

Integrated Resource Plan (IRP) Stakeholder Outreach Meeting

AGENDA ITEMS

- 9:00 a.m. MISO MTEP Futures Overview – Bonnie Janssen, MAE
•Open to any interested participant
- 9:45 a.m. Environmental Policy Workgroup – Breanna Bukowski, MDEQ
•PA 341 Section 6t (1c and 1d)
•Workgroup Scope
•Timeline and Deliverables
•IRP and Environmental Regulations – Barry Marietta, DTE Energy
- Linda Hilbert, Consumers Energy
•IRP Modeling Discussion (time permitting)
- 10:45 a.m. Other Market Options Workgroup – Nick Evans, MPSC
•Workgroup Scope
•Market Options presentation – Laura Chappelle, Varnum Law
•Discussion of market options and technologies
- 11:45 a.m. – 1:15 p.m. Break for lunch - on your own
- 1:15 p.m. Forecasting, Fuel Prices & Reliability Workgroup – Eric Stocking, MPSC
• Workgroup Scope
- 3:00 p.m. Upper Peninsula Workgroup – Bonnie Janssen, MAE
• Workgroup Scope
- 4:00 p.m. Filing Requirements Workgroup – Cathy Cole, MPSC
• Workgroup Scope
- 4:30 p.m. Adjourn

Forecasting, Fuel Prices & Reliability Workgroup

Scope of Work

This group is charged with compiling a recommendation around the following topics:

- Modeling Scenarios & Assumptions
 - Including, but not limited to, all of the following
 - Planning reserve margins and local clearing requirements.
 - Projected costs of different types of fuel used for electric generation.
 - Projected energy and capacity purchased or produced by the electric utility from a cogeneration resource.
 - Long-term forecast of sales and peak demand under various scenarios.
 - Projected impact on rates for the periods covered.
 - Analysis of cost, capacity factor, and viability of all reasonable generation options available to meet projected capacity needs.
 - Plans for meeting current and future capacity needs with cost estimates.
- Current/Projected Generation and Fuel
 - Current utility generation portfolio data
 - Projected long-term firm gas transportation or storage contracts for any new generation.
 - Capital, O&M costs
- Other Economic Indicator Outlooks
- Questions
 - Tie Michigan IRP parameters to MISO MTEP futures?
 - What level of specificity should be required?
 - Discount rates?
 - Consistent bounds around parameters for sensitivity analysis?

Upper Peninsula Workgroup 3:00 pm

Workgroup Lead: Bonnie Janssen
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PA 341 Section 6t IRP UP Workgroup

Bonnie Janssen, MI Agency for Energy
Gradon Haehnel, Upper Peninsula Power Company

March 30, 2017

Stakeholder Engagement

CONTEXT: As key stakeholders in the current and future energy landscape of the Upper Peninsula, the purpose of the “UP Workgroup” is to identify the UP’s role and voice in the development and implementation of the MPSC’s state-wide Integrated Resource Planning process. The unique load, energy and socio-economic characteristics of the UP validate this separate workgroup to ensure that the diverse requirements of the UP within the state’s planning process are captured in an efficient, constructive and collaborative manner.

GOAL: Between now and June 2017, the UP Workgroup needs to:

- Understand the state-level IRP process and timeline
- Define the UP Workgroup’s purpose & scope re: IRP
- Understand how the UP’s interests and distinct requirements “fit” into the state-level IRP process
- Provide recommendation and/or strawman proposal to MPSC Staff for feedback re: processes, inputs, assumptions, etc., (*to be defined by this group*)

Relational View – is this right?

Level 1

Michigan (macro-level) IRP

Regional (Load Resource Zone 7)

Regional (Load Resource Zone 2)

Level 2

UTILITIES: MUNI's plus Alpena Power Company, Indian Michigan Power Company, Cherryland Electric Cooperative, Consumers Energy, Detroit Edison, Great Lakes Cooperative, Midwest Energy Cooperative, Presque Isle Electric & Gas Cooperative, Thumb Electric Cooperative, Tri-County Electric Cooperative

UTILITIES: MUNI's plus Alger Delta Cooperative, Cloverland Electric Cooperative, Xcel Energy, Ontonagon County REA, Upper Peninsula Power Company & UMERC

Level 3

Some common denominators?

- Level 1: Identify / understand state-level (macro) IRP planning processes & requirements
 - INPUTS into MISO-level planning
- Level 2: Identify / understand / define regional “UP” regional IRP planning processes & requirements
 - INPUTS into Level 1
- Level 3: Identify / understand / define utility-level IRP planning processes & requirements
 - INPUTS into Level 2

- If one of our objectives is to understand the UP's energy and capacity requirements over the next 5, 10 and 20 years in relation to MI through this IRP process, what level of planning & inputs are required from UP stakeholders?
 - Understand IRP best practices (MISO, other)
 - Understand all current studies & timelines. What are they and how do they impact us?
 - What are the inputs that MISO needs?
 - Identify UP-centric assumptions, sensitivities, and scenarios?
 - How do the UP stakeholders want to participate / communicate in this process? Beyond this process?
 - Work with Filing Requirements Workgroup?
 - Smaller utility considerations
 - Who are the right set of stakeholders in this UP Workgroup process?

State Reliability Mechanism- UP Considerations

- Tuesday, April 11, 2017; 9:00 a.m. – 12:00 p.m.
- *Lansing Conference Room, Michigan Public Service Commission (MPSC)*
- Map to MPSC at [7109 W. Saginaw Hwy., Lansing, MI 48917](https://www.google.com/maps/place/7109+W+Saginaw+Hwy,+Lansing,+MI+48917)
- Phone-In: (888) 808-6929, Access Code 9186690#

- **Background**
- In its March 10, 2017 Order, the Michigan Public Service Commission directed Staff to convene a technical work group in Case No. U-18197 to discuss a myriad of issues that are tangentially related to the establishment of SRM charges, such as:
 - Develop recommendations regarding requirements for capacity demonstrations for electric utilities, cooperatives, municipalities, and AESs in this state subject to an SRM, including filing requirements.
 - Develop recommendations regarding load forecasts, planning reserve margin requirements and locational requirements for capacity resources.
 - Develop recommendations regarding the capacity obligations for load that pays an SRM charge to a utility, including MISO’s annual PRA.
 - The Commission **encourages** UP utilities to participate in this technical conference to discuss division amongst commenters regarding scheduling of SRM cases for UP utilities.
- Subsequent meetings will address all other topics to be discussed by this technical work group.

How to get involved

- Email Bonnie Janssen janssenb@michigan.gov to join this UP Workgroup
- Check www.Michigan.gov/mpsc or www.Michigan.gov/energy for IRP website
- Attend workgroup meetings
- Provide informal and formal comments at proper times

Filing Requirements Workgroup 4:00 pm

Workgroup Lead: Cathy Cole
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IRP Filing Requirements Workgroup

Cathy Cole, MPSC

March 30, 2017



Workgroup Scope

- Section 6t(3)... “The Commission shall issue an Order establishing filing requirements, including application and instructions, and filing deadlines for an integrated resource plan filed by an electric utility whose rates are regulated by the Commission.”

Workgroup Scope continued

- Section 6t(4)... “For an electric utility with fewer than 1,000,000 customers in this state whose rates are regulated by the Commission, the Commission may issue an order implementing separate filing requirements, review criteria, and approval standards that differ from those established under subsection (3).”

U-15896 Certificate of Need

- Commission Order dated 3/28/17 seeking comments by 4/14/17 on:

Attachment A
Michigan Public Service Commission
~~2008 PA 286~~ 2016 PA 341
Filing Requirements and Instructions for
Certificate of Public
Convenience and Necessity Application
Instructions

Workgroup Assignments

- Review the updates to the CON filing requirements and provide any formal comments in the docket relative to Section 6S.
- Review PA341 Section 6T in comparison to the CON filing requirements currently being revised to develop a list of items to discuss for incorporation into IRP filing requirements under 6T prior to May 1, 2017.
- Develop a list of items for discussion that may potentially be proposed as separate filing requirements for smaller utilities with less than 1,000,000 customers.
- Start thinking about filing deadlines as well as scheduling requirements or needs for IRP cases that will be filed by April 2019 and beyond.

Filing Requirements Schedule

- Please send feedback to Cathy Cole, colec1@michigan.gov, by May 1, 2017
- There will be IRP stakeholder meetings scheduled on 4/17 and 5/1, but the next scheduled meeting for the filing requirements workgroup is expected to be 5/24.
 - Does anyone see the need for this group to meet again prior to 5/24?
 - It's possible that the filing requirements may lag slightly behind the development of the draft modeling scenarios, sensitivities and parameters, however the goal is to develop the draft as early as possible in order to obtain stakeholder input.

Next IRP Stakeholder Meeting

April 17, 2017

9:30 a.m. Energy Waste Reduction Workgroup

10:45 a.m. Demand Response Workgroup

12:00 p.m. Lunch on your own

1:30 p.m. Renewables and PURPA Workgroup

2:30 p.m. Transmission Workgroup*

3:30 p.m. Forecasting, Fuel Price and Reliability

4:30 p.m. Adjourn

*The Transmission Work Group is accepting preliminary comments from stakeholders about the consideration of transmission within the IRP process. Direct comments to Naomi Simpson, simpsonn3@Michigan.gov no later than April 7th.