAL REPORT**

**CALENDAR YEAR 2021**

**UTILITY CONSUMER PARTICIPATION BOARD**

Dr. Paul Isely, Chair  
Ms. Elise Matz, Vice Chair  
Mr. Sam Passmore  
Mr. Mike Troupos  
Ms. Leah Wiste

## 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 2021, 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 \$1,671,055 (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 \$215,620 (adjusted annually). Together they remitted \$1,886,675 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 2021 budget authorization for the UCPB was \$750,000. Of that amount, \$712,500 was available for awarding FY 2021 grants and \$37,500 was allocated for administrative costs.

In 2021, AY 2021 grants totaling \$701,851 were awarded to:

- Citizens Utility Board (CUB)
- Environment Law and Policy Center (ELPC)
- Michigan Environmental Council (MEC)
- Michigan Municipal Association for Utility Issues (MI-MAUI)
- Residential Customer Group (RCG)
- Soulardarity.

The above groups advocated on behalf of Michigan residential ratepayers. During 2021 they participated in 15 different cases before the MPSC. The primary benefit of the activity is generating record in those cases that then can be used by the MPSC to inform their decisions on the cases. In addition UCPB grants resulted in millions in savings to residential and other ratepayers as outlined in Section 3.

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### ATTACHMENT A

UCRF Grant Activity and Results for 2021 Calendar Year

### ATTACHMENT B

UCRF 2021 Grantees Membership Scope and Description

Questions regarding this report should be addressed to:

Utility Consumer Participation Board  
Attention: UCPB Board Liaison  
Finance and Administrative Services  
Licensing and Regulatory Affairs  
611 W. Ottawa  
Lansing, MI 48933  
[LARA-UCPB@michigan.gov](mailto:LARA-UCPB@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 2021 calendar year.

From January 1, 2021, to December 31, 2021, the board awarded \$663,979 from FY 2021 funds to a consortium of several nonprofit consumer groups. Grant recipients in 2021 increased to six different grantees:

- Citizens Utility Board (CUB)
- Environment Law and Policy Center (ELPC)
- Michigan Environmental Council (MEC)
- Michigan Municipal Association for Utility Issues (MI-MAUI)
- Residential Customer Group (RCG)
- 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 2021, 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.

Interventions in 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), 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 2021*

The Board approved and maintained a bimonthly meeting schedule in 2021. Regular meetings were held February 1, April 12, June 7, August 2, August 23, October 4, and December 6. 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.

Amendments and approval of new grants occurred on February 1, April 12, June 7, August 2, August 23, October 4, and December 6.

The 2022 regular meeting schedule was approved on December 6, 2021. Meeting minutes for all meetings are available on the web site [www.michigan.gov/lara](http://www.michigan.gov/lara) under "All About LARA", "Utility Consumer Participation Board."

### *2.2 UCRF Grants and Contracts Awarded by UCPB in Calendar Year 2021*

#### *2/1/2021*

RCG: Amendment to Grant 21-05 for \$17,575 for CECo PSCR-R Case (U-20220) was approved.

RCG: Amendment to Grant 21-05 for \$10,000 for DTE Gas Rate Case (U-20940) was approved.

CUB: Amendment to Grant 21-06 for \$5,000 for I&M IRP Case (U-21189) was approved.

CUB: Amendment to Grant 21-01 for Organization of MISO states Affiliate Member Participation for \$15,000 was approved.

CUB: Amendment to Grant 21-06 for \$20,200 for DTE Gas Rate Case (U-20940) was approved.

CUB: Expert Tanya Paslawski was approved.

MEC: Amendment to Grant 21-04 for \$101,000 for CECo Rate Case 2021 (U-20963) was approved

MEC: Grant Request for \$50,500 for DTE Securitization Case 2020 (U-21015) was approved

MEC: Grant Request for \$50,500 for DTE PSCR-R Case 2022 (U-20528) was approved.

#### *4/12/2021*

MEC: Amendment to Grant 21-04 for a no-cost transfer of \$6,950 from expert to legal for DTE 2019 PSCR-R Case was approved.

MEC: Amendment to Grant 21-04 for \$101,000 for CECo 6t IRP Case (U-21090) was approved.

MEC: Amendment to Grant 21-04 for \$5050 for DTE Electric 2021 PSCR Plan Case (U-20826) was approved.

CUB: Amendment to Grant 21-06 for \$20,000 for DTE Gas rate Case (U-20940) was approved.

CUB: Amendment to Grant 21-06 for \$40,400 for Michigan Gas Utilities Corporation Rate Case (U-20718) was approved.

CUB: Amendment to Grant 21-06 for \$50,500 for CECo Electric Depreciation Case (U-20849) was approved.

#### *6/7/2021*

ELPC: Grant Request for \$45,380 for CECo 6t IRP Case (U-21090) was approved.

MEC: Request to add Holly Hillyer as a member of MEC's legal team was approved.

CUB: Amendment to Grant 21-06 for \$15,150 for I&M PSCR Plan Case (U-20530) was approved.

#### *8/2/2021*

CUB: Grant Request for \$22,725 for Alpena Power Co. Rate Case (U-21045) was approved.

CUB: Grant Request for \$25,250 for CECo IRP Case (U-21090) was approved.

MEC: Grant Request for \$30,300 for DTE 2020 PSCR-R Case (U-20528) was approved.

8/23/2021

CUB: Grant Request for \$17,675 for NSP Rate Case (U-21097) was approved.  
CUB: Grant Request for \$10,982 for UMERL PSCR Plan case (U-21056) was approved.  
CUB: Grant Request for \$10,982 for UPPCO PSCR Plan Case (U-21058) was approved.  
CUB: Grant Request for \$10,982 for I&M PSCR Plan Case (U-21052) was approved

10/4/2021

MEC: Grant Request for \$106,050 for DTE Energy Rate case (U-20836) was approved.  
MEC: Grant Request for \$50,500 for DTE Electric 2022 PSCR Plan Case (U-21050) was approved  
MI-MAUI: Grant Request for \$26,360 for DTE Electric 2021-22 Rate Case (U-21163) was approved.  
CUB: Grant Request for \$27,775 for UMERL IRP Plan Case (U-21081) was approved.  
CUB: Grant request for \$12,265 for DTE Voluntary Prepay Billing Program Case (U-21087) was approved.

12/6/2021

MEC: No-cost transfer of \$55,550 from expert to legal for DTE Electric 2021 PSCR Plan Case (U-20826) was approved.  
MEC: Grant Request for \$20,200 for DTE Electric Rate Case (U-20836) was approved.  
CUB: Grant Request for \$45,450 for CECO 2022 PSCR Plan Case (U-21048) was approved.  
CUB: Grant Request for \$6,693 for I&M PSCR Plan Case (U-21052) was approved.  
CUB: Grant Request for \$1,643 for UMERL PSCR Plan Case (U-21056) was approved.  
CUB: Grant Request for \$1,643 for UPPCO PSCR Plan Case (U-21058) was approved.  
CUB: Grant Request for \$24,947 for CECO Gas Rate Case (U-21148) was approved.  
CUB: Grant Request for \$25,250 for MISO/FERC 2022 Participation was approved.  
Soulardarity: Grant request for \$78,780 for DTE Electric Rate Case (U-20836) was approved.

Total Amount of 2021 UCRF Grant Funding Awarded in 2021 = \$663,971  
Total 2021 Grant Authorization = \$712,500  
Total 2021 Grants Awarded (All Years) = \$701,851  
Unspent 2020 Grant Authorization = \$19,581  
Total Amount of 2021 UCRF Grant Funding Awarded in 2020 = \$37,872

### *2.3 Resource Availability*

The total UCRF funding requested by applicants in the initial 2021 authorization year grant cycle was: \$624,790. The UCRF authorization for grants was \$712,500<sup>1</sup>.

### *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. Taking advantage of the more detailed work plans developed over the last few years the Meeting process was made more efficient saving more than 2 hours each meeting.
2. As awards are now granted closer to the filing date, the application process has been moved to a rolling application avoiding the need for a grantee to predict what they will want to have funded 6 months in advance.
3. The rolling review has removed the need for two meetings in August saving substantial staff time.
4. No Cost amendments are now handled with an abbreviated review process.
5. New application and closeout forms were developed to standardize and reduce the paperwork needed by grantees.
6. Trainings were made available to grantees to keep them up to date with the new processes.
7. More of the administrative tasks were moved from the board assistant to LARA creating a more consistent experience for grantees.
8. The board assistant was used to create summaries and introduce the grants to the board instead of relying on the grantees. This decreased the potential bias of relying too heavily on the grantees.
9. 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.
10. Followed regular bi-monthly meeting schedule.

## 3. UCRF GRANT RECIPIENT RESULTS

### 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.

The table shows the grants closed out during 2021. Included is an estimated ROI provided by the grantee. These ROI numbers are subjective particularly as there can be many intervenors in a given case combined with the substantial efforts of the MPSC staff. However, these number try and adjust for this. It shows that the efforts of intervenors have had a substantial return on investment for Michigan Residential ratepayers. In addition, there are many results where an ROI can not be easily estimated, but there are positive effects for ratepayers.

Table of Grants Closed Out During 2021

Grantee	Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (as Amended)	Estimated Savings
Michigan Environmental Council, 2021	U-20836	DTE Electric General Rate Case	20-04	\$15,150	

Michigan Environmental Council, 2021	U-20222	DTE 2019 PSCR Reconciliation	21-04	\$15,150	
Michigan Environmental Council, 2021	U-21015	DTE Electric Securitization	21-04	\$16,024	\$3,710,000
Michigan Environmental Council, 2021	U-20162	DTE Rate Case	20-04	\$10,100	\$1,500,000
Michigan Environmental Council, 2021	U-20165	Consumers Energy 6t IRP	20-04	\$5,050	
Michigan Environmental Council, 2021	U-20222	DTE 2019 PSCR Reconciliation	20-04	\$30,300	
Michigan Environmental Council, 2021	U-20527	DTE Electric 2020 PSCR Plan	20-04	\$50,500	
Citizens Utility Board of Michigan, 2021	U-20849	CECo Depreciation	21-06 (GG 21*957)	\$50,500	\$6,990,000
Citizens Utility Board of Michigan, 2021	U-20940	DTE Gas Rate Case	21-06 (GG21*957)	\$30,000	\$10,075,455
Citizens Utility Board of Michigan, 2021	RM-21-17-000	Building for the Future through Regional Transmission Planning	21-01	\$50,000	
Citizens Utility Board of Michigan, 2021	U-21045	Alpena Power Co. Rate Case	21-06 (GG 21*957)	\$22,725	\$333,333
Citizens Utility Board of Michigan, 2021	TBD	I&M IRP Workshops	21-06 (GG21*957)	\$5,000	
Citizens Utility Board of Michigan, 2021	U-20718	MGU Rate Case	21-06 (GG 21*957)	\$40,400	\$1,959,179
Residential Customer Group, 2021	U-20210	DTE GCR rec thru 03-2019	20-05	\$13,635	
Residential Customer Group, 2021	U-20220	CECO PSCR Reconciliation	20-05, 21-05	\$16,665	
Residential Customer Group, 2021	U-20525	CECO PSCR Plan	20-05	\$16,665	
Residential Customer Group, 2021	U-20940	DTE Rate case	21-05	\$10,000	

#### 4. FINANCIAL REPORTING AND GRANT ADMINISTRATION

##### 4.1 Calendar Year 2021 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 adjusted 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	2021	\$1,886,675

In 2021, 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 2021 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	\$738,911	Attorney General	1,031,800
DTE Electric	622,863	Intervenor Grants	712,500

DTE Gas	174,486	Administration (5%)	<u>37,500</u>
Michigan Gas Utilities	16,516		\$1,882,800
SEMCO	36,310		
Northern States Power (dba XCEL)	18,024		
Alpena Power	22,828		
American Electric Power (I&M)	41,968		
Upper Peninsula Power	92,356		
Upper Michigan Energy Resources	82,413		
TOTAL	\$1,886,675		

Letters were sent to each utility on 06/01/2021 and all remittances were made by 09/07/2021.

In addition to the calendar year 2021 utility fees, interest was earned for the Fiscal Year ending 9/30/2021. This was allocated to the Attorney General.

#### 4.2 Fiscal Year 2021 Appropriation and Accrued Funds

Total funding available for awarding intervenor grants was \$712,500 for FY21 as shown below and \$750,000 FY21 authorization subject to budget approval.

Intervenor Grant Funding for fiscal year 2021:

Appropriation (Public Act 166 of 2020)	\$750,000
Less 5% for Administration	(37,500)
Appropriation Available for Intervenor Grants	\$ 712,500
New Revenue	\$712,500
Fiscal Year 2020 Unreserved Fund Balance	19,581
Fiscal Year Interest Earned from Common Cash Fund	<u>1,454</u>
Total Available if sufficient spending authorization	\$734,535

#### 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:

- Citizens Utility Board (CUB)
- Environment Law and Policy Center (ELPC)
- Michigan Environmental Council (MEC)
- Michigan Municipal Association for Utility Issues (MI-MAUI)
- Residential Customer Group (RCG)
- Soulardarity.

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: UCPB Board Liaison  
Finance and Administrative Services  
Licensing and Regulatory Affairs  
611 W. Ottawa  
Lansing, MI 48933  
[LARA-UCPB@michigan.gov](mailto:LARA-UCPB@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, 2021-December 31, 2021. Some of the cases in which UCRF grantees participate in 2021 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](http://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 Environmental Council, 2021

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (02/28/21)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20836	DTE Electric General Rate Case	20-04	\$15,150.00	\$14,963.15	
<p>MEC requested and was granted funds for this case but after minimal work the case was ultimately delayed until the next fiscal year so we returned the funds.</p>					
Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (06/30/21)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20222	DTE 2019 PSCR Reconciliation	21-04	15,150.00	\$0.00	
<p>MEC requested disallowances of cost recovery for NEXUS gas transport and waste gas for generation at River Rouge. ALJ recommended these disallowances but Commission reversed on the basis that the Orders relied on for the disallowances were issued after this case was filed.</p> <p>MEC was directionally aligned with the AG but did not participate in a joint litigation agreement.</p>					
Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (07/31/21)	Other Financial Support (matching funds, pro-bono support, etc.)
U-21015	DTE Electric Securitization	21-04	\$16,023.90	\$0.00	
<p>The Commission issued the final order in this case on June 23, 2021 and it was favorable on our issue. We focused our advocacy on DTE's attempt to exclude from the qualified costs an amount that the company claimed to represent the accumulated deferred income taxes (ADIT) associated with those costs. We made three primary arguments. First, the debt, equity, and deferred taxes that finance utility investments are not tied to specific assets. The second two arguments were based on two previous cases, U-18150 and U-20889, where DTE did not try to do this. Staff and the Attorney General ("AG") independently reached a similar conclusion about this issue, and our positions were aligned. The Commission agreed with us.</p>					

MEC was directionally aligned with the AG but did not participate in a joint litigation agreement.

**ROI:** The total savings for which we claim credit is \$3,710,000, which divided by \$16,000 in grant funds equals an ROI of **232 to 1**.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (02/28/21)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20162	DTE Rate Case	20-04	\$10,100.00	\$0.00	

The Commission issued a final order on May 2, 2019. The Commission ruled in our favor on a number of issues. DTE appealed two of those issues to the Michigan Court of Appeals. One issue is the denial of rate recovery for River Rouge capital expenditures, which was based on our advocacy. The Board provided funding for us to defend the appeal. On February 25, 2021, the Court of Appeals issued its decision upholding the River Rouge disallowance, relying in large part on our arguments.

**ROI:** We estimate the savings from this decision to be a second full year of avoided revenue requirement for these expenditures. That estimate (from our June 2019 status report) was: (\$8.45 million + 1.87 million) / 10-year depreciation life = \$1,032,000) + (\$9,804,000 million average undepreciated balance \* 5.48% approved overall rate of return = \$537,259) = \$1,569,260, rounded down to \$1.5 million. The total cost of the appeal was \$10,100, so the ROI for the appeal was approximately **150 to 1**.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (06/30/21)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20165	Consumers Energy 6t IRP	20-04	\$5,050.00	\$0.00	

The Commission approved a contested settlement agreement on June 7, 2019. The Board approved a small grant request to support post-settlement negotiations regarding the Campbell plant economic analysis for the next IRP proceeding. That agreement has been completed. We have begun review of Consumers' input data and assumptions and had a meeting with the company under our separate agreements.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (09/30/21)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20222	DTE 2019 PSCR Reconciliation	20-04	\$30,300.00	\$959.50	

MEC requested disallowances of cost recovery for NEXUS gas transport and waste gas for generation at River Rouge. ALJ recommended these disallowances but Commission reversed on the basis that the Orders relied on for the disallowances were issued after this case was filed.

MEC was directionally aligned with the AG but did not participate in a joint litigation agreement.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (04/30/21)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20527	DTE Electric 2020 PSCR Plan	20-04	\$50,500.00	\$10,021.73	

The PFD was issued on February 21, 2021, and the Commission issued an Order on April 8, 2021. The Order upholds the PFD and is favorable on both of our issues: NEXUS and the affiliate fuel supply contract for industrial waste gas to be burned at River Rouge. We are submitting a separate memo summarizing the outcome. Any specific savings from the plan case will need to be obtained in the reconciliation, Case No. U-20528. The Board has provided us with funds to pursue those issues in the reconciliation.

**Total 2021 ROI** for all cases in this report: \$5,210,000 savings / \$26,100 funds used = **200 to 1**.

#### Grantee: Citizens Utility Board of Michigan, 2021

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (01/21/22)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20849	CECo Depreciation	21-06 (GG 21*957)	\$50,500	\$43,432.03	

Consumers Energy reached a settlement with CUB and other groups that cuts rates for determining depreciation expense in the company's electric utility accounting by \$27.2 million compared to existing rates, and by \$69.9 million compared to the utility's initial proposal. The parties to the settlement are Consumers Energy, CUB, the Attorney General, Michigan Environmental Council and the MPSC staff. The settlement was approved by the MPSC on Dec. 9.

The AG's office intervened in this case separately. We did not do a joint litigation agreement. However, we did consult with the AG's office regarding the settlement. The settlement reflected CUB's unique perspective particularly with respect to hydropower plant depreciation, the shared position of CUB and the AG with respect to wind and solar, and avoided changes with respect to fossil plants that CUB and the AG opposed.

**ROI:** Since there were other parties in the case, CUB conservatively estimates 10% (\$6,990,000) of the total savings (\$69.9 million) was a result of our intervention. We estimate a cost/benefit ratio of **989:1** (6,990,000/7067.97).

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (07/16/21)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20940	DTE Gas Rate Case	21-06 (GG21*957)	\$30,000	\$17,195.72	

DTE Gas proposed an 11% increase in residential rates, after having received a 3.9% increase in its previous rate case. CUB intervened in the case, participated in the discovery process and joined the Attorney General's briefs. On Dec. 9, 2021, the MPSC issued an order approving a 1.78% increase on residential customers. The order also approved an overall revenue increase for DTE Gas of \$84.17 million, 57% lower than the \$195 million increase sought by the company. Among the most significant of the disallowances that lowered the company's revenue increase were \$1.24 million disallowed for the costs of replacing a distribution main under the Detroit River. A contractor for DTE Electric had collided with and damaged the main. The AG argued that the costs should not be borne by ratepayers because DTE Gas failed to adequately mark the pipeline and DTE Electric should be considered responsible for hitting the pipeline.

CUB and the AG had a joint litigation agreement in place.

**ROI:** The total spent on this case was \$12,804.29. DTE Gas had proposed an annual increase of \$195 million. The MPSC approved \$84.17 million, which equals a savings of \$110.83 million per year. There were 11 parties in the case, therefore CUB will take credit for 1/11th of the annual savings or \$10,075,454.50. For just one year of savings, the cost/benefit ratio would be **787:1** (10,075,454.50/12,804.29).

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (01/20/22)	Other Financial Support (matching funds, pro-bono support, etc.)
RM-21-17-000	Building for the Future through Regional Transmission Planning	21-01	\$50,000.00	\$94.00	

On June 7, 2021, Governor Whitmer, in a letter to MISO CEO, John Bear, emphasized that one of Michigan's highest priorities is addressing the "urgent and immediate threats of climate change." Renewable Energy projects are being stymied because the costs of extending the grid to solar, wind or battery storage projects have been levied onto the entity building the projects thus making them uneconomical. For example, since 2016, 42 such projects have been withdrawn from the MISO queue. The solution is to spread the costs of such projects over a wide area because everyone benefits from a grid that carries more renewable energy. To this end, MPSC Chairman Dan Scripps, led a MISO Committee to come up with an interim solution. CUB supported these efforts in the various committee meetings and MISO adopted a "postage stamp" solution that is now before FERC. Additionally CUB continues to monitor the SATOA issue of battery storage at the DC Court of Appeals. CUB was instrumental in getting several consumer oriented organization from the Midwest to weigh in on the matter.

CUB communicates regularly with the Attorney General's office regarding MISO activities and makes suggestions on when and where the AG should weigh-in on specific issues and proceedings.

Because the outcomes are not complete and because they result from long-running and highly participative stakeholder processes, it is difficult to attribute specific benefits to CUB's participation.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (01/21/22)	Other Financial Support (matching funds, pro-bono support, etc.)
U-21045	Alpena Power Co. Rate Case	21-06 (GG 21*957)	\$22,725.00	\$10,860.04	

In June 2021, Alpena Power Co. proposed a 6.58% rate increase or \$2,277,122 revenue deficiency, which would have raised rates for residential customers by 9.37%, with an 11.5% return on equity. CUB and the AG intervened in the case and negotiated a settlement agreement with Alpena and MPSC Staff. Under that agreement, the overall rate increase for 2022 fell to 3.61%, the residential rate increase fell to 5.19% and the ROE fell to 9.85%. The overall revenue deficiency approved by the MPSC was \$1.25 million thus a savings of \$1 million from what was originally proposed. As part of the settlement, Alpena also agreed to add four new tariffs: a Residential Plug-In Electric Vehicle Service tariff, a General Service Plug-In Electric Vehicle Service tariff, an Efficient Electric Heat Service tariff, and a Distributed Generation tariff. In addition, the utility agreed to implement a Low-Income Assistance Service Provision, which included an Income Assistance credit of \$5 per month for qualifying customers. The MPSC approved the settlement agreement in December 2021.

CUB and the AG had a joint litigation agreement in place.

**ROI:** There was a total savings of \$1 million as a result of the Commission-approved settlement. There were three parties in the case (CUB, the AG and Staff). Therefore, CUB will take credit for 1/3 of that savings or \$333,333 and a cost/benefit ratio of **28:1** (\$333,333/\$11,864).

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (01/21/22)	Other Financial Support (matching funds, pro-bono support, etc.)
TBD	I&M IRP Workshops	21-06 (GG21*957)	\$5,000	\$48.48	

Several workshops have been held over the past year which focused on I&M's plans for closing some plants and consideration of renewable energy sources, as well as their energy efficiency potential study. CUB participated in all 5 most-of-day workshops and made verbal and some written comments. We believe our comments made some difference in the energy efficiency potential study, I&M's plans to use competitive bidding for renewables and consideration of storage integrated with solar. We do not endorse the final plan but will be better prepared for the case by virtue of this participation in the pre-filing stakeholder process.

The Attorney General did not participate in these workshops.

We can't estimate the return on investment yet, because the official case has not yet been filed. We can factor the expense of participating in these pre-filing stakeholder workshops in our final analysis upon completion of the case.



Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (07/16/21)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20718	MGU Rate Case	21-06 (GG 21*957)	\$40,400.00	\$27,881.05	

A settlement of the case, supported by CUB and the AG, was approved by the Commission on September 9, 2021. MGU's filed request was for a 16.5% increase in residential gas distribution revenue including an increase of the monthly fixed charge from \$13.00 to \$14.75. The settlement provided for an 8.7% increase in residential gas distribution revenue. Monthly fixed charges did not increase and remain \$13.00 per month. In addition, MGU agreed to initiate a new low-income bill assistance program including an allowance equal to the monthly fixed charge for up to 1250 customers, a monthly credit up to \$30 for up to 255 customers, and a senior assistance program of one-half the monthly fixed charge for up to 800 customers. Additionally, MGU agreed to contribute \$100,000 to a Michigan Energy Assistance Program grantee for an effort to eliminate low-income arrearages that are not susceptible to other assistance programs, coupled with assistance for participation in EWR programs.

CUB and the Attorney General had a joint litigation agreement in this case.

**ROI:** The total CUB spent on this case was \$12,518.95. Michigan Gas Utilities Corporation proposed an annual increase of \$15,127,536. The MPSC approved a \$9.25 million increase, which equals a savings of \$5,877,536 per year. There were three parties in the case, therefore CUB will take credit for a third of the annual savings (\$1,959,178.67). For just the first year of savings, the cost/benefit ratio would be **156:1** (1,959,178.67/12,518.95).

**Total 2021 ROI** for all cases in this report: \$19,357,966.17 savings / \$44,255.21 funds used = **437 to 1**.

#### Grantee: Residential Customer Group, 2021

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (09/30/2020)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20210	DTE GCR rec thru 03-2019	20-05	\$13,635.00	\$0	\$1,692 Pro Bono

This case involved the GCR reconciliation for DTE Gas Company for the 12 month period ending March 31, 2019. RCG participated in all phases of the case including intervention, submission of discovery requests to DTE, filing of expert testimony and exhibits, participation in hearings, and the filing of initial and reply briefs and exceptions to the ALJ's PFD. The RCG challenged: (1) DTE's inclusion in GCR rates of an excessive amount of "company use and lost and unaccounted for gas"; (2) DTE's failure to establish its efforts to minimize gas costs to reflect the 40% reduction in income tax applicable to its suppliers, including particularly its affiliate NEXUS gas pipeline; (3) challenging certain affiliate transactions and costs involving its affiliate, the DTE Michigan Gathering Company

(MGAT) consistent in part with some similar challenges raised by the MPSC Staff. The RCG concurred with DTE, however, concerning its acquisition of gas and storage facilities for its electric generating facilities through in-house company resources rather than by hiring an independent gas agent (in contrast to CECO Gas which utilizes a high-cost gas agent to obtain gas for its Zeeland, Jackson, and Karn generating plants, an arrangement which RCG has challenged in CECO cases).

The Attorney General focused on issues other than those raised by RCG. No formal litigation agreement was in place with RCG and the AG for this case, although RCG counsel consults with AG's counsel on issues by phone or e-mail, or during hearing breaks, in some instances.

The Commission's Order did not adopt RCG's positions, with the exception that the Commission's April 8, 2021 Order (pp 11-23) did adopt several accounting recommendations, and modest rate disallowances presented by the Staff and supported by the RCG (Order, p 14). The return on investment is uncertain although the case has established increased scrutiny upon the DTE/MGAT transactions. This increased focus and monitoring provides a benefit because it may lead to more controls and lower costs on a prospective basis with respect to such ongoing DTE/MGAT transactions.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (12/31/2020)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20220	CECO PSCR Reconciliation	20-05	\$16,665	\$0	\$3,762.00 Pro Bono

This case involved the PSCR reconciliation for Consumers Energy Company (CECO) for the 12 months ending December 31, 2019.

RCG participated in all phases of this case, including intervention, propounding discovery requests to CECO, the MPSC Staff, and the Biomass Plant (BMP) intervenors, the filing of expert testimony and exhibits, participation in hearings, the filing of initial and reply briefs, and the filing of exceptions to the PFD. The RCG also filed a Petition for Rehearing from the Commission's October 13, 2021 Order, which the Commission denied by its order issued February 10, 2022.

RCG challenged: (1) CECO's and intervenor BMP's failure to establish the reasonableness and prudence of certain high costs included by the BMPs and CECO in CECO's PSCR costs and rates; (2) the failure of CECO to establish the reasonableness of including some \$1.8 in demand charges which it paid to its own gas division for use of an interconnection pipeline serving the CECO's Jackson natural gas generating plant, despite CECO's ownership of the pipeline and CECO's inclusion of duplicative costs for the pipeline in base rates; (3) the failure by CECO to establish the reasonableness of its paying \$499,000 to SEMCO Gas to utilize the interconnection pipeline serving CECO's Zeeland Natural Gas Generating plant, despite CECO's existing option to purchase the pipeline for \$1.00; (4) the failure of CECO to establish that its hiring of an independent gas agent to acquire gas, transportation and storage services for gas supplied to CECO's Jackson, Zeeland, and Karn Plants was reasonable considering the high per Mcf fees charged by the agent and the degree to which the cost of said gas supplies and services far exceeded the much lower GCR cost of gas acquired by CECO's own internal gas department to serve all other CECO customers, and (5) CECO's failure to establish that the high costs incurred from transactions with BMP intervenors, particularly the three BMP projects co-owned by CECO's parent company subsidiaries were reasonable given the affiliated nature of the transactions and CECO's failure to establish compliance with the Commission's Code of Conduct.

The Commission's Orders did not adopt any of RCG's issues despite previous Commission Orders, such as the April 15, 2020 Order in U-20219 (p 10), finding that the pursuit of the Jackson Interconnection cost issue presented a valid cost issue to pursue in future PSCR cases, and despite the RCG obtaining an ultimate Commission disallowance of \$1 million annually relative to the payments made to SEMCO gas for use of the

Zeeland Interconnection Pipeline as adopted by the Commission in its February 5, 2018 and July 24, 2018 Orders in Case U-18142, and despite the fact that RCG's continued focus on this issue contributed toward CECO subsequently reducing the interconnection pipeline payment further from some \$700,000 to \$499,000 annually.

The above RCG issues were different from and non-duplicative of issues pursued by the Attorney General. There existed no formal litigation agreement between RCG and the Attorney General regarding this case, although counsel for RCG communicates with AG counsel by phone calls, e-mails, or during breaks in hearings to discuss case issues or schedules.

RCG's past participation on the Zeeland Interconnection pipeline payment issue in U-18142 resulted in a \$1 million cost disallowance and rate savings; RCG's participation in subsequent cases resulted in part in an additional savings of approximately \$200,000 annually due to CECO's further renegotiation of its contract with SEMCO Pipeline. RCG's participation on this issue in this case continued to protect these cost disallowances from PSCR rates on an ongoing basis (while an additional cost disallowance was not granted by the Commission in this case). As a result, a portion of the \$1.2 million cost disallowance for the Zeeland Interconnection payments protected by RCG's participation in this case can be considered a cost benefit compared to the case budget amount approved by the Board for RCG participation in this case. The precise savings accomplished by protecting these continued disallowances cannot be precisely calculated.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (09/30/2020)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20525	CECO PSCR Plan	20-05	\$16,665	\$0	\$2,700.00 Pro Bono

This case involved the PSCR Plan case for Consumers Energy Company (CECO) for the 12 months ending December 31, 2020.

The RCG raised issues for this 2020 plan year similar in part to the issues raised in the PSCR reconciliation case for 2019, U-20220, but with additional updated evidence, relating to: (1) the unnecessary excessive cost payments made by CECO to SEMCO Gas for use of the 7.5 mile interconnection pipeline serving CECO's Zeeland Natural Gas Generating Plant, compared to the cost if CECO exercised its option to purchase the pipeline for \$1.00; (2) a challenge to CECO including \$1.8 million in demand charges paid to CECO's Gas Division for the CECO Electric Division to utilize the interconnection pipeline serving CECO's Jackson Natural Gas Generating plant, despite recovery by CECO of all costs and a return on the pipeline in CECO's base rates, thereby effecting a duplicative recovery of costs; (3) a challenge to CECO's continued use of a high cost third party gas agent to obtain gas supplies and other services to provide gas to CECO's Zeeland, Jackson, and Karn plants, at far greater cost per Mcf (and comprising millions of dollars over and above) the cost for CECO to obtain gas and related services to serve CECO's GCR customers (and without establishing the prudence of such an arrangement compared to CECO obtaining the gas and related services in house from its own gas division at far less cost); and (4) RCG's challenge to CECO's failure to establish that it has undertaken all efforts to minimize its supplier costs to reflect the 40% reduction in federal income taxes applicable to its suppliers resulting from adoption of the Tax Cuts and Jobs Act effective January 1, 2018.

The Attorney General did not file any testimony or exhibits, and did not file any briefs in this case. There existed no formal litigation agreement between RCG and the Attorney General involving this case.

While the RCG raised valid PSCR issues in this case, the Commission's April 8, 2021 Order did not adopt any of RCG's issues or proposed PSCR reductions.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (09/30/2020)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20940	DTE Rate case	21-05	\$10,000.00	\$0	\$8,856.00

This case involved DTE Gas Company's application to increase its base gas rates and for miscellaneous accounting authority.

RCG participated in all phases of this case including intervention, discovery, the filing of a successful motion requesting the ALJ and Commission to take official notice of DTE's announced spin-off of its Mid-Stream Pipeline assets and storage facilities, and to introduce certain related exhibits into the record, RCG's participation in cross-examination, followed by the filing of initial and reply briefs and exceptions and replies to exceptions to the PFD.

The RCG advocated that: (1) the ALJ and Commission should adopt an historical test year, or alternatively, a limited projected test year comprising no more than 12 consecutive months after the date of the utility's filing of its rate application; (2) that the ALJ and Commission should review the impact of the DTE/Mid-Stream asset spin-off on customer rates and services, in this and future DTE gas and electric rate cases; (3) that the ALJ and Commission should adopt a reduction in the authorized rate of return on common equity for DTE Gas, and a reduction of the capital structure ratio to a 50% common equity/50% debt mix for ratemaking purposes; (4) that the ALJ and the Commission should adopt rate adjustments to recognize the impact of DTE Gas' proposal to transfer \$100 million from the DTE Gas pension fund to the DTE Electric pension fund; and (5) that the ALJ and Commission should reject the adoption of DTE's unaudited proposed "Shared Asset Deferral Mechanism" to allow DTE Electric to retroactively collect costs from DTE Gas for asserted but unaudited assets shared between DTE Electric and DTE Gas.

Although the PFD demonstrated considerable sympathy with RCG's test year issue, and recommended that DTE be required in future cases to demonstrate its costs and rate proposals utilizing a shorter projected test year as recommended by the RCG, the Commission's December 9, 2021 Order did not adopt the ALJ's recommendation. Instead the Commission Order adopted the overly extended projected test year presented by DTE Gas. In addition, the RCG's focus on the DTE/Mid-Stream spin-off demonstrated that there was no direct adverse rate impact in this particular case resulting from the spin-off, which was the primary reason for RCG's focus on this issue. The MPSC's December 9, 2021 Order also determined that DTE Gas should receive a common equity return significantly less than requested by DTE Gas, and that the capital structure ratio for DTE Gas for ratemaking purposes should comprise a smaller common equity percentage than requested by DTE Gas.

The RCG and Attorney General had no formal litigation agreement in effect for this case. Only the RCG focused upon the test year and the Mid-Stream asset spin-off issues. However, the Attorney General, the MPSC Staff, ABATE and the RCG took similar positions to advocate that the common equity return for DTE Gas should be reduced, and that the capital structure ratio between common equity and debt should be reduced (i.e., the common equity portion of the capital structure should be reduced for ratemaking purposes).

It is difficult to estimate the portion of the case results that would be due to RCG's participation due to the similarity of the Staff, Attorney General, and ABATE positions on the common equity return and capital structure ratio issues. The RCG accomplished its stated objective relative to the DTE asset Mid-Stream spin-off issue by focusing upon whether the asset spin-off would adversely affect customer rates for purposes of this case. The test year issue was also a valid issue, although RCG's position was not adopted by the Commission.

Docket No.	Case Title	UCRF Grant No.	UCRF Grant Amt. Granted (As amended)	Balance (09/30/2021)	Other Financial Support (matching funds, pro-bono support, etc.)
U-20220	CECO PSCR Reconciliation	21-05	\$17,575.00	\$0	\$2,340.00 Pro Bono

This case involved the PSCR reconciliation for Consumers Energy Company (CECO) for the 12 months ending December 31, 2019.

RCG participated in all phases of this case, including intervention, propounding discovery requests to CECO, the MPSC Staff, and the Biomass Plant (BMP) intervenors, the filing of expert testimony and exhibits, participation in hearings, the filing of initial and reply briefs, and the filing of exceptions to the PFD. The RCG also filed a Petition for Rehearing from the Commission's October 13, 2021 Order, which the Commission denied by its order issued February 10, 2022.

RCG challenged: (1) CECO's and intervenor BMP's failure to establish the reasonableness and prudence of certain high costs included by the BMPs and CECO in CECO's PSCR costs and rates; (2) the failure of CECO to establish the reasonableness of including some \$1.8 in demand charges which it paid to its own gas division for use of an interconnection pipeline serving the CECO's Jackson natural gas generating plant, despite CECO's ownership of the pipeline and CECO's inclusion of duplicative costs for the pipeline in base rates; (3) the failure by CECO to establish the reasonableness of its paying \$499,000 to SEMCO Gas to utilize the interconnection pipeline serving CECO's Zeeland Natural Gas Generating plant, despite CECO's existing option to purchase the pipeline for \$1.00; (4) the failure of CECO to establish that its hiring of an independent gas agent to acquire gas, transportation and storage services for gas supplied to CECO's Jackson, Zeeland, and Karn Plants was reasonable considering the high per Mcf fees charged by the agent and the degree to which the cost of said gas supplies and services far exceeded the much lower GCR cost of gas acquired by CECO's own internal gas department to serve all other CECO customers, and (5) CECO's failure to establish that the high costs incurred from transactions with BMP intervenors, particularly the three BMP projects co-owned by CECO's parent company subsidiaries were reasonable given the affiliated nature of the transactions and CECO's failure to establish compliance with the Commission's Code of Conduct.

The Commission's Orders did not adopt any of RCG's issues despite previous Commission Orders, such as the April 15, 2020 Order in U-20219 (p 10), finding that the pursuit of the Jackson Interconnection cost issue presented a valid cost issue to pursue in future PSCR cases, and despite the RCG obtaining an ultimate Commission disallowance of \$1 million annually relative to the payments made to SEMCO gas for use of the Zeeland Interconnection Pipeline as adopted by the Commission in its February 5, 2018 and July 24, 2018 Orders in Case U-18142, and despite the fact that RCG's continued focus on this issue contributed toward CECO subsequently reducing the interconnection pipeline payment further from some \$700,000 to \$499,000 annually.

The above RCG issues were different from and non-duplicative of issues pursued by the Attorney General. There existed no formal litigation agreement between RCG and the Attorney General regarding this case, although counsel for RCG communicates with AG counsel by phone calls, e-mails, or during breaks in hearings to discuss case issues or schedules.

RCG's past participation on the Zeeland Interconnection pipeline payment issue in U-18142 resulted in a \$1 million cost disallowance and rate savings; RCG's participation in subsequent cases resulted in part in an additional savings of approximately \$200,000 annually due to CECO's further renegotiation of its contract with SEMCO Pipeline. RCG's participation on this issue in this case continued to protect these cost disallowances from PSCR rates on an ongoing basis (while an additional cost disallowance was not granted by the Commission in this case). As a result, a portion of the \$1.2 million cost disallowance for the Zeeland Interconnection payments protected by RCG's participation in this case can be considered a cost benefit compared to the case budget amount approved by the Board for RCG participation in this case. The precise savings accomplished by

protecting these continued disallowances cannot be precisely calculated.

## ATTACHMENT B: UCRF 2021 Grantees Membership Scope and Description

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

**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](http://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](http://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.

**Environmental Law and Policy Center (ELPC)**: <https://elpc.org/>. ELPC is the Midwest's leading public interest environmental legal advocacy and eco-business innovation organization, and among the nation's leaders. We develop and lead successful strategic advocacy campaigns to improve environmental quality and protect our natural resources. ELPC advocates for smart, productive solutions in three major target areas: (1) accelerating clean renewable energy and energy efficiency development that avoid pollution from coal plants, protect environmental quality and public health, spur job creation and grow green businesses while helping to solve climate change problems; (2) protecting the Great Lakes, where we live, work and play, and protecting the Midwest's Wild and Natural Places, including the waterways and forests that provide key wildlife habitat, sustain biodiversity and provide recreational and economic vitality for people and our communities; and (3) accelerating innovative transportation technologies – including more efficient electric vehicles and cleaner fuels, a Midwest high-speed rail network and better public transit, and sustained land use strategies.

**Michigan Municipal Association for Utilities Issues (MI-MAUI)**: <https://mi-maui.org/>. MI-MAUI represents interests of, and provides technical assistance and education to, local government agencies in Michigan in matters involving regulate utilities, including state regulatory processes and direct business relationships with utilities. By providing a collective, focused voice and expert technical analysis, MI-MAUI helps local governments save money, deliver more effective services and achieve policy goals; by focusing utility-related priorities and positions of local governments, MI-MAUI seeks to expedite action by utilities and regulatory agencies. MI-MAUI currently has eight dues-paying members including the cities of Clint, Detroit, Ann Arbor and Washtenaw County. MI-MAUI communicates with and serves interests of non-member communities on a less comprehensive basis.