

Distribution Plan Straw Proposal

Collaborative Session

U-20147

December 17, 2024

Introduction

- Recorded
- Comments
 - Raise hand to join the queue for verbal comments.
 - Use the chat for non-verbal comments.
- State name and organization at the start of your comment.
- The straw proposal topics are intended for all Michigan utilities, regardless of size.
- Another opportunity to comment before final straw proposal is submitted. January 8th deadline.

Agenda

Introduction and Background

9:00 a.m. – 9:15 a.m.

Discussion: Process Items

- Pre-filing outreach
- Annual updates

9:15 a.m. – 10:30 a.m.

Break

10:30 a.m. – 10:45 a.m.

Discussion: Outline Items

- Historical safety incidents
- Streetlights
- Resilience

10:45 a.m. – 11:45 a.m.

Conclusions and Next Steps

11:45 a.m. – 12:00 p.m.

Background

September 26, 2024 [Order](#) states:

"...the Commission first and foremost notes, in response to the many comments about the current distribution plan process and criticisms thereto, that a straw proposal developed by the Staff is being attached to this order... for comment and consideration in an effort to clarify and improve the distribution plan process for all involved moving forward...

The Commission, in this regard, invites interested persons to comment on the Staff's straw proposal... The Commission further directs the Staff to schedule a collaborative session with interested persons to convene following the comment period to further discuss the straw proposal and comments thereto, with the Staff then filing a revised straw proposal if needed within 30 days following the collaborative session. The Commission will thereafter issue an order adopting distribution plan filing requirements for utilities and provide additional guidance on timing for the next set of distribution plans."

Process: Pre-Filing Outreach

"a. Pre-Filing Outreach

The utility must hold at least one outreach meeting [...] not less than 12 months prior to the filing. Outreach meeting(s) must be held [...] in geographic locations convenient to customers. In person, phone-in, and virtual options are recommended."

Entity	Comment
ELPC	Multiple meetings and attendance options should be required, as well as requirement for appropriate time spent on engagement.
MI EIBC	Multiple meetings and attendance options should be required, and there should be an outer limit for travel or an ability to request local meetings. Technical outreach meetings may also benefit interested parties.
MEGA	12-month pre-consideration should be 60 days, and there should be a threshold(\$ or number of customers impacted) needed to trigger engagement efforts.
VP3	Multiple meetings and attendance options should be required and the utilities should practice proactive outreach efforts toward third-parties.

Process: Pre-Filing Outreach

- Proposed update:

- "a. Pre-Filing Outreach

The utility must hold several outreach meetings [...] not less than 12 months prior to the filing. Outreach meeting(s) must be held [...] in various geographic locations as convenient to satisfy all customers. In person, phone-in, and virtual options are required."

- Additional questions:

- What topics should the pre-filing outreach meetings cover?
 - Is the timeline adequate for meaningful discussion?
 - What other location requirement options could be used?

Process: Annual Update

"An annual update is optional and intended to provide utilities the opportunity to update information within plan filings including, but not limited to, projections and forecasted costs to align with existing planning objectives...Annual updates, if appropriate, shall be filed annually from the date of the utility's most recent distribution plan filing in an appropriate docket"

Entity	Comment
ELPC	Annual updates should be required and should be coordinated with rate cases. Deviations from the original plan should be reflected in both updates and rate cases.
MI EIBC	Annual updates should be required and be also triggered by any changes in federal/state funding opportunities.
VP3	Annual updates should be required.

Process: Annual Update

- Originally proposed in Staff comments on 2023 distribution plans: “[P]rovide a space for the utilities to discuss changes, intended or incidental, between the most recent Five-Year Plan and its current system.”
- Intended to proactively mitigate perceived issues with IRP and other long-term planning struggles.
- Intended to shore-up planning with current rate case.
- Additional questions:
 - What should be included in annual updates?
 - Should updates be required or optional?
 - When and where should annual updates be filed?
 - Distribution docket, rate case docket, separate docket



BREAK

**Distribution Plan Straw
Proposal Collaborative**

Outline: Historical Safety Incidents

"c. Historical Safety Incidents Involving Electric Facilities, including:

- i. Date
- ii. Location
- iii. Electric system voltage
- iv. Affiliation (Company, Contractor, or Public)"

- Reporting requirement under R 460.3804 of the Technical Standards for Electric Service

Entity	Comment
DTE	The purpose is unclear: injuries often have no relationship to the integrity of the distribution system.
CE	The proposal should have a historical limit: suggestion of 3 year historical. The Company is happy to provide all data from existing form submission.

Outline: Historical Safety Incidents

- Proposed update:

"c. Historical Safety Incidents, including 460.3804 notifications, for at least the prior three years, including:

- i. Date of incident
- ii. Location (substation, circuit, and control center if applicable)
- iii. Facilities Involved (system voltage, overhead versus underground, if contact was due to a wire down, etc)
- iv. Affiliation (Company, Contractor, or Public/Third Party)
- v. Severity (fatality versus serious injury) and number of persons involved.

Utilities should avoid providing direct residential addresses, names, and ages in this compilation to protect the identity of any persons involved."

Outline: Streetlighting

“f. Operations and Programs

* * *

v. Streetlight/community lighting management, including investment strategy, operations strategy, and light pollution mitigation efforts.”

- Historically been included in some plans, but not in all.

Entity	Comment
DTE	Community lighting is separate and operates independently of distribution system and has different rate base.
MEGA	Utility is unable to manage or enforce light pollution concerns. Outdoor lighting design unavailable. Some customers already have light pollution requirements.
MI-MAUI	Streetlight lighting is in distribution rate base and is not being managed. LED light pollution is not being considered. Special concern to local governments.

Outline: Streetlighting

- Additional questions:
 - Are streetlights a part of distribution system rate base?
 - What design decisions does the utility have over streetlighting?
 - Do all utilities own, operate, and maintain streetlighting assets?
 - What proportion are owned by the utility?
 - How do investments and operations differ if a utility owns streetlights vs. not owning them?

Outline: Resilience

f. Resilience Approach and Planning

- i. Vulnerability assessment
- ii. Description of proposed resilience programs(s), if applicable
- iii. Projected costs and rate impacts

Entity	Comment
I&M	Need for a definition of vulnerability assessment and projected costs should be removed.
MEGA	Changes in assumptions result in rate impact changes. This alters any benefit of a rate analysis. Resilience investments are only a subpart of overall rate impact to customers.

Outline: Resilience

- Proposed update:

- ~~f. Resilience Approach and Planning~~

- ~~i. Vulnerability assessment~~

- ~~ii. Description of proposed resilience programs(s), if applicable~~

- ~~iii. Projected costs and rate impacts~~

- f. A description of proposed resilience program(s), if applicable, with associated vulnerability assessment

- Additional Questions:

- What parameters should be included in an assessment, if any?
- What challenges or issues does this surface?
- What projected costs should be included, if any?
- Should projected costs fall under “Customer Affordability Analysis” section of straw proposal?

Next Steps

- Staff will send updated straw proposal through listserv.
- Additional comments and proposed changes should be submitted to Anna Schiller at SchillerA3@Michigan.gov by 5 pm EST on January 8th.
- Final Staff straw proposal filed in Case No. U-20147 by 5pm EST on January 16th.

Thank you!