

MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC  
SERVICE COMMISSION HELD IN ITS OFFICES ON DECEMBER 6, 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: Kelly Barber-Dodge  
Nick Assendelft  
Kavita Kale  
Lisa Felice  
Gretchen Wagner  
Staci Sova  
Ryan Wilson  
Brianna Brown  
Jill Rusnak

Public: Donald G. Hazzard  
Suzy Westmoreland, MEGA  
Candace Gonzales, Consumers Energy

- 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 November 21, 2018, Commissioner Eubanks seconded.

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

The minutes were approved.

### **III. CONSENTED ORDERS**

#### **A. COMMUNICATIONS**

1. U-12952 IN THE MATTER OF THE REQUEST FOR APPROVAL OF AN INTERCONNECTION AGREEMENT BETWEEN TDS METROCOM, LLC AND AT&T MICHIGAN  
(twenty-fourth amendment)
- U-13758 IN THE MATTER OF THE REQUEST FOR APPROVAL OF AN INTERCONNECTION AGREEMENT BETWEEN MCIMETRO ACCESS TRANSMISSION SERVICES, LLC AND AT&T MICHIGAN  
(twenty-first amendment)
- U-14166 IN THE MATTER OF THE REQUEST FOR COMMISSION APPROVAL OF AN INTERCONNECTION AGREEMENT BETWEEN NEUTRAL TANDEM-MICHIGAN, LLC AND AT&T MICHIGAN  
(fifteenth amendment)
2. U-17757 IN THE MATTER OF THE JOINT REQUEST FOR COMMISSION APPROVAL OF AN INTERCONNECTION AGREEMENT BETWEEN WOLVERINE TELEPHONE COMPANY AND CHARTER FIBERLINK - MICHIGAN, LLC  
(request to withdraw)

#### **B. ELECTRIC**

1. U-20304 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY REQUESTING APPROVAL TO HAVE SOLID STATE POLYPHASE METERS BE GOVERNED BY A QUALITY CONTROL PLAN AS DESCRIBED IN R 460.3613  
(final order)

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

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

The orders were adopted.

#### **IV. OTHER ORDERS**

##### **A. COMMUNICATIONS**

1. U-17349 IN THE MATTER OF THE PETITION OF SPRINT SPECTRUM, L.P.  
FOR ARBITRATION PURSUANT TO SECTION 252(B) OF THE  
TELECOMMUNICATIONS ACT OF 1996 TO ESTABLISH  
INTERCONNECTION AGREEMENTS WITH MICHIGAN BELL  
TELEPHONE COMPANY d/b/a AT&T MICHIGAN  
(extension request)
- U-17569 IN THE MATTER OF THE REQUEST FOR COMMISSION  
APPROVAL ON AN INTERCONNECTION AGREEMENT BETWEEN  
SPRINT SPECTRUM L.P. AND AT&T MICHIGAN

Case Nos. U-17349 and U-17569 involve an agreed motion by Sprint Spectrum L.P. and AT&T Michigan requesting an extension to June 18, 2019, to file the conforming interconnection agreement language. The order before you grants the request. Commissioner Saari moved that the Commission approve the order at its December 6, 2018 meeting. Commissioner Eubanks seconded that motion.

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

The order was adopted.

##### **B. ELECTRIC**

1. U-18012 IN THE MATTER OF THE COMPLAINT OF CAROL BROOKS  
AGAINST DTE ENERGY COMPANY  
(remand from circuit court)

Case No. U-18012 involves a complaint filed by Carol Brooks against DTE Energy Company and DTE Electric Company. The order before you complies with the October 2, 2018 Circuit Court Opinion and Order. Commissioner Saari moved that the Commission approve the order at its December 6, 2018 meeting. Commissioner Eubanks seconded that motion.

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

The order was adopted.

2. U-18089 IN THE MATTER, ON THE COMMISSION’S OWN MOTION, ESTABLISHING THE METHOD AND AVOIDED COST CALCULATION FOR ALPENA POWER COMPANY TO FULLY COMPLY WITH THE PUBLIC UTILITY REGULATORY POLICIES ACT OF 1978, 16 USC 2601 *ET SEQ.*  
(final order)

Case No. U-18089 involves a proceeding on the Commission’s own motion to establish updated avoided costs for qualifying facilities under the Public Utility Regulatory Policies Act of 1978 for Alpena Power Company. The order before you approves an amended settlement agreement that resolves all issues in the case. Commissioner Saari moved that the Commission approve the order at its December 6, 2018 meeting. Commissioner Eubanks seconded that motion.

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

The order was adopted.

3. U-18150 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR APPROVAL OF DEPRECIATION ACCRUAL RATES AND OTHER RELATED MATTERS  
(final order)

Commission Staff Gretchen Wagner, Energy Operations Division, presented a brief synopsis of the case listed above. Commissioner Saari moved that the Commission approve the order at its December 6, 2018 meeting. Commissioner Eubanks seconded that motion.

Commissioner Eubanks commented:

“This settlement effectively balances the need to align rates with updated expected useful lives of facilities while reducing costs for customers through securitization. During this time of incredible transformation in electricity generation here in Michigan, dealing with the financial ramifications of aging power plants in a responsible and innovative manner is critical to ensuring rates stay reasonable for customers today and into the future. I thank the parties for their creative thinking and hard work to bring this settlement forward to the Commission for approval. As Ms. Wagner mentioned, because the amount of depreciation increase in this settlement is less than the amount applied for in DTE’s pending electric rate case, that proceeding (U-20162) is impacted as well. Thanks for all your hard work.”

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

The order was adopted.

4. U-18467 IN THE MATTER OF THE APPLICATION OF UPPER PENINSULA POWER COMPANY FOR APPROVAL OF DEPRECIATION RATES AND PRACTICES  
(final order)

Commission Staff Gretchen Wagner, Energy Operations Division, presented a brief synopsis of the case listed above. Commissioner Saari moved that the Commission approve the order at its December 6, 2018 meeting. Commissioner Eubanks seconded that motion.

Commissioner Eubanks commented:

“This order recognizes the substantial investments UPPCo has made in its hydroelectric generation facilities over the last 10 years, extending the expected useful lives of the plants. Depreciation rates will be reduced accordingly on January 1 and will be reflected in general rates upon completion of the company’s pending rate case, U-20276. However, the Commission would like to see a more in-depth analysis into how these hydro facilities, a number of which were built early in the 20<sup>th</sup> century, will continue to generate electricity well into this century. This is critical to ensuring that customers of tomorrow are not unfairly burdened by facilities that do not perform as expected. The Commission looks forward to reviewing this analysis prior to the company’s next depreciation filing.”

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

The order was adopted.

5. U-20350 IN THE MATTER OF THE APPLICATION OF UPPER PENINSULA POWER COMPANY FOR APPROVAL OF AN INTEGRATED RESOURCE PLAN  
(extension request)

Case No. U-20350 involves a motion filed by Upper Peninsula Power Company requesting a 60-day extension for the filing of its integrated resource plan under MCL 460.6t. The order before you approves the request. Commissioner Saari moved that the Commission approve the order at its December 6, 2018 meeting. Commissioner Eubanks seconded that motion.

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

The order was adopted.

6. U-20353 IN THE MATTER OF THE COMPLAINT OF CRYSTAL FLASH RENEWABLE ENERGY L.L.C. AGAINST CONSUMERS ENERGY COMPANY CONCERNING VIOLATIONS OF MCL 460.6V, THE

PUBLIC UTILITY REGULATORY POLICIES ACT OF 1978 AND  
RELATED COMMISSION ORDERS  
(interim order)

Case No. U-20353 involves a complaint filed by Crystal Flash Renewable Energy, L.L.C., against Consumers Energy Company and a request for expedited relief, requesting that the Commission continue the parties' August 22, 2005 Amended and Restated Power Purchase Agreement. The order before you directs the parties to continue the power purchase agreement until the parties can negotiate a new agreement or the Commission can hear and adjudicate the dispute in this docket. Commissioner Saari moved that the Commission approve the order at its December 6, 2018 meeting. Commissioner Eubanks seconded that motion.

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

The order was adopted.

**C. GAS**

1. U-18478 IN THE MATTER OF THE COMPLAINT OF JAMES PAYNE  
AGAINST DTE ENERGY COMPANY  
(final order)

Case No. U-18478 involves a complaint filed by James Payne against DTE Energy Company. The order before you finds that DTE Energy Company violated Mich Admin Code, Rule 460.152, imposes a fine against DTE Energy Company, and dismisses the remainder of the complaint with prejudice. Commissioner Saari moved that the Commission approve the order at its December 6, 2018 meeting. Commissioner Eubanks seconded that motion.

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

The order was adopted.

**V. PUBLIC COMMENTS**

There were no public comments.

A recording of the proceedings of the December 6, 2018 meeting is archived at:  
[http://www.michigan.gov/mpsc/0,4639,7-159-16400\\_46656---,00.html](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 December 20, 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 1:45 p.m.

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Kavita Kale  
Executive Secretary