

MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC
SERVICE COMMISSION HELD IN ITS OFFICES ON AUGUST 28, 2018

Commission Chairman Sally A. Talberg called the meeting to order at 1:32 p.m.
Executive Secretary Kavita Kale called the roll and declared there was a quorum.

PRESENT

Commission: Sally A. Talberg, Chairman
Norman J. Saari, Commissioner
Rachael A. Eubanks, Commissioner

Staff: Lisa Gold
Judy Palnau
Kavita Kale
Lisa Felice
Cindy Creisher
Ryan Laruwe
Chris Forist
Matt Donahue
Nathan Johnson
Jana Bachman
Wanda Clavon Jones
Jill Rusnak
Al Freeman
Derrell Slaughter
Ryan Wilson
Staci Sova

Public: Joan Johnson
Milton Johnson
Steve McLean, SEMCO
Greg White, NARUC
Mike Torrey, Consumers Energy
Adella Crozier, DTE
Candace Gonzales, Consumers Energy
Peter Rynearson, DTE
Yvette Collins, AT&T
Kwafo Adarkwa, ITC
Evelyn Robinson, PJM
Mary Anne Okon
Anne Marie Okon
Sheila Pomaranski
Angela Thomas
Susan Lesnek

- I.** Commissioner Saari moved to approve today's agenda, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The agenda was approved.

- II.** Commissioner Saari moved to approve the minutes of the Regular Commission Meeting of July 24, 2018, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The minutes were approved.

III. CONSENTED ORDERS

A. COMMUNICATIONS

1. U-13378 IN THE MATTER OF AT&T MICHIGAN AND COMCAST PHONE OF MICHIGAN, LLC, d/b/a COMCAST DIGITAL PHONE (fifteenth amendment/application)
- U-13690 IN THE MATTER OF AT&T MICHIGAN AND QUANTUMSHIFT COMMUNICATIONS, INC. (seventh amendment/application)
- U-14654 IN THE MATTER OF AT&T MICHIGAN AND CHARTER FIBERLINK-MICHIGAN, LLC (seventh amendment/application)
- U-15585 IN THE MATTER OF AT&T MICHIGAN AND ACCESS ONE, INC. (second amendment/application)
- U-16116 IN THE MATTER OF AT&T MICHIGAN AND LIQUID WEB, LLC, f/k/a LIQUID WEB, INC. (first amendment/application)
- U-17119 IN THE MATTER OF AT&T MICHIGAN AND TELNET WORLDWIDE, INC. (sixth amendment/application)
- U-17119 IN THE MATTER OF AT&T MICHIGAN AND TELNET WORLDWIDE, INC. (seventh amendment/application)
- U-20273 IN THE MATTER OF FRONTIER COMMUNICATIONS OF MICHIGAN, INC., AND ONVOY, LLC (application)
- U-20289 IN THE MATTER OF CENTURYTEL MIDWEST-MICHIGAN, INC., CENTURYTEL OF MICHIGAN, INC., CENTURYTEL OF NORTHERN MICHIGAN, INC., AND CENTURYTEL OF UPPER

- MICHIGAN, INC., ALL d/b/a CENTURYLINK, AND BULLSEYE TELECOM, INC.
(application)
- U-20292 IN THE MATTER OF FRONTIER COMMUNICATIONS OF MICHIGAN, INC., AND KEPS TECHNOLOGIES, INC., d/b/a ACD.NET AND d/b/a ACD TELECOM, INC.
(application)
(interconnection agreements/final orders)
2. U-20256 IN THE MATTER OF THE APPLICATION OF GREAT LAKES ENERGY CONNECTIONS, INC. FOR A LICENSE TO PROVIDE BASIC LOCAL EXCHANGE SERVICE IN DESIGNATED EXCHANGES
(interim order)
3. MINUTE ACTION METRO ACT
(amending tax credit)
4. MINUTE ACTION MICHIGAN PUBLIC SERVICE COMMISSION COMMENTS TO FEDERAL COMMUNICATIONS COMMISSION IN WC DOCKET 18-141

B. ELECTRIC

1. U-18230 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR ALPENA POWER COMPANY TO FULLY COMPLY WITH PUBLIC ACTS 295 OF 2008
(final order)
2. U-18233 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR INDIANA MICHIGAN POWER COMPANY TO FULLY COMPLY WITH PUBLIC ACTS 295 OF 2008
(final order)
3. U-18437 IN THE MATTER OF THE APPLICATION OF UPPER MICHIGAN ENERGY RESOURCES CORPORATION FOR AUTHORITY TO AMEND ITS STREET LIGHTING TARIFFS TO PROVIDE EXPANDED USE OF LIGHT EMITTING DIODE STREET LIGHTING SERVICE AND RELATED APPROVALS
(ex parte application)

4. U-18461 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO IMPLEMENT THE PROVISIONS OF SECTION 6T OF 2016 PA 341 (amending filing schedule)
5. U-20027 IN THE MATTER OF THE APPLICATION OF ALPENA POWER COMPANY TO COMMENCE AN ENERGY WASTE REDUCTION COST RECONCILIATION PROCEEDING FOR THE 12-MONTH PERIOD ENDED DECEMBER 31, 2017 (final order)
6. U-20031 IN THE MATTER OF THE APPLICATION OF NORTHERN STATES POWER COMPANY, A WISCONSIN CORPORATION, FOR AUTHORITY TO RECONCILE ITS 2017 ELECTRIC AND GAS WASTE REDUCTION COSTS AND REVENUES, AND FOR RELATED APPROVALS (final order)
7. U-20051 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR RECONCILIATION OF ITS TRANSITIONAL RECONCILIATION MECHANISM ASSOCIATED WITH THE DISPOSITION OF THE CITY OF DETROIT PUBLIC LIGHTING SYSTEM FOR THE PERIOD OF JANUARY 1, 2017 THROUGH DECEMBER 31, 2017 (final order)
8. U-20067 IN THE MATTER OF THE APPLICATION OF ALPENA POWER COMPANY FOR RECONCILIATION OF POWER SUPPLY COST RECOVERY PLAN (CASE NO. U-18141) FOR THE 12-MONTH PERIOD ENDED DECEMBER 31, 2017 (final order)
9. U-20157 IN THE MATTER OF THE COMPLAINT OF DEBORAH HACKER AGAINST DTE ENERGY COMPANY (final order)

C. GAS

1. U-18488 IN THE MATTER OF THE APPLICATION OF MICHIGAN GAS UTILITIES CORPORATION FOR ACCOUNTING APPROVAL OF DEPRECIATION RATES (final order)
2. U-20037 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATION, AND/OR APPROVALS NECESSARY FOR

SEMCO ENERGY, INC., TO FULLY COMPLY WITH PUBLIC ACT
295 OF 2008
(final order)

D. VIDEO/CABLE

1. U-18481 IN THE MATTER OF THE COMPLAINT OF ANITA LEE AGAINST
AT&T
(final order)

Commissioner Saari moved that the Commission approve all
the minutes and orders on the consent agenda. Commissioner
Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The minutes and orders were adopted.

IV. OTHER ORDERS

A. ELECTRIC

1. U-18361 IN THE MATTER, IN THE COMMISSION'S OWN MOTION, TO
PROMULGATE RULES REQUIRED BY MCL 460.10ee(1)
(rulemaking/post-hearing draft rules)

Commission Staff Lisa Gold, Regulatory Affairs Division, presented a brief synopsis of the
case listed above. Commissioner Saari moved that the Commission approve the order at its
August 28, 2018 meeting. Commissioner Eubanks seconded that motion.

Chairman Talberg expressed her appreciation for the efforts of the staff.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

2. U-20107 IN THE MATTER ON THE COMMISSION'S OWN MOTION, TO
CONSIDER CHANGES IN THE RATES OF ALL OF THE MICHIGAN
RATE-REGULATED ELECTRIC, STEAM, AND NATURAL GAS
UTILITIES TO REFLECT THE EFFECTS OF THE FEDERAL TAX
CUTS AND JOBS ACT OF 2017: INDIANA MICHIGAN POWER

COMPANY FILES AN APPLICATION FOR DETERMINATION OF
CREDIT A AS DESCRIBED IN ORDER U-18494
(final order)

Commission Staff Brian Welke, Regulated Energy Division, presented a brief synopsis of the case listed above. Commissioner Saari moved that the Commission approve the order at its August 28, 2018 meeting. Commissioner Eubanks seconded that motion.

Commissioner Eubanks commented:

“Thank you, madam chair and thanks Brian for another great presentation on the Commission’s federal tax change related proceedings. As you noted, today is a big day – with today’s I&M Credit A Order, the first of three steps we set out to do in February is complete. All in all, customers served by 10 utilities will receive nearly \$380 million in savings as a result of the Credit A proceedings. I also appreciate the continued expedient treatment of all TCJA-related proceedings by staff, utilities and stakeholders, as reflected in our first Credit B Order later on today’s agenda. Keep up the great work!”

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

3. U-20130 IN THE MATTER OF THE APPLICATION OF UPPER MICHIGAN ENERGY RESOURCES CORPORATION FOR APPROVAL OF AN ANNUAL REVIEW OF ITS STATE RELIABILITY MECHANISM CHARGE TO COMPLY WITH THE REQUIREMENTS OF SECTION 6W OF 2016 PA 341
(final order)

Case No. U-20130 involves an application of Upper Michigan Energy Resources Corporation for approval of an annual review of its state reliability mechanism charge. The order before you approves a settlement agreement resolving all issues in the case. Commissioner Saari moved that the Commission approve the order at its August 28, 2018 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

4. U-20140 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING EXTREME WEATHER CONDITION POLICIES FILED IN COMPLIANCE WITH MICHIGAN ADMINISTRATIVE CODE R 460.134
(final order)

Commission Staff Chris Forist, Customer Assistance Division, presented a brief synopsis of the case listed above. Commissioner Saari moved that the Commission approve the order at its August 28, 2018 meeting. Commissioner Eubanks seconded that motion.

Chairman Talberg expressed her appreciation for the efforts of the staff.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

5. U-20185 IN THE MATTER ON THE COMMISSION’S OWN MOTION, TO CONSIDER CHANGES IN THE RATES OF ALL THE MICHIGAN RATE-REGULATED ELECTRIC, STEAM AND NATURAL GAS UTILITIES TO REFLECT THE EFFECTS OF THE FEDERAL TAX CUTS AND JOBS ACT OF 2017: NORTHERN STATES POWER COMPANY (ELECTRIC) FILES AN APPLICATION FOR DETERMINATION OF CREDIT B AS DESCRIBED IN ORDER U-18494
(final order)
- U-18494 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO CONSIDER CHANGES IN THE RATES OF ALL MICHIGAN RATE-REGULATED ELECTRIC, STEAM, AND NATURAL GAS UTILITIES TO REFLECT THE EFFECTS OF THE PENDING FEDERAL TAX CUTS AND JOBS ACT. ALPENA POWER COMPANY, ET AL.
- U-20108 IN THE MATTER ON THE COMMISSION'S OWN MOTION, TO CONSIDER CHANGES IN THE RATES OF ALL OF THE MICHIGAN RATE-REGULATED ELECTRIC, STEAM, AND NATURAL GAS UTILITIES TO REFLECT THE EFFECTS OF THE FEDERAL TAX CUTS AND JOBS ACT OF 2017: NORTHERN STATES POWER COMPANY (ELECTRIC) FILES AN APPLICATION FOR DETERMINATION OF CREDIT A AS DESCRIBED IN ORDER U-18494

Case Nos. U-20185 *et al.* involve an application filed by Northern States Power Company to determine the effects of the federal Tax Cuts and Jobs Act of 2017 on the utility’s electric revenue requirements for the period of January 1, 2018, through April 30, 2018. The order before you approves a settlement agreement resolving all issues in the case. Commissioner Saari moved that the Commission approve the order at its August 28, 2018 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

6. MINUTE MICHIGAN ENERGY ASSISTANCE PROGRAM GRANTS
ACTION

Commission Staff Wanda Jones, Customer Assistance Division, presented a brief synopsis of the minute listed above. Commissioner Saari moved that the Commission approve the minute at its August 28, 2018 meeting. Commissioner Eubanks seconded that motion.

Chairman Talberg expressed her appreciation for the efforts of the staff.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The minute was adopted.

B. GAS

1. U-18424 IN THE MATTER OF THE APPLICATION OF CONSUMERS
ENERGY COMPANY FOR AUTHORITY TO INCREASE ITS RATES
FOR THE DISTRIBUTION OF NATURAL GAS AND FOR OTHER
RELIEF
(rate case/final order)

Commission Staff Cindy Creisher, Energy Operations Division, presented a brief synopsis of the case listed above. Commissioner Saari moved that the Commission approve the order at its August 28, 2018 meeting. Commissioner Eubanks seconded that motion.

Commissioner Saari commented:

“Approval of the settlement agreement in the Consumers Energy natural gas case before us today resolves financial issues requested by the utility.

My observation is that the settlement does not address the increased attention and actions needed to further enhance natural gas pipeline safety programs.

Michigan has an aging natural gas pipeline system. While it is operated safely now, the system will continue to face increased operational stress, as well as scrutiny by federal and state regulators to make sure that best practices are adopted and adhered to and that needed pipeline system repairs and replacement is accomplished in an efficient and timely manner.

It will be encouraging to see the utilities increase their focus and public awareness of pipeline safety programs.

The highly successful national one-call system to stake and locate underground gas lines before you excavate had its origins in Michigan. The original MISS DIG system has been strengthened into the Common Ground Alliance program, and the 8-1-1 one-call system enjoys widespread success. Let’s

not rest on the program's legacy and assume it will continue successfully without needed public information and proper staking techniques. We applaud Consumers Energy for its efforts and urge them to continue implementing best safe work practices.

We also ask that Consumers Energy increase its focus and awareness of another successful national gas safety program. It's called SMS, or Safety Management System, and has widespread support from the PHMSA, NAPS, AGA, INGAA, API and other government and industry associations who deal with pipeline safety programs.

SMS is fundamental to a needed safety culture. I'm disappointed that Michigan utilities do not fully publicly embrace this program and recognize its outstanding value. It's not an enforcement tool but a widely recognized series of national guidelines to help enhance pipeline safety.

Its program is very basic – Plan, Do, Check, Act. It's a common sense approach to put safety thinking in place before and during the work process.

It's not cost prohibitive, it's not separate from what a utility should already be doing for safety programs, and it improves and enhances the needed focus on safety.

Amidst the Consumer's Triple P policy and its clean and lean sloganeering, I am hopeful that the culture of adopting Safety Management System programs find the same focus in rally rooms, objective setting and quarterly reviews at the utility."

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

2. U-18424 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY FOR AUTHORITY TO INCREASE ITS RATES FOR THE DISTRIBUTION OF NATURAL GAS AND FOR OTHER RELIEF
(gas customer choice billing/final order)

Case No. U-18424 involves an application filed by Consumers Energy Company for authority to increase its rates for the distribution of natural gas and for other relief. The order before you finds that Consumers Energy Company is authorized to continue referencing the gas cost recovery commodity price in the bill display box on gas customer choice bills, with revised language. Commissioner Saari moved that the Commission approve the order at its August 28, 2018 meeting. Commissioner Eubanks seconded that motion.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The order was adopted.

V. PUBLIC COMMENTS

Milton Johnson and Joan Johnson, Michelle Rison, Sheila Pomaranski, Angela Thomas, Mary Anne Okon and Anne Marie Okon, and Susan Lesnek, addressed their concerns regarding DTE Energy Company's smart meters, the opt-out program, and other concerns.

Cindy Creisher, Ryan Laruwe, Chairman Talberg, Commissioner Saari, and Commissioner Eubanks acknowledged the accomplishments of Brian Ballinger, thanked him for his public service, and wished him luck regarding his upcoming retirement.

An audio recording of the proceedings of the August 28, 2018 meeting is archived in podcast format at: http://www.michigan.gov/mpsc/0,4639,7-159-16400_46656---,00.html .

Chairman Talberg announced that the next regularly scheduled Commission Meeting will be held on September 13, 2018 at 1:30 p.m.

Commissioner Saari moved that the Commission adjourn, Commissioner Eubanks seconded.

Vote: Yeas – Talberg, Saari, Eubanks
Nays – None

The motion was approved.

The meeting adjourned at 2:39 p.m.

Kavita Kale
Executive Secretary