

MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES AND AVAILABLE VIA MICROSOFT TEAMS VIDEO CONFERENCING ON DECEMBER 21, 2022.

Commission Chair Daniel C. Scripps called the meeting to order at 1:33 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: Anna Stirling
Lisa Felice
Andy Hannum
Ben Johnson
Kyle Daymon
Blair Renfro
Al Freeman
Anne Armstrong
Roger Doherty
Jake Thelen
Nathan Burnand
Kayla Gibbs
Paul Ausum
Sarah Mullkoff
Dave Chislea
Mike Byrne

Public: Raj Telang, DTE

Additional Staff & Public Attending Telephonically/Video Conferencing: 89 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 December 9, 2022, Commissioner Peretick seconded.

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

The minutes were approved.

III. CONSENTED ORDERS

A. COMMUNICATIONS

1. U-12952 IN THE MATTER OF THE JOINT REQUEST FOR COMMISSION APPROVAL OF AN INTERCONNECTION AGREEMENT BETWEEN AT&T MICHIGAN AND TDS METROCOM, LLC (twenty-ninth amendment)
- U-13378 IN THE MATTER OF THE JOINT REQUEST FOR COMMISSION APPROVAL OF AN INTERCONNECTION AGREEMENT BETWEEN COMCAST TELECOMMUNICATIONS, INC. AND MICHIGAN BELL TELEPHONE COMPANY d/b/a SBC MICHIGAN (nineteenth amendment)
- U-15115 IN THE MATTER OF THE JOINT REQUEST FOR COMMISSION APPROVAL OF AN INTERCONNECTION AGREEMENT BETWEEN FUSION COMMUNICATIONS, LLC f/k/a CBeyond COMMUNICATIONS, LLC AND MICHIGAN BELL TELEPHONE COMPANY d/b/a AT&T MICHIGAN (sixteenth amendment)
- U-16919 IN THE MATTER OF THE JOINT REQUEST FOR COMMISSION APPROVAL OF AN INTERCONNECTION AGREEMENT AMENDMENT BETWEEN THE DEERFIELD FARMERS TELEPHONE COMPANY AND FRONTIER COMMUNICATION OF MICHIGAN, INC. (second amendment)

2. U-14165 IN THE MATTER OF THE APPLICATION OF FUSION COMMUNICATIONS, LLC f/k/a CBeyond COMMUNICATIONS, LLC TO SURRENDER ITS LICENSE (final order)

3. MINUTE ACTION PENINSULA FIBER NETWORK, LLC (9-1-1 wireless, U-14000, invoice no. INV-3172 dated December 1, 2022)

4. MINUTE ACTION PENINSULA FIBER NETWORK NEXT GENERATION SERVICES, LLC (9-1-1 wireless, U-14000, invoice no. INV-1189 dated December 1, 2022)

5. MINUTE ACTION PENINSULA FIBER NETWORK NEXT GENERATION SERVICES, LLC
(9-1-1 wireless, U-14000, invoice no. INV-1190 dated December 12, 2022)

B. ELECTRIC

1. U-21050 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR APPROVAL TO IMPLEMENT A POWER SUPPLY COST RECOVERY PLAN FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2022
(proposed settlement agreement)

C. GAS

1. U-20821 IN THE MATTER OF THE APPLICATION OF NORTHERN STATES POWER COMPANY FOR RECONCILIATION OF THE GAS COST RECOVERY PLAN FOR THE 12 MONTHS ENDED 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 4 orders and 3 minute actions were adopted.

IV. OTHER ORDERS

A. COMMUNICATIONS

1. U-20952 IN THE MATTER OF THE APPLICATION OF MEI TELECOM, INC. FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS LIFELINE CARRIER IN THE STATE OF MICHIGAN
(request for Lifeline designation)

Case No. U-20952 involves an application filed by MEI Telecom, Inc., for designation as an eligible telecommunications carrier for purposes of Lifeline service in certain areas within Michigan. The order before you approves the application. Commissioner Phillips moved that the

Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

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

The order was adopted.

B. ELECTRIC

1. U-15805 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR CONSUMERS ENERGY COMPANY TO FULLY COMPLY WITH PUBLIC ACTS 286 AND 295 OF 2008
(*ex parte*/renewable energy amended purchase agreement)

Case No. U-15805 involves an application from Consumers Energy Company seeking *ex parte* approval of an amendment to a renewable energy purchase agreement. The order before you approves the November 18, 2022 application. Commissioner Phillips moved that the Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

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

The order was adopted.

2. U-20165 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY FOR APPROVAL OF ITS INTEGRATED RESOURCE PLAN PURSUANT TO MCL 460.6t AND FOR OTHER RELIEF
(*ex parte*/avoided costs rates)

Case No. U-20165 involves an application from Consumers Energy Company for approval of its Public Utility Regulatory Policies Act of 1978 full avoided cost rates. The order before you approves the company's full avoided cost rates. Commissioner Phillips moved that the Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

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

The order was adopted.

3. U-20959 IN THE MATTER, ON THE COMMISSION’S OWN MOTION, TO COMMENCE A COLLABORATIVE TO CONSIDER ISSUES RELATED TO FURTHER ENGAGEMENT, EDUCATION, AND PARTICIPATION OF UTILITY CUSTOMERS (interim order)

Case No. U-20959 involves a matter, on the Commission’s own motion, to commence a collaborative to consider issues related to the further engagement, education, and participation of utility customers. The order before you rescinds the Commission’s order directing the Commission Staff to develop and issue a community organization survey by December 30, 2022, and orders the Commission Staff to continue its work with community-based organizations. Commissioner Phillips moved that the Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

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

The order was adopted.

4. U-21087 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR THE APPROVAL OF A PARTIAL WAIVER OF THE CONSUMER STANDARDS AND BILLING PRACTICES FOR ELECTRIC RESIDENTIAL SERVICE AND APPROVAL OF A VOLUNTARY PREPAY BILLING PROGRAM (*ex parte*/final order)

Case No. U-21087 involves an application filed by DTE Electric Company for approval of a prepay program and partial waiver of the Consumer Standards and Billing Practices for Electric and Natural Gas Service. The order before you denies the application. Commissioner Phillips moved that the Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

Commissioner Phillips commented:

“Before we vote this afternoon, I would like to stress that though the order before us rejects the company’s application and waiver request related to its Prepay Program Proposal, the order also notes that, as outlined by Commission Staff on the record, there are merits and potential benefits for this type of program, particularly for payment troubled and vulnerable customers.

In light of the potential benefits, the order further notes that the company may, after additional vetting and program redesign, refile its request for a Prepay Program and associated waivers for approval as a pilot program, and such a proposal should be accompanied by a comprehensive plan as established by the Commission in Case No. U-20645.

Furthermore, if the company elects to refile the prepay program as a pilot, the order encourages the Company to:

- 1) work closely with intervenors and Staff to develop the pilot and address consumer protection concerns raised on the record,
- 2) explore options for extending the shutoff notification period to longer than 5 days, and
- 3) provide the Commission with robust reporting metrics as recommended by intervenors and outlined in the order.

Lastly, the order encourages the company explore how to maximize the potential benefits of AMI deployment by making the real time and/or daily information that would be offered to Prepay participants, as outlined in the company’s filing, available for all customers. This is in line with previous statement by this and previous Commission bodies, in which we have urged electric utilities to allow for customers to enjoy the full benefits of the ubiquitous AMI investment and deployment.”

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

The order was adopted.

- 5. U-21099 IN THE MATTER, ON THE COMMISSION’S OWN MOTION, TO OPEN A DOCKET FOR LOAD SERVING ENTITIES IN MICHIGAN TO FILE THEIR CAPACITY DEMONSTRATIONS AS REQUIRED BY MCL 460.6w
(interim order)
- U-20348 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO ADDRESS OUTSTANDING ISSUES REGARDING DEMAND RESPONSE AGGREGATION FOR ALTERNATIVE ELECTRIC SUPPLIER LOAD
- 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
- U-21225 IN THE MATTER, ON THE COMMISSION’S OWN MOTION, TO OPEN A DOCKET FOR LOAD SERVING ENTITIES IN MICHIGAN TO FILE THEIR CAPACITY DEMONSTRATIONS AS REQUIRED BY MCL 460.6w FOR THE 2026/2027 PLANNING YEAR

Commission Staff Roger Doherty, Energy Resources Division, presented a brief synopsis of the case listed above. Commissioner Phillips moved that the Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

Commissioner Peretick commented:

“I would first like to thank all our staff and all the parties who submitted thoughtful comments on demand response aggregation; valuation and integration of energy storage into the electric grid, including simultaneous participation in wholesale and retail markets; forward capacity obligations, individual local clearing requirements; cross-border transmission connections; RTO market signal improvements; transfer provisions for electric choice customers; and any additional measures the Commission should consider to enhance the state’s reliability and resource adequacy position. These are important considerations, and I’m aware of the complexity and nuance of these issues. These issues that were considered as a part of this order are all aimed at developing improvements and solutions not only to Michigan’s capacity demonstration process and its capacity position, but the MISO region’s capacity position as a whole. As described by Mr. Doherty, the order before us allows for large commercial and industrial customers with loads of 1MW or greater to participate in third party demand response aggregation programs if they desire. It is my hope that this fast-acting grid service will provide capacity during the times of greatest need on the grid and put Michigan and the MISO region in a better position to meet the peak demands of our customers. We are currently thinking of this 1MW threshold as a starting point, and depending on the results, the Commission may work with stakeholders to develop appropriate consumer protection policies for smaller resources and may revisit the ban on aggregation for smaller loads as we all continue to gain experience with demand response aggregation of retail electric customers.”

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

The order was adopted.

- 6. U-21251 IN THE MATTER, ON THE COMMISSION’S OWN MOTION, TO ESTABLISH A WORKGROUP TO CONDUCT AN ELECTRIC GRID INTEGRATION STUDY AND TO MAKE RECOMMENDATIONS TO IMPROVE THE READINESS OF THE DISTRIBUTION SYSTEM FOR DISTRIBUTED ENERGY RESOURCES AND ELECTRIC VEHICLE INFRASTRUCTURE (interim order)

Case No. U-21251 involves a matter, on the Commission’s own motion, to establish a workgroup to conduct an electric grid integration study and to make recommendations to improve the readiness of the distribution system for distributed energy resources and electric vehicle infrastructure. The order before you extends the deadline for the final grid integration report until not later than June 30, 2023. Commissioner Phillips moved that the Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

Vote: Yeas – Scripps, Phillips, Peretick

Nays – None

The order was adopted.

7. U-21285 IN THE MATTER OF DTE ELECTRIC COMPANY’S APPLICATION FOR THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY TO FULLY COMPLY WITH PUBLIC ACT 295 OF 2008
(*ex parte*/special contract/amended renewable energy plan)

Case No. U-21285 involves an application filed by DTE Electric Company for *ex parte* approval of a customer-requested special contract and amended renewable energy plan. The order before you approves the application. Commissioner Phillips moved that the Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

Chair Scripps commented:

“I would note that while the order before us is relatively straightforward, the context and the application for this approval is anything but and relates to Ford Motor Company’s agreement to purchase 650 megawatts of renewable energy through DTE. This was announced in August and is the largest purchase of renewable energy from a utility in U.S. history. I appreciate the work of Ford and DTE in finding a path forward and continuing to evolve the suite of voluntary options available to customers seeking increased renewable energy and encourage approval of the order before us.”

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

The order was adopted.

8. U-21311 2022 ENERGY WASTE REDUCTION RECONCILIATION AND ANNUAL REPORT FILING
(order assigning dockets)
ALPENA POWER COMPANY
U-21312 CONSUMERS ENERGY COMPANY
(electric and gas)
U-21313 DTE ENERGY COMPANY
(electric and gas)
U-21314 INDIANA MICHIGAN POWER
U-21315 NORTHERN STATES POWER
(electric and gas)
U-21317 UPPER MICHIGAN ENERGY RESOURCES CORPORATION
(electric and gas)
U-21318 MICHIGAN GAS UTILITIES CORPORATION
(gas)

U-21319 SEMCO ENERGY, INC.
(gas)

Case Nos. U-21311 *et al.* are matters involving utility energy waste reduction programs pursuant to Public Act 295 of 2008, as amended by Public Act 342 of 2016. The orders before you assign docket numbers and filing deadlines for energy waste reduction reconciliation proceedings and annual reports. Commissioner Phillips moved that the Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

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

The order was adopted.

9. U-21320 ENERGY WASTE REDUCTION BIENNIAL PLAN FILING FOR
PLAN YEAR 2024/2025
(order assigning dockets)
ALPENA POWER COMPANY
U-21321 CONSUMERS ENERGY COMPANY
(electric and gas)
U-21322 DTE ENERGY COMPANY
(electric and gas)
U-21323 INDIANA MICHIGAN POWER COMPANY
U-21324 NORTHERN STATES POWER COMPANY
(electric and gas)
U-21325 UPPER PENINSULA POWER COMPANY
U-21326 UPPER MICHIGAN ENERGY RESOURCES CORPORATION
(electric and gas)
U-21327 MICHIGAN GAS UTILITIES CORPORATION
(gas)
U-21328 SEMCO ENERGY, INC.
(gas)

Case Nos. U-21320 *et al.* are matters involving utility energy waste reduction programs pursuant to Public Act 295 of 2008, as amended by Public Act 342 of 2016. The order before you adopts docket numbers and due dates for the filing of energy waste reduction plans for calendar year 2023. Commissioner Phillips moved that the Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

Vote: Yeas – Scripps, Phillips, Peretick

Nays – None

The order was adopted.

C. GAS

1. U-21226 IN THE MATTER OF THE APPLICATION OF NORTHERN STATES POWER COMPANY FOR AUTHORITY TO INCREASE NATURAL GAS RATES IN THE STATE OF MICHIGAN (proposed settlement agreement)

Commission Staff Michelle Schreur, Regulated Energy Division, presented a brief synopsis of the case listed above. Commissioner Phillips moved that the Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

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

The order was adopted.

D. STEAM

1. U-21342 IN THE MATTER OF THE APPLICATION OF DETROIT THERMAL, LLC FOR APPROVAL OF A STEAM SALES AGREEMENT WITH DETROIT-WAYNE JOINT BUILDING AUTHORITY (*ex parte*/final order)

Case No. U-21342 involves an *ex parte* application filed by Detroit Thermal, LLC, requesting approval of a steam sales agreement for the supply of steam between Detroit Thermal, LLC, and the Detroit-Wayne Joint Building Authority. The order before you approves the steam sales agreement. Commissioner Phillips moved that the Commission approve the order at its December 21, 2022 meeting. Commissioner Peretick seconded that motion.

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

The order was adopted.

V. PUBLIC COMMENTS

There were no public comments.

Chair Scripps announced:

“I want to take a few minutes and offer some closing thoughts and highlights for the year in review for 2022 for the areas where we particularly focused over the past 12 months:

- 1) Reliability and Resiliency
 - a. Case No. U-21122 – Commission order in March
 - b. Development of new web page – go live in early 2023
 - c. Case No. U-20147 – distribution plan docket
 - d. Case No. U-21305 - Commission order in October regarding storm response
- 2) Resource Adequacy and Capacity Demonstration
 - a. Case No. U-21250
 - b. MISO 2022-23 Planning Resource Auction
 - c. U-21090 - Consumers Energy’s IRP Settlement Agreement
- 3) Assistance for Vulnerable Customers
 - a. Extended Affordability and Accessibility Collaborative
 - b. Established Low Income Energy Policy Board
 - c. Approved Percent of Income Pilot Program – approved in February
 - d. Promoted Lifeline Program and Affordable Connectivity Program – Telecommunications
 - e. Comprehensive Assistance web page – launched in November
- 4) Energy Transition – MIPower Grid Initiative
 - a. New interconnection and distribute generation standards
 - b. Electric interconnection and net metering standards
 - c. Case No. U-21251 - Launched distribution system data access work group
 - d. Case No. U-20898 – Staff reports - new technologies and business models work group
 - e. Case No. U-20959 - Customer Education work group
 - f. Advanced Planning Process work group – Phase III
 - g. Approved two Integrated Resource Plans
 - h. Two Integrated Resource Plans filed
 - i. Federal Infrastructure Investment and Jobs Act
 - j. Issued Request for Proposal - Low-Carbon Energy Infrastructure Enhancement & Development Program
 - k. Mandate from Legislature – Public Act 87 of 2021
- 5) Telecommunication
 - a. End of Accessory Restructuring Mechanism
 - b. Reorganization of Telecommunications Division
 - c. Issued Statewide Telecommunications Assessment Report
- 6) Expansion of Customer Education and Outreach
 - a. Addition of public comment button
 - b. Held 5 energy assistance resource fairs
 - c. Held Commission field meeting
 - d. Held 6 public hearings

- e. Launched the Commission’s Facebook page
 - f. Launched the Commission’s utility program portal
 - g. Issued summer and winter energy appraisals
 - h. Expanded broadband efforts
 - i. Promoted broadband map challenge process from FCC
- 7) Organizational changes at PSC
 - 8) Issued 513 Commission Orders in 2022

Before we close 2022, I would like to thank staff, my colleagues, and intervenors and regulated entities that we are put in a place to oversee of the public of Michigan. It has been a busy year. We have a lot on tap for 2023. I want to thank all involved.”

Commissioner Peretick announced:

“I want to thank all of our staff here at the Commission for all you have accomplished throughout 2022. The sheer volume and quality of work from this dedicated staff is truly impressive, and I can’t wait to see what we can do in 2023.”

Commissioner Phillips announced:

“We have a small but mighty team. I have always been impressed. I have worked in a lot of different organizations and different capacities, but I have always said to others, internally and external to our organization, that this has been the most accomplished, well-rounded, most committed group of employees and people that I have ever worked with.

We have faced a myriad of challenges this past year, but never has there been a complaint or folks unwilling to put in the hard work to make sure that we meet the deadlines that were committed to under Statute and meet the needs of the people of Michigan.

Unfortunately, in the upcoming next several days, I just wanted to make folks aware of what could be a fairly extreme weather event impending. I certainly encourage folks to heed the warnings of meteorological offices. If you have travel arrangements to do so before Friday or later in the weekend, I ask folks to stay tuned to their utility service provider(s) as well as the MPSC social media accounts, particularly our Twitter and Facebook feeds. They will continue to put out information on how to contact your utility service provider if there is an outage or to receive assistance during this period.

I would also like to thank our staff, the employees and contractors, linemen, and other professionals of our utilities, who will be working throughout the holidays to either ensure that customers maintain electricity, heating service, or have that service restored if, unfortunately, if there are issues related to the extreme weather that we will face.

Again, that just highlights the commitment of our staff and this entire ecosystem her in the state of Michigan and how hard everyone here works in order to ensure the safety and reliability of this system for the people of Michigan. Thank you to everyone for that.”

Chair Scripps announced:

“Stay safe. Carbon monoxide is a real issue. Wire downs are dangerous – assume they are live until you absolutely know otherwise. If you need help, if you experience a disruption, please reach out. These are dangerously cold temperatures and travel may dramatically be affected. Stay safe.”

A recording of the proceedings of the December 21, 2022 meeting is archived at:
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 January 19, 2023 at 1:00 p.m.

Commissioner Phillips moved that the Commission adjourn, Commissioner Peretick seconded.

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

The motion was approved.

The meeting adjourned at 2:20 p.m.

Lisa Felice
Executive Secretary