Michigan Public Service Commission

MPSC Staff PURPA Technical Advisory Committee

Paul Proudfoot, Director
Electric Reliability Division
Michigan Public Service Commission

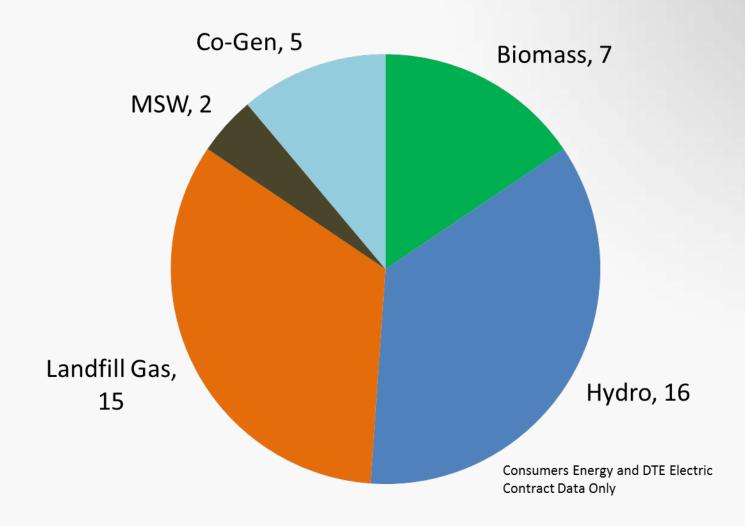


PURPA Technical Advisory Committee

- Ordered by the Commission on October 27, 2015 (Case No. U-17973)
 - Assess the continuing appropriateness of the Commission's regulatory implementation of PURPA
 - Report findings by April 8, 2016
 - Meeting Schedule: Dec 8, Jan 13, Feb 10, Mar 2

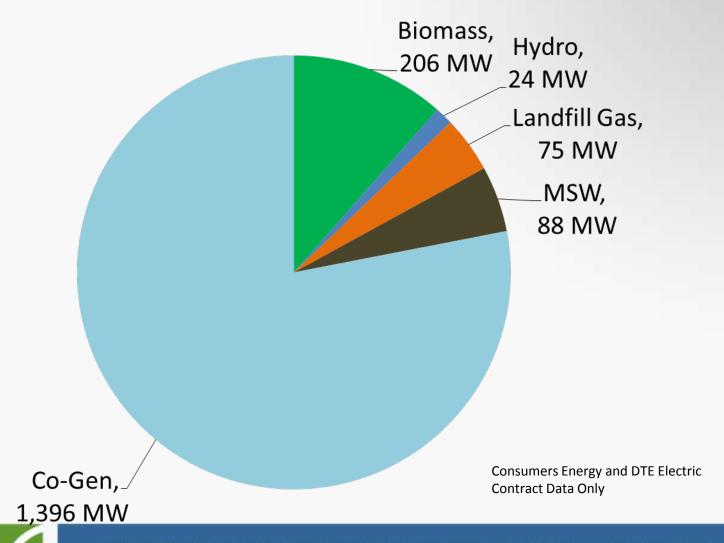


Number of PURPA Contracts, By Type 45 Total Contracts





PURPA Contract Capacity, By Type 1,789 Total MW





Initial PURPA Implementation

- MPSC Case No. U-6798 (multiple orders)
 - Order dates range from 1981 1986
 - Established avoided cost initially (3/17/81)

"Rates for utility purchases from qualified facilities shall be equal to the fuel and purchases power base plus the monthly purchased power and fuel adjustment clauses in effect at the time of the purchase..."

 In 1982, a series of separate settlement agreements adopted a proxy plant methodology based on future capacity additions



Waiver for >20 MW QF Projects

- EPAct 05 allows utilities to terminate the mandatory purchase obligation if QFs have non-discriminatory access to competitive markets (like MISO)
 - Consumers Energy FERC waiver granted January
 25, 2012
 - DTE Electric FERC waiver granted October 26,
 2009



Julie Baldwin Michigan Public Service Commission baldwinj2@michigan.gov



Michigan Public Service Commission PURPA TAC Meeting

First PURPA TAC Meeting

April Stow / Kevin Krause / Jesse Harlow

Michigan Public Service Commission



PURPA TAC Responsibilities

- Develop a Commission Administrative Process
 - Bi-yearly or to coincide with pending IRP legislation?
- Research Avoided Cost Methodologies
 - Determine Avoided Cost/s if possible
- Circulate Staff Drafted PURPA TAC Report on March 15, 2016 for Comment
- Comments Due Back on April 1, 2016



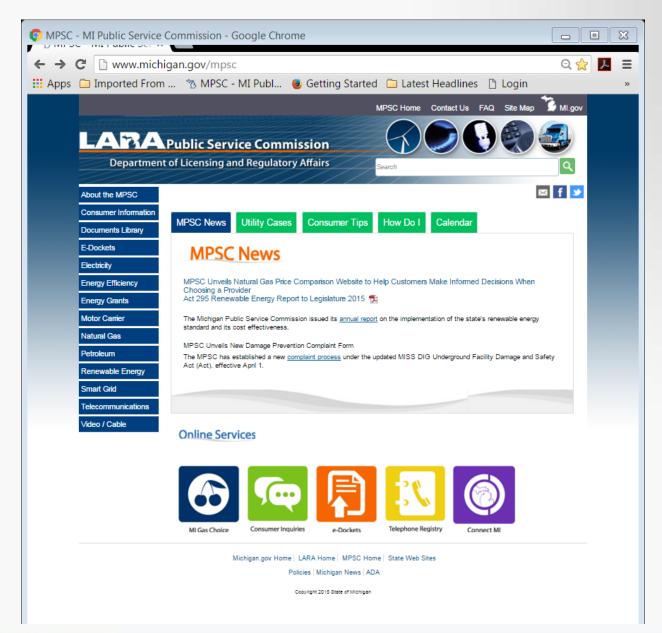
Next Meeting

- Next Meeting January 13, 2016
 - Staff will present its regulatory process
 - Contact Staff to present regulatory process proposal
 - Jesse Harlow harlowj@michigan.gov

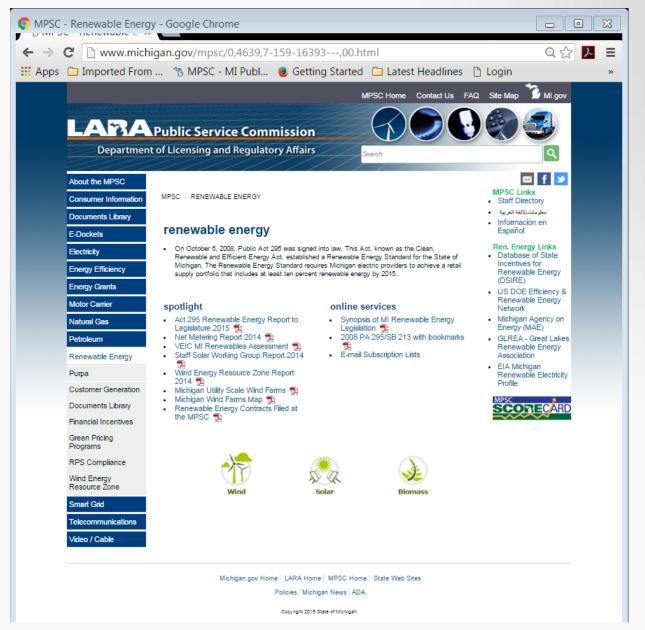


PURPA Website

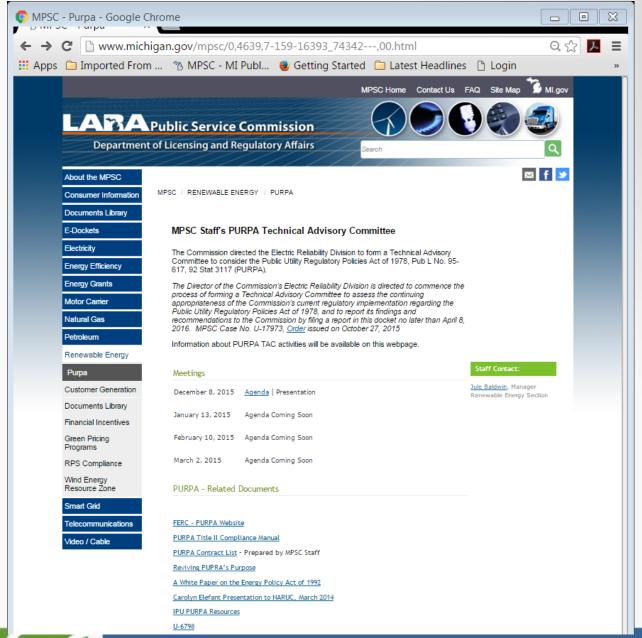














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