

MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES AND AVAILABLE VIA MICROSOFT TEAMS VIDEO CONFERENCING ON MAY 18, 2023.

Commission Chair Daniel C. Scripps called the meeting to order at 1:03 p.m.
Executive Secretary Lisa Felice called the roll and declared there was a quorum.

PRESENT

Commission: Daniel C. Scripps, Chair
Katherine Peretick, Commissioner

Staff: Jana Bachman
Matt Helms
Lisa Felice
Ryan Wilson
Al Freeman
Josh Towslee
Diane Martin
Sharon Feldman
Jamie Kuras
Katherine Talbot
Jesse Harlow
Charyl Kirkland
Julie Baldwin
Nick Evans
Teresa McKay
Paul Adams
Jessica Duell
Ally Durfee
Jillian Bowden
Anne Armstrong
Brittney Klocke
Nancy Rademacher
Jon DeCooman
Naomi Simpson
Blair Renfro
Joy Wang
Shannon Wambaugh
Mike Byrne
Charlie Tidwell
Ben Johnson
Andy Hannum
Wanda Clavon Jones
LaMonique Coleman

Public: Andrew Minegar, MIRS
Kelly Hall, Consumers Energy
Adella Crozier, DTE

Additional Staff & Public Attending Telephonically/Video Conferencing: 138 Participants

I. Commissioner Peretick moved to approve today’s agenda, Chair Scripps seconded.

Vote: Yeas – Scripps, Peretick
Nays – None

The agenda was approved.

II. Commissioner Peretick moved to approve the minutes of the Regular Commission Meeting of April 24, 2023, Chair Scripps seconded.

Vote: Yeas – Scripps, Peretick
Nays – None

The minutes were approved.

III. CONSENTED ORDERS

A. COMMUNICATIONS

1. U-12575 IN THE MATTER OF THE APPLICATION OF EAGLENET, INC., FOR A LICENSE TO PROVIDE BASIC LOCAL EXCHANGE SERVICE IN THE ZONE AND EXCHANGE AREAS THROUGHOUT THE GRAND RAPIDS LATA PRESENTLY SERVED BY AMERITECH MICHIGAN, VERIZON NORTH INC., AND VERIZON NORTH SYSTEMS
(request to voluntarily surrender license)
- U-14894 IN THE MATTER OF THE APPLICATION OF EAGLENET, INC., TO EXPAND THE GEOGRAPHIC AREA OF ITS LICENSE TO PROVIDE LOCAL EXCHANGE SERVICES TO ALL ZONE AND EXCHANGE AREAS THROUGHOUT MICHIGAN
2. U-20998 IN THE MATTER OF THE APPLICATION OF XIBER, LLC TO RELINQUISH DESIGNATION AS A HIGH-COST ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE STATE OF MICHIGAN
(request to voluntarily relinquish designation)

3. U-20999 IN THE MATTER OF THE APPLICATION OF XIBER, LLC FOR TEMPORARY AND PERMANENT LICENSES TO PROVIDE BASIC LOCAL EXCHANGE SERVICE IN THE STATE OF MICHIGAN (request to voluntarily surrender license)
4. MINUTE ACTION PENINSULA FIBER NETWORK NEXT GENERATION SERVICES LLC (9-1-1 wireless, U-14000, invoice no. INV-1211, dated May 1, 2023)
5. MINUTE ACTION PENINSULA FIBER NETWORK LLC (9-1-1 wireless, U-14000, invoice no. INV-3249, dated May 1, 2023)
6. MINUTE ACTION METRO ACT (tax credit determination report.)

B. ELECTRIC

1. U-21245 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR APPROVAL OF AN AMENDED AND RESTATED AGREEMENT WITH THE RIVERVIEW ELECTRIC GENERATING RESOURCE RECOVERY FACILITY PURSUANT TO 1989 PA 2, AS AMENDED (proposed settlement agreement)
2. U-21397 IN THE MATTER OF THE COMPLAINT OF JEROME SCHULTE, P.E. AGAINST DTE ELECTRIC COMPANY (request to withdraw complaint/final order)
3. MINUTE ACTION PJM INTERCONNECTION L.L.C., NEW COVERT INTERCONNECTION SERVICE AGREEMENT, COMMENTS FILED (FERC Docket No. ER23-1075)

C. GAS

1. U-21275 IN THE MATTER OF THE APPLICATION OF NORTHERN STATES POWER COMPANY FOR APPROVAL OF A GAS COST RECOVERY PLAN AND AUTHORIZATION OF GAS COST RECOVERY FACTORS FOR THE 12 MONTHS ENDING MARCH 31, 2024 (proposed settlement agreement)
2. U-21329 IN THE MATTER OF THE APPLICATION OF MICHIGAN GAS UTILITIES CORPORATION FOR ACCOUNTING APPROVAL OF DEPRECIATION RATES

(proposed settlement agreement)

3. U-21344 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY FOR AUTHORITY TO RECONCILE ITS GAS REVENUE DECOUPLING MECHANISM AND FOR OTHER RELIEF (proposed settlement agreement)

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

Vote: Yeas – Scripps, Peretick
Nays – None

The 8 orders and 4 minute actions were adopted.

Chair Scripps noted:

“In light of the timing of the Commission Meeting dates, the Commission issued an initial Metro tax credit minute action today. We intend to issue another amended minute action at a future Commission Meeting to accommodate those providers that have not yet completed their tax credit applications. For those providers that have not yet submitted the applications, a reminder that the deadline for those providers to submit those requests is no later than May 31st. We will take that up in the June meeting.”

IV. OTHER ORDERS

A. COMMUNICATIONS

1. U-21337 IN THE MATTER TO CONSIDER IMPLEMENTATION OF A RELIEF PLAN FOR THE 313 NUMBERING PLAN AREA (final order)
U-12880 IN THE MATTER, ON THE COMMISSION’S OWN MOTION, TO CONSIDER IMPLEMENTATION OF A 313 AREA CODE RELIEF PLAN

Case Nos. U-21337 and U-12880 involve applications filed by the North American Numbering Plan Administrator for relief for the 313 area code which is approaching number exhaust. The order before you approves the applications. Commissioner Peretick moved that the Commission approve the order at its May 18, 2023 meeting. Chair Scripps seconded that motion.

Commissioner Peretick commented:

“This is the final order approving the 679 overlay for Detroit’s area code. This means that now, a new phone number within Detroit, Hamtramck, Highland Park, Dearborn and Dearborn Heights, Ecorse, the Grosse Pointes, Inkster, Lincoln Park, Redford Township, River Rouge, and Taylor could be assigned either a 313 area code or a 679 area code. This is for newly assigned numbers only and does not result in any changes to existing numbers. Big thanks to our telecommunications team here at the MPSC for your work on this change.”

Vote: Yeas – Scripps, Peretick
Nays – None

The order was adopted.

B. ELECTRIC

1. U-17377 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO IMPLEMENT THE PROVISIONS OF 2013 PA 95 (notice regarding low-income energy assistance fund/interim order)

Case No. U-17377 involves implementation of the provisions of Public Act 95 of 2013. The order before you reminds electric utilities of the need to file required Low-Income Energy Assistance Fund information no later than 5:00 p.m. (Eastern time) on June 30, 2023. Commissioner Peretick moved that the Commission approve the order at its May 18, 2023 meeting. Chair Scripps seconded that motion.

Chair Scripps commented:

“This is the first of three orders that we issue in this. This is simply the reminder to file the information in terms of whether or not utilities will opt out of the program. That needs to be received, along with some information on customer accounts. That needs to be received, as Ms. Bachman noted, by June 30th. This is just a critically important program. In 2022, under the program, we and our partners at DHHS, and the grantee organizations, provided energy assistance and self-sufficiency services to more than 56,000 qualifying Michigan households (every corner of the state). Folks who are needing assistance because of challenging economic circumstances received assistance.

Under the law, non-participating utilities are not allowed to shut off service to any residential customer from November 1st to April 15th for non-payment of a delinquent account. It is important for utilities to participate even if they already have policies against shutoffs in place to ensure that their customers have access to this important energy assistance because state law also requires that the funds need to be returned to the regions of state from which they were collected, to the extent possible. The best way to ensure that your customers are able to receive these funds is to participate in the program. I certainly encourage all utilities to do so.”

Vote: Yeas – Scripps, Peretick
Nays – None

The order was adopted.

2. U-18238 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO REVISE THE STANDARD RATE APPLICATION FILING FORMS AND INSTRUCTIONS PREVIOUSLY ADOPTED IN CASE NO. U-15895
(filing requirements/final order)

Case No. U-18238 involves a matter, on the Commission’s own motion, to consider whether to re-open and revise the Commission’s Rate Case Filing Requirements for electric, natural gas, and steam utilities. The order before you approves new Rate Case Filing Requirements; provides a one-year waiver from certain requirements; adopts a process for the approval of a shared protective order; directs the Commission Staff to hold a collaborative on discovery and evidentiary issues specific to rate cases; and directs that the Commission Staff’s Case Coordinator shall be included in the service list for all pending and future rate cases. Commissioner Peretick moved that the Commission approve the order at its May 18, 2023 meeting. Chair Scripps seconded that motion.

Chair Scripps commented:

“I appreciate the staff’s engagement and the work of the utilities in providing their comments, the attorney general for hers, as well as others who have been involved in this. The statutory deadline for completing rate cases is within 10 months of the date of the filing. It continues to be an onerous requirement and ever more so as those cases grow in length and complexity. I think getting more of the traditional information that is sought in discovery up front (in terms of the filing), having a process for accelerating the process for a protective order, including a shared protective order in many instances, and then working on some of the discovery and evidentiary issues that Ms. Bachman noted, can only accelerate the pace of these and get more of the information included in a sort of somewhat more direct way. My hope is that is alleviates of the burdens, both for our staff and the other participants in these rate cases and provides just a little bit of relief as we go forward.”

Vote: Yeas – Scripps, Peretick
Nays – None

The order was adopted.

3. U-20757 IN THE MATTER, ON THE COMMISSION’S OWN MOTION, TO REVIEW ITS RESPONSE TO THE NOVEL CORONAVIRUS (COVID-19) PANDEMIC, INCLUDING THE STATEWIDE STATE OF EMERGENCY, AND TO PROVIDE GUIDANCE AND DIRECTION

TO ENERGY AND TELECOMMUNICATIONS PROVIDERS AND
OTHER STAKEHOLDERS
(opportunity to file comments/interim order)

Case No. U-20757 involves a matter, on the Commission's own motion, to review its response to COVID-19 and to provide guidance and direction moving forward. The order before you sets a deadline for comments and reply comments to be filed on the Commission Staff's March 16, 2023 second interim report recommendations, as described in this order. Commissioner Peretick moved that the Commission approve the order at its May 18, 2023 meeting. Chair Scripps seconded that motion.

Vote: Yeas – Scripps, Peretick
Nays – None

The order was adopted.

4. U-21117 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO COMMENCE A STAKEHOLDER PROCESS REGARDING INTERCONNECTION PROCEDURES (interim order)

Case No. U-21117 involves a matter, on the Commission's own motion, commencing a collaborative addressing the development of electric utility interconnection procedures. The order before you directs electric utilities and member-regulated electric cooperatives to file draft interconnection procedures with the Commission no later than June 16, 2023, directs the Commission Staff to hold a virtual stakeholder workgroup session on June 21, 2023, and directs electric utilities and member-regulated cooperatives to file interconnection procedures pursuant to Mich Admin Code, R 460.920 no later than August 23, 2023. Commissioner Peretick moved that the Commission approve the order at its May 18, 2023 meeting. Chair Scripps seconded that motion.

Vote: Yeas – Scripps, Peretick
Nays – None

The order was adopted.

5. U-21189 IN THE MATTER OF THE APPLICATION OF INDIANA MICHIGAN POWER COMPANY FOR APPROVAL OF ITS INTEGRATED RESOURCE PLAN PURSUANT TO MCL 460.6t, AVOIDED COSTS AND FOR OTHER RELIEF

Case No. U-21189 involves an application requesting *ex parte* approval of Indiana Michigan Power Company’s Elkhart County Solar Project Renewable Energy Power Purchase Agreement, Sculpin Solar Project Power Purchase Agreement, Montpelier Capacity Only Purchase Agreement, and Mayapple Solar Project Purchase and Sale Agreement. The order before you denies the *ex parte* application, opens a contested case by setting dates for the prehearing conference and the filing of petitions for intervention, directs Indiana Michigan Power Company to serve this order on all parties to the underlying integrated resource plan proceeding, and instructs Indiana Michigan Power Company to publish the notice of hearing in three newspapers in the company’s service territory. Commissioner Peretick moved that the Commission approve the order at its May 18, 2023 meeting. Chair Scripps seconded that motion.

Vote: Yeas – Scripps, Peretick
Nays – None

The order was adopted.

6. U-21310 IN THE MATTER OF THE *EX PARTE* APPLICATION OF CONSUMERS ENERGY COMPANY AND DTE ELECTRIC COMPANY FOR COST DEFERRAL ACCOUNTING AND A REGULATORY ASSET FOR THE COSTS TO RESTORE DEFECTIVE WORK PERFORMED BY TOSHIBA ON THE LUDINGTON PUMPED STORAGE PLANT

Case No. U-21310 involves an application filed by Consumers Energy Company and DTE Electric Company seeking *ex parte* approval of cost deferral accounting and a regulatory asset for the costs incurred with restoring allegedly defective work performed by Toshiba America Energy Systems Corporation at the Ludington Pumped Storage Plant. The order before you approves the application as set forth and clarified in the order. Commissioner Peretick moved that the Commission approve the order at its May 18, 2023 meeting. Chair Scripps seconded that motion.

Chair Scripps commented:

“The order before us is an important step in an issue that has been raised in a number of power supply cost recovery and planning cases involving the ongoing litigation with Toshiba to recover costs related to delays and issues relating to some components manufactured and installed at the Ludington Pumped Storage Plant by the contractor. Just to note that the order before us provides Consumers and DTE to create regulatory asset for the costs involved and to utilize deferred

accounting, but it does not address the underlying reasonableness of the costs or guarantee cost recovery. Those issues will be addressed in separate proceedings in the future.

In addition, to provide transparency around the total amounts involved, today’s order in front of us also directs the utilities to file an annual report in the docket that details the amount of the regulatory asset and then any material developments relating to the ongoing litigation that are likely to impact the total amount of cost exposure, and to work with our staff on the forum and specific elements to be included in this annual report. It is an important step and I appreciate the work that has gone into it to this point.”

Vote: Yeas – Scripps, Peretick
Nays – None

The order was adopted.

7. U-21332 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY FOR APPROVAL OF A ONE-TIME VOLUNTARY REFUND OF REVENUE
(*ex parte*/final order)

Case No. U-21332 involves a revised proposal filed by Consumers Energy Company requesting approval of a one-time voluntary refund to the company’s utility customers and authorization to implement accounting procedures consistent with the refund. The order before you approves the revised proposal. Commissioner Peretick moved that the Commission approve the order at its May 18, 2023 meeting. Chair Scripps seconded that motion.

Chair Scripps commented:

“I really appreciate the proposal brought in from of us today by Consumers Energy. We had some back-and-forth on the appropriate mechanism for this voluntary refund. I think where we land today really does align with the appropriate use of these funds - additional assistance for low-income Michiganders who are struggling, as well as increased tree trimming to address some of the chronic reliability issues that we face in terms of our distribution system. Again, I really do appreciate the back and forth, the concerns raised by others as part of this, and ultimately getting to a position that we are comfortable and indeed enthusiastic about approving.”

Vote: Yeas – Scripps, Peretick
Nays – None

The order was adopted.

8. U-21361 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*/request to approve special contract)

Case No. U-21361 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 Peretick moved that the Commission approve the order at its May 18, 2023 meeting. Chair Scripps seconded that motion.

Commissioner Peretick commented:

“I want to note the significance of this 35-year special contract between DTE and Stellantis for up to 400 MW of solar, so the automaker can meet their goal of reaching 100% clean energy. This is among the largest renewable energy purchases from a utility in the country, following a similar contract between DTE and Ford just 5 months ago, which was at the time the largest-ever renewable energy purchase from an American utility, at 675 MW of solar.”

Vote: Yeas – Scripps, Peretick
Nays – None

The order was adopted.

9. U-21371 IN THE MATTER OF THE APPLICATION OF UPPER MICHIGAN ENERGY RESOURCES CORPORATION FOR APPROVAL OF AN AMENDMENT TO A SPECIAL CONTRACT IN CONNECTION WITH THE RENDERING OF ELECTRIC SERVICE
(*ex parte*/request to approve special contract)

Case No. U-21371 involves an application filed by Upper Michigan Energy Resources Corporation for *ex parte* approval of an amendment to a special contract in connection with the rendering of electric service. The order before you approves the application. Commissioner Peretick moved that the Commission approve the order at its May 18, 2023 meeting. Chair Scripps seconded that motion.

Vote: Yeas – Scripps, Peretick
Nays – None

The order was adopted.

C. GAS

1. U-20631 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO COMMENCE A COLLABORATIVE TO CONSIDER ISSUES

RELATED TO MUTUAL AID AGREEMENTS AND TRANSMISSION
CONTINGENCY PLANNING
(interim order)

Case No. U-20631 involves a matter, on the Commission’s own motion, regarding mutual aid agreements and transmission contingency planning. The order before you summarizes the March 31, 2022 status report and directs the Commission Staff to file the next status report on the tasks described in the order no later than November 22, 2023. Commissioner Peretick moved that the Commission approve the order at its May 18, 2023 meeting. Chair Scripps seconded that motion.

Vote: Yeas – Scripps, Peretick
Nays – None

The order was adopted.

V. PUBLIC COMMENTS

There were no public comments.

Commissioner Peretick announced:

“I would like to note that we are hosting a Resilience Technical Conference next week. This is a two-part technical conference, hosted from 1-5:00 p.m. on Monday, May 22nd and 9-1:00 p.m. Friday, May 26th. This will be a technical conference hosted virtually to discuss options available to us in Michigan for improving the state of our electric reliability. All are welcome to listen. Information on that can be found on the Commission’s website.

I want to thank all the fantastic employees that we have here at the MPSC. We had our employee recognition ceremony earlier this morning, and I am always amazed by the dedication and talent of the wonderful employees we have here at the Michigan Public Service Commission. In addition to those employees that will be noted by Chair Scripps in a minute, I want to thank all of the rest of our fantastic employees, as well. Even if you were not called out by name today, you are the reason that Michiganders have safe, reliable, and accessible energy and telecommunication services at reasonable rates. Thank you.”

Chair Scripps announced:

“We were able to celebrate a lot of our employees, including those who reached service milestones with the state, as well. Some received special recognition. I want to acknowledge and add them to the record in this meeting, in terms of those folks that we celebrated earlier today. Completing 5 years of service with the State: Sarah Mullkoff, Joy Wang, Ryan Yeoman, Brianna Brown, Jamie Curtis, Derrick Schimming, Anna Schiller, Drew Simon, Zack Heidemann, Kasey Patrick, Kevin Spence, and Michelle Schreur. Completing 10 years of service to the State: Diane Martin, MeAgan Emmons, Josh McConkie, and Lori Mayabb. Completing 15 years of service to the State: Shatina

Jones, Nick Evans, Shannon Hartman, Blair Renfro, Jing Shi, Justin Miller, Dave Walker, Bethany Doyle, and Alissa Day. Completing 20 years of service to the State: Angela Sanderson, Alex Morese, Chris Forist, Roberta Marks, Kirk Megginson, and Mike Byrne. Completing 25 years of service to the State: Wendy Thelen. I honor the contributions over decades, in many cases, of those individuals.

In terms of Special Recognition Awards, we recognize Ben Johnson, Administrative Services Division, Technical Support Section, and Stephanie Haney, Regulated Energy Division, Compensation Licensing and Analytical Support Section, and Jon DeCooman, Energy Resources Division, Resource Optimization and Certification Section, and Josh McConkie, Telecommunications Division, Licensing and Competitive Issues Section. We presented a special certificate for customer service and teamwork to Teresa McKay. We presented a 360-Manager Award to Ryan Wilson, who leads our Regulatory Affairs Division. The Employee of the Year-Outstanding Service Award to Cody Matthews, Energy Resources Division, Interconnection and Distributed Energy Resources Section. I really want to recognize those folks for outstanding service to the Commission, and more importantly, to the people of Michigan.

I also want to recognize that May is both Jewish-American and Heritage months and Asian-American and Pacific-Islander Heritage month. We certainly have been and continue to be greatly impacted by the contributions of both our Jewish-American and Asian-American and Pacific-Islander employees and want to celebrate their many contributions to the Commission and indeed our broader society.

Finally, I want to note that registration for the upcoming Mid-America Regulatory Conference annual meeting is now live. This annual MARC Conference will be held August 6-9th in Grand Rapids, Michigan. Each year the conference brings together state utility regulators from across the 14-state MARC footprint, as well as senior utility and other business executives, federal, state, and local government officials, and other thought leaders in the energy, transportation, telecommunications, and water industries. We have been planning this for a long time. Usually, you get one year to plan. We were originally scheduled to host this in 2020, but COVID intervened. We are going to do it in 2023 and we are really excited about that. You can register and learn more at: www.marc-conference.org.”

A recording of the proceedings of the May 18, 2023 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 Friday, June 9, 2023 at 10:30 a.m.

Commissioner Peretick moved that the Commission adjourn, Chair Scripps seconded.

Vote: Yeas – Scripps, Peretick
Nays – None

The motion was approved.

The meeting adjourned at 1:30 p.m.

Lisa Felice
Executive Secretary