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MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC  
SERVICE COMMISSION HELD IN ITS OFFICES ON JULY 2, 2019

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

**PRESENT**

Commission: Sally A. Talberg, Chairman  
Norman J. Saari, Commissioner  
Daniel C. Scripps, Commissioner

Staff: Lisa Gold  
Nick Assendelft  
Barbara Kunkel  
Lisa Felice  
Al Freeman  
Staci Sova  
Brianna Brown  
Ryan Wilson  
Jill Rusnak  
Paul Proudfoot  
Anna Stirling  
Josh Towslee  
Chris Forist  
Lynn Beck  
Wendy Cadwell

Public: Donald Hazzard  
Kwafo Adarkwa, ITC  
Chris Holsbeke  
Christopher Holsbeke, Jr.  
Valerie Brader, Riveroak Consulting  
Patricia Paholsky  
Christina Kacanowski  
Paul Kacanowski  
Devon Slanec  
Michael Slanec  
Frank Viviano  
Mike Torrey, Consumers Energy  
Kahryn Riley, Consumers Energy  
Mike Delany, Consumers Energy  
Karen Wienke, Consumers Energy  
Prya Thyagarajan, Consumers Energy  
Adella F. Crozier, DTE

**I.** Commissioner Saari moved to approve today’s agenda, Commissioner Scripps seconded.

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

The agenda was approved.

**II.** Commissioner Saari moved to approve the minutes of the Regular Commission Meeting of June 7, 2019, Commissioner Scripps seconded.

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

The minutes were approved.

**III. CONSENTED ORDERS**

**A. COMMUNICATIONS**

1. U-16989 IN THE MATTER OF THE REQUEST FOR COMMISSION  
APPROVAL OF AN INTERCONNECTION AGREEMENT BETWEEN  
ALLENDALE TELEPHONE COMPANY, DRENTHE TELEPHONE  
COMPANY, AND TDS METROCOM, LLC  
(first amendment)  
U-20576 IN THE MATTER OF THE REQUEST FOR COMMISSION  
APPROVAL OF AN INTERCONNECTION AGREEMENT BY AND  
BETWEEN CENTURYTEL MIDWEST-MICHIGAN, INC. d/b/a  
CENTURYLINK, CENTURYTEL OF MICHIGAN, INC. d/b/a  
CENTURYLINK, CENTURYTEL OF NORTHERN MICHIGAN, INC.  
d/b/a CENTURYLINK, CENTURYTEL OF UPPER MICHIGAN, INC.  
d/b/a CENTURYLINK AND VERO FIBER NETWORKS, LLC  
(interconnection agreement)
2. MINUTE PENINSULA FIBER NETWORK, LLC  
ACTION (9-1-1 wireless, U-14000, invoice no. 50009348)
3. MINUTE PENINSULA FIBER NETWORK NEXT GENERATION SERVICES,  
ACTION LLC  
(9-1-1 wireless, U-14000, invoice no. 50009518)
4. MINUTE AT&T MICHIGAN  
ACTION (9-1-1 wireless, U-14000, invoice no. 571 R41-001 0679, dated June 1,  
2019)

5. MINUTE ACTION FRONTIER MICHIGAN  
(9-1-1 wireless, U-14000, invoice nos. MI9NGMTS9110617 and MI9NZMTS9110617)
6. MINUTE ACTION METRO ACT  
(amending tax credit determination)

**B. ELECTRIC**

1. U-17377 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO IMPLEMENT THE PROVISIONS OF 2013 PA 95  
(proposed low-income energy assistance funding factor)
2. U-17756 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO RECONCILE CERTIFIED NET LOST REVENUES COLLECTED BY INDIANA MICHIGAN POWER COMPANY UNDER ITS NET LOST REVENUE SURCHARGE  
(order closing docket)
3. U-20229 IN THE MATTER OF THE APPLICATION OF UPPER PENINSULA POWER COMPANY FOR APPROVAL TO IMPLEMENT A POWER SUPPLY COST RECOVERY PLAN FOR THE 12-MONTHS ENDING DECEMBER 31, 2019  
(final order)
4. U-20501 IN THE MATTER OF THE COMPLAINT OF LOUIS M. STERN AGAINST DTE ENERGY COMPANY  
(final order)
5. U-20508 IN THE MATTER OF THE APPLICATION OF CLOVERLAND ELECTRIC CO-OPERATIVE FOR ANNUAL REVIEW OF ITS STATE RELIABILITY MECHANISM CHARGE UNDER 2016 PA 341, SECTION 6W  
(final order)
6. U-20511 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)

7. MINUTE ACTION LS POWER TRANSMISSION HOLDINGS II, LLC, *et al.*, AND MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC., FERC DOCKET NO. EL19-79-000

**C. GAS**

1. U-20239 IN THE MATTER OF THE APPLICATION OF MICHIGAN GAS UTILITIES CORPORATION FOR APPROVAL OF A GAS COST RECOVERY PLAN AND AUTHORIZATION OF GAS COST RECOVERY FACTORS FOR THE 12-MONTH PERIOD APRIL 2019-MARCH 2020  
(final order)
2. MINUTE ACTION BLUEWATER GAS STORAGE, LLC, FERC DOCKET NO. CP19-471-000

**D. VIDEO/CABLE**

1. U-20504 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, DIRECTING MARTELL CABLE SERVICES, INC., TO SHOW CAUSE WHY IT SHOULD NOT BE FOUND TO BE IN VIOLATION OF THE UNIFORM VIDEO SERVICES LOCAL FRANCHISE ACT, 2006 PA 480, MCL 484 3301 *ET SEQ.*  
(motion to amend/interim order)

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

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

The 9 orders and 7 minutes 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

U-17569 (final order)  
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 amended joint application by Sprint Spectrum L.P. and AT&T Michigan requesting approval of a first amendment to the parties' interconnection agreement approved in the April 15, 2014 order in these cases. The order before you approves the first amendment. Commissioner Saari moved that the Commission approve the order at its July 2, 2019 meeting. Commissioner Scripps seconded that motion.

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

The order was adopted.

**B. ELECTRIC**

1. U-20162 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC  
COMPANY FOR AUTHORITY TO INCREASE ITS RATES, AMEND  
ITS RATE SCHEDULES AND RULES GOVERNING THE  
DISTRIBUTION AND SUPPLY OF ELECTRIC ENERGY, AND FOR  
MISCELLANEOUS ACCOUNTING AUTHORITY  
(petitions for rehearing)

Case No. U-20162 involves an application filed by DTE Electric Company for authority to increase its rates for the sale and distribution of electric energy. The order before you denies the petitions for rehearing filed by DTE Electric Company and the Residential Customer Group. Chairman Talberg moved that the Commission approve the order at its July 2, 2019 meeting. Commissioner Saari seconded that motion.

Vote: Yeas – Talberg, Saari  
Abstains – Scripps  
Nays – None

The order was adopted.

2. U-20496 IN THE MATTER OF THE APPLICATION OF CONSUMERS  
ENERGY COMPANY FOR APPROVAL OF POWER PURCHASE  
AGREEMENT AMENDMENTS  
(*ex parte*/final order)

Case No. U-20496 involves an application by Consumers Energy Company requesting *ex parte* approval of a power purchase agreement amendment. The order before you approves the application. Commissioner Saari moved that the Commission approve the order at its July 2, 2019 meeting. Commissioner Scripps seconded that motion.

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

The order was adopted.

3. U-20512 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR CODE OF CONDUCT APPROVAL  
(*ex parte*/request for waiver)

Case No. U-20512 involves an application filed by DTE Electric Company requesting a waiver from provisions of the Code of Conduct for the transfer of certain power purchase agreements. The order before you approves the application. Commissioner Saari moved that the Commission approve the order at its July 2, 2019 meeting. Commissioner Scripps seconded that motion.

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

The order was adopted.

## **C. GAS**

1. U-20463 IN THE MATTER, ON THE COMMISSION’S OWN MOTION, TO COMMENCE AN INVESTIGATION INTO A JANUARY 30, 2019 FIRE AT CONSUMERS ENERGY COMPANY’S RAY COMPRESSOR STATION IN MACOMB COUNTY  
(interim order)

Commission Staff David Chislea, Energy Operations Division, presented a brief synopsis of the case listed above. Commissioner Saari moved that the Commission approve the order at its July 2, 2019 meeting. Commissioner Scripps seconded that motion.

Commissioner Saari commented:

“The extensive review and discussion of the Ray Compressor Station gas release and fire required the Commission to examine actions and procedures that support natural gas safety.

This report by Commission staff helps answer many of the concerns with the Ray incident, from examining the root cause analysis to operational safety and ultimately corrective action that we expect will prevent a reoccurrence at Ray or any other natural gas compressor station in Michigan.

Equally important, it provided valuable insight into emergency communications and the responsibility to inform the public about how safety was of paramount importance and there would be no compromise to any Michigander's health and well-being.

This accident was uncharacteristically unpredictable and the events of the ensuing 30 hours after the fire were unscripted and unrehearsed. Corrective actions were undertaken in a cooperative manner with the foremost obligation to manage the uncertainty created by the weather and customer reaction.

No one showed up for work on the morning of January 30 with the insight that an accident would occur or how it could be managed.

The Commission's gas safety staff already had a full book of work to accomplish that day but were immediately responsive to a very important reprioritization into emergency response status.

No homeowner started the day concerned that an impending shortage of natural gas could result in cold homes. No business started the day with plans to curtail or shut down gas fired processing equipment.

A Max Gen alert in the MISO region meant that conditions were consistent with a need for all the available power on the grid, but it turned into being too cold for some wind turbines to generate and the curtailment of natural gas would limit this resource for electric generation.

After the all clear was given and normal operations would follow, the sequence of events in those 30 hours started to be carefully scrutinized by Commission staff, the utility, public safety and policy leaders to determine future actions to prevent a recurrence of the gas release and fire. It was a learning experience on how to best respond to future unplanned emergencies.

The order today is part of the Commission's continued efforts to compile a detailed and exhaustive analysis of the Ray event. It was assembled without prejudice or favor and requires the staff to complete its extensive research into all aspects of the accident. The Commission is still working on compiling detailed input from Consumers and other gas utilities, public safety officials, impacted businesses, local residents and others.

These efforts will create a learning document from the 30 hours at Ray and will be important as we collectively focus our efforts to improve natural gas safety."

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

The order was adopted.

2. U-20464 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO  
ISSUE A REPORT ON THE STATE'S SUPPLY, ENGINEERING, AND  
DELIVERABILITY OF NATURAL GAS, ELECTRICITY, AND  
PROPANE, AND CONTINGENCY PLANNING, AS REQUESTED BY  
THE GOVERNOR  
(initial report/interim order)

Commission Staff Patricia Poli, Energy Operations Division, presented a brief synopsis of the case listed above. Commissioner Saari moved that the Commission approve the order at its July 2, 2019 meeting. Commissioner Scripps seconded that motion.

Chairman Talberg thanked staff for their leadership and commitment to this significant undertaking in a compressed period of time to help demonstrate areas to improve energy systems.

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

The order was adopted.

## **V. PUBLIC COMMENTS**

Donald Hazzard, Ypsilanti, commented on his recent experience with DTE regarding the replacement of his gas meter.

Pat Paholsky, Devon Slanec, Mike Slanec, Chris Holsbeke, Chris Holsbeke, Jr., Frank Viviano, Christina Kacanowski, Paul Kacanowski, and Valerie Brader individually addressed their concerns regarding the proposed construction of the new natural gas compressor facility by Blue Water Gas Storage.

A recording of the proceedings of the July 2, 2019 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 July 18, 2019 at 1:30 p.m.

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

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

The motion was approved.

The meeting adjourned at 2:22 p.m.

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Barbara S. Kunkel  
Acting Executive Secretary