

MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES AND AVAILABLE VIA MICROSOFT TEAMS VIDEO CONFERENCING ON AUGUST 11, 2021.

Commission Chair Daniel C. Scripps called the meeting to order at 1:36 p.m.  
Executive Secretary Lisa Felice called the roll and declared there was a quorum.

**PRESENT**

Commission: Daniel C. Scripps, Chair  
Tremaine L. Phillips, Commissioner  
Katherine Peretick, Commissioner

Staff: Barbara Kunkel  
Lisa Felice  
Chris Forist  
Anne Armstrong Cusack  
David Isakson

Public: Jennifer Whitteaker, DTE  
Joe Musallam, DTE  
Maria Taylor, Farmington City Council  
Andrew Mutch, City of Novi  
Pam Green, City of Farmington  
Anne Wardle, City of Farmington  
Matthew Green, City of Farmington  
Robert Lindow, City of Farmington  
Joe LaRussa, City of Farmington  
Anthony Ignasiak, DTE

Additional Staff & Public Attending Telephonically/Video Conferencing: 98 Participants

- I.** Commissioner Phillips moved to approve today's agenda, Commissioner Peretick seconded.

Vote: Yeas – Scripps, Phillips, Peretick  
Nays – None

The agenda was approved.

- II.** Commissioner Phillips moved to approve the minutes of the Regular Commission Meeting of July 27, 2021, Commissioner Peretick seconded.

Vote: Yeas – Scripps, Phillips, Peretick  
Nays – None

The minutes were approved.

### **III. CONSENTED ORDERS**

#### **A. ELECTRIC**

1. U-20524 IN THE MATTER OF THE APPLICATION OF ALPENA POWER COMPANY FOR RECONCILIATION OF ITS POWER SUPPLY COST RECOVERY PLAN (CASE NO. U-20523) FOR THE 12 MONTHS ENDED DECEMBER 31, 2020  
(proposed settlement agreement)
2. U-20987 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, 2020 THROUGH DECEMBER 31, 2020  
(proposed settlement agreement)
3. U-21018 IN THE MATTER OF THE COMPLAINT OF GS NURSERY AGAINST DTE ENERGY COMPANY  
(request to withdraw/final order)
4. MINUTE ACTION NEPTUNE REGIONAL TRANSMISSION SYSTEM, LLC AND THE LONG ISLAND POWER AUTHORITY V PJM INTERCONNECTIONS, L.L.C.  
(FERC Docket No. EL21-39-000)
5. MINUTE ACTION PARTICIPATION OF AGGREGATORS OF RETAIL DEMAND RESPONSE  
(FERC Docket No. RM21-14-000)

#### **B. GAS**

1. U-20873 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR SEMCO ENERGY, INC., TO FULLY COMPLY WITH PUBLIC ACT

295 OF 2008, AS AMENDED BY PUBLIC ACT 342 OF 2016  
(energy waste reduction reconciliation/proposed settlement agreement)

2. U-21037 IN THE MATTER OF THE APPLICATION OF UPPER MICHIGAN ENERGY RESOURCES CORPORATION FOR APPROVAL OF REVISIONS TO ITS DEMAND RESPONSE TARIFF AS DIRECTED IN CASE NO. U-20628 *ET AL.* AND RELATED RELIEF  
(proposed settlement agreement)

**C. STEAM**

1. U-20824 IN THE MATTER OF THE APPLICATION OF DETROIT THERMAL, LLC FOR APPROVAL OF A STEAM SUPPLY COST RECOVERY PLAN AND AUTHORIZATION OF STEAM COST RECOVERY FACTORS FOR THE 12 MONTHS ENDING MARCH 31, 2022  
(proposed settlement agreement)

Commissioner Phillips moved that the Commission approve all the orders and minute actions on the consent agenda.  
Commissioner Peretick seconded that motion.

Vote: Yeas – Scripps, Phillips, Peretick  
Nays – None

The 6 orders and 2 minute actions were adopted.

**IV. OTHER ORDERS**

**A. ELECTRIC**

1. U-21032 IN THE MATTER, ON THE COMMISSION’S OWN MOTION, TO REQUEST COMMENTS ON MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.’S IMPLEMENTATION OF FEDERAL ENERGY REGULATORY COMMISSION ORDER NO. 841 REGARDING ENERGY STORAGE RESOURCES  
(interim order)

Case No. U-21032 involves the implementation of Federal Energy Regulatory Commission Order No. 841 regarding energy storage resources. The order before you summarizes the comments filed in this case and provides guidance on how the Commission will proceed with facilitating the participation of electric storage resources in the applicable regional

transmission organization and independent system operator markets. Commissioner Phillips moved that the Commission approve the order at its August 11, 2021 meeting. Commissioner Peretick seconded that motion.

**Commissioner Peretick commented:**

“First of all, I’d like to thank the participants in the docket for this order for their comments. As we can see all around us, the electric landscape is changing in many ways, and reliability, resiliency, and flexibility is becoming more important. On top of that, energy storage is becoming more economic. It is vital that we utilize all the tools in our toolbox for addressing the changing energy landscape and increasing need for on-demand, flexible, and resilient resources.

Realizing the full value stack of energy storage resources to address these issues will be important, including capacity enhancements for renewable energy sources, peak shaving and demand response services, support for electric vehicle integration, frequency regulation, voltage support, non-wires alternatives, and substation capacity management, among many others at both the wholesale and retail level.

I also want to recognize the importance of working together to develop these solutions. Electric utility- or distribution company-led pilot programs would aid in assessing viability and lowering risk of implementation, while driving innovation and value for customers.

I’m encouraged by the comments gathered by this process and am looking forward to any innovative and beneficial pilot programs put forth by the investor-owned utilities for tariffs that provide pathways for the deployment of energy storage resources within our state.”

Vote: Yeas – Scripps, Phillips, Peretick  
Nays – None

The order was adopted.

## **V. MPSC DIVERSITY, EQUITY, AND INCLUSION UPDATE**

MPSC staff Shatina Jones and Al Freeman presented the update.

**Commissioner Phillips commented:**

“Ms. Jones and Mr. Freeman, thank you so much for helping to lead this effort. Going through the presentation demonstrates the tremendous work all that you and the staff that have participated in this initiative have accomplished this past year. Not only in creating positive impacts within our organization, enhancing our ability to have a more inclusive workplace that now has the ability to broaden the pool of applicants for internships and employment opportunities with the Commission, but also for now being an exemplar agency within the State of Michigan ecosystem, as it relates to diversity, equity, and inclusion. Again, thank you all for the great work that you have done over this past year. There is certainly more to be done. It must be emphasized that this work not only benefits us in terms of the internal capacity as an organization, but perhaps most importantly

enhances our ability to serve in a role as regulators in the state of Michigan. It allows us to more effectively and genuinely serve the citizens of the state of Michigan. This must continue to be emphasized.

Thank you again for the presentation and your on-going efforts.”

**Chair Scripps commented:**

“One of the lessons that Ms. Jones shares with us every time we have these conversations, is that we need to get comfortable in being uncomfortable. This past year has certainly been *that*. I want to thank Ms. Jones and Mr. Freeman and all the folks in each of our eight divisions that have stepped up and lead this and put their passion into making our organization a better place to work, but also more effective at our job in overseeing critical infrastructure in the state of Michigan.

I appreciate the willingness of our staff in the discussions that we’ve had to be honest, assume good faith, and to be vulnerable. These have been often difficult conversations, but I know that they have made us better. I am excited about the work that comes from here. Thank you again, for your willingness to step up and lead some of these difficult conversations to get us all a little more comfortable in being uncomfortable and laying the groundwork for the work to come to make us a better employer, a better place to work, and ultimately better at our jobs regulating energy and telecommunications.”

## **VI. PUBLIC COMMENTS**

Maria Taylor - Farmington City Council, Joe LaRussa – Mayor Pro Tem, City of Farmington, Robert Lindow - Farmington, Pam Green – Farmington, Anne Wardle – Farmington, and Andrew Mutch – Councilmember, City of Novi, addressed their concerns regarding DTE’s service outages and reliability.

Written comments were submitted from Ashleigh Claus – Farmington, Robert Lindow – Farmington, Elizabeth Putt – Farmington, Michael Chrisom – Farmington, Paul and Diane Runyan – Farmington, Marc and Pam Perry – Farmington, Anne Wardle – Farmington, Timothy Wardle – Farmington, Matt Jalaba – Farmington, Ryan Smith – Farmington, and Pam and George Wright – Farmington.

Jeffrey T. McGowan – Farmington, submitted comments via the TEAMS Live Q&A feature.

**Chair Scripps commented:**

“I would like to thank Mr. McGowan, who submitted comments through the TEAMS feature, the individuals who submitted comments through email, and particularly those folks who traveled over an hour each way. I appreciate your willingness to be here, the elected officials, local government officials, and particularly those folks who shared their personal experiences and put a human face of what these outages represent to all of you. It is really important to hear that and to hear how a power outage is not always just a power outage. It is not the same from house to house and family to family. To hear directly from you and how it affects your father, how it affects you and your husband, and your families, is highly impactful. I want to thank you for that.

We do have folks here from our Customer Assistance Division. I know that a number of you have also submitted complaints or are in the process of doing that. You can do that through our website, phone option, or talk to our folks who are here today. Anne Armstrong, Director of Customer Assistance Division, and Chris Forist, Manager, Compliance and Investigation Section that handles those complaints directly. Mike Byrne, Chief Operating Officer and Chief of Staff, is also here today, as well as the three of us. I encourage you to speak to them if you would like to move forward with formal complaints.

Finally, this is something that has been on our radar. Mayor Barnett is an old friend and I have had the opportunity to speak directly with her about that and also to hear the stories and review the comments that we received via email. It is something that we are taking seriously. We have had a number of conversations with DTE. There are also DTE representatives here today if you want to speak with them directly. We have had a number of both in-person and TEAMS and telephone conversations with DTE specifically about Farmington and Farmington Hills; the status of the circuits there, when it was last trimmed, when it is next expected to be trimmed. For one of the circuits, it is supposed to be later this year for the beginning of this process. The other one, which was trimmed more recently, is (I think) on a 2023 schedule. I want you to know that we are taking this seriously. We are investigating this, looking into both the weather-related outages and how we can ensure that the tree trimming that we have seen deliver results in other places can deliver these same results and when that can be expected, as well as some of the potentially non-weather-related issues that have happened.

This Commission has been focused on reliability issues, but we have a long way to go. This is pretty clear. For the past several years, in the DTE rate case in 2019, we approved a tree trimming surge to try and accelerate the tree trimming efforts, putting money behind it and allowing expedited recovery process for that to try and get the time between tree trimmings shortened to address the vegetation related issues contributing to reliability. DTE, Consumers, and Indiana Michigan now have to file distribution plans where they have to lay out exactly some of the plans that you are talking about. Consumers has finalized theirs. DTE's draft plan was filed earlier this month. There is currently an opportunity for the public to weigh in. I encourage you to do that. We can share that information with you. They will finalize that plan next month. This provides more transparency and evaluating the reasonableness of specific investments that then show up in their rate cases. Because of the concerns we have had, we also required in DTE and Consumers to bring forward as part of these distribution plans, specifics on how they are going to improve their distribution performance by reducing the number of outages, reducing the duration of outages when they happen, reducing the number of people who are experiencing repetitive outages and including financial incentives for better performance and penalties if they continue to struggle. These are draft at this point for DTE but finalized on the Consumers side.

Mayor Pro Tem LaRussa, you mentioned some things about our Service Quality Rules and Technical Standards for performance. We are in the process of updating those. We have had about two years of stakeholder input. We are about the point to start making formal rulemaking. We intend to tighten those to increase the credit for outages and make those automatic and a number of other things. We can share where the status of that work is. There has been a lot of work that has

gone into that, but that is in some ways a starting point for the formal part of that process. We encourage you, through associations or individually, to participate in that as well.

It has been an area of focus for a number of years. I think we acknowledge that we have more work to do and trying to use every tool in our toolbox to try to improve the performance of the distribution system.”

**Commissioner Phillips commented:**

“I concur. Thank you for your comments and overview, Chair.

Thank you. Please do not apologize for going into great detail about some of the issues that you are facing in your neighborhoods, with your family members, or your friends. Please do not apologize for your emotions that you showed here today. It is incredibly important for us to hear what the impacts of these outages are localized street by street and at a neighborhood-by-neighborhood level. For all of you to make this trip is very important to us to we hear that even during these difficult circumstances that word face to face. I want to thank you for that.

To the Chair’s point, it has been an increased focus of the Commission over the last several years and particularly over this storm season. It has been a very violent and extreme one, especially for the state of Michigan and other places across the globe. This is a priority for us not to only address some of the historical outages and the impacts that you all are facing in regards to the distribution system and the circuits that your homes or your friends and family’s homes rely upon. But as we look forward, just this week the intergovernmental panel on climate change has stated in their recent report that the globe is locked into 1.5 degrees Celsius of increased warming over these next two decades. It is not only about addressing the historical impacts that your neighborhoods have experienced, but also how we harden, adapt, and prepare our energy systems for the looming increase and severity of extreme weather as we go forward. That is really the balance that we are trying to strike and understanding how to address those historical nature of these outages, prepare our system, and adapt it for what is to come and also balance that with potential rate impacts of customers throughout the service territories.

I thank you greatly for taking the time to be here and we certainly have time to speak with you before you leave here today.”

**Commissioner Peretick commented:**

“I would like to echo some of the comments made by my fellow Commissioners and also say thank you coming. I know that it is not easy to take time out of your day, drive, and come and speak in front of us. It is meaningful and thank you for doing that.

I do want to echo that comments that we are taking this issue very seriously. There are a lot of improvements that we are working on and working with the utilities and our stakeholders. It is our job to see that these improvements happen in an affordable manner. The reliability and resiliency of our electric grid is part of our Mission Statement at the Commission.

I am also a reliability engineer, by background, in both aerospace and the energy storage industry. I understand the importance of this and the challenge of affecting it. We appreciate hearing from you are directly affected by this work.”

**Chair Scripps announced:**

“This is the theme for the day. We saw 200,000+ customers of Consumers and DTE without power last night. I am from northern Michigan. While driving in today, I noticed roads closed, trees hanging on bridges, and wires down. I encourage folks to be safe out there and give space to the line workers who are working to restore those systems. If you do have concerns about your power quality or the outages contact your utility, you can also contact our Customer Assistance Division, who can help point you towards those resources that we do have available.

Today, Clean Jobs Midwest released their annual scorecard for clean jobs across the region (a number of states that make up the Midwest) and found that even after a rough year, there was a slight increase of 3% across the region in clean energy jobs for a total of 677,000 folks in the Midwest who work in clean energy. For Michigan, not surprisingly, it was a tough year. We saw a 10% decline, 9.5% drop from 2019. This was the first year to year decline since Clean Jobs Midwest began tracking Michigan a number of years ago. We still have 113,456 individuals in Michigan working in the clean energy sector and to put that into perspective, that is more than the number of lawyers, accountants, auditors, web developers, and real estate agents in Michigan combined. The highlight of that is, though we saw a 9.5% drop over the year, in the second half of the year, the clean energy sector in Michigan grew by 20.4%, exceeding the state’s overall economy job growth during that period. There was some momentum coming into 2021 and not surprisingly we saw strong performance in the advanced transportation space including a 3.8% job growth in hybrid vehicle manufacturing and 6.3% job growth in the electric vehicle manufacturing sector. Nearly 20% of jobs are located in rural areas, while cities like Detroit and Grand Rapids are some of the largest hubs. We also saw 1 in 10 of the clean energy jobs being filled by a veteran. A number of good data points there. Obviously, we see a significant growth to come in this space, particularly given the robust second half in a difficult 2020. I wanted to highlight some of the findings from that report.”

A recording of the proceedings of the August 11, 2021 meeting is archived at:  
[https://www.michigan.gov/mpsc/0,9535,7-395-93307\\_93316\\_93317\\_93875---Y,00.html](https://www.michigan.gov/mpsc/0,9535,7-395-93307_93316_93317_93875---Y,00.html) .

Chair Scripps announced that the next regularly scheduled Commission Meeting will be held on Thursday, September 9, 2021 at 1:30 p.m.

Commissioner Phillips moved that the Commission adjourn, Commissioner seconded.

Vote: Yeas – Scripps, Phillips, Peretick  
Nays – None

The motion was approved.



The meeting adjourned at 2:35 p.m.

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Lisa Felice  
Executive Secretary