

MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES AND AVAILABLE VIA MICROSOFT TEAMS VIDEO CONFERENCING ON OCTOBER 12, 2023.

Commission Chair Daniel C. Scripps called the meeting to order at 1:05 p.m.
Executive Secretary Lisa Felice called the roll and declared there was a quorum.

PRESENT

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

Staff: Lisa Gold
Matt Helms
Lisa Felice
Blair Renfro
Anne Armstrong
Tayler Becker
Chris Davis
Melissa Siemen
Dolores Midkiff-Powell
Ben Johnson
Andy Hannum
Kyle Daymon
Sharon Feldman
Leslie Farrow
Julie Baldwin
Jake Thelen
Nick Evans
Mike Byrne
Nora Quilico
Chris Wentworth
Lisa Kindschy
Josh Towslee
Jesse Harlow
Cathy Cole
Li Szilagyi

Public: Kelly Hall, Consumers Energy
Larry Strzalka
Coreen Strzalka

Additional Staff & Public Attending Telephonically/Video Conferencing: 105 Participants

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

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

The agenda was approved.

II. Commissioner Peretick moved to approve the minutes of the Regular Commission Meeting of September 28, 2023, Commissioner Carreon seconded.

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

The minutes were approved.

III. CONSENTED ORDERS

A. COMMUNICATIONS

1. U-17030 IN THE MATTER OF THE APPLICATION OF BOOMERANG WIRELESS, LLC FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER ON A WIRELESS BASIS (LOW-INCOME ONLY)
(request for partial relinquishment)
2. U-21495 IN THE MATTER OF THE JOINT REQUEST FOR COMMISSION APPROVAL OF AN INTERCONNECTION AND RECIPROCAL COMPENSATION AGREEMENT BETWEEN PIGEON TELEPHONE COMPANY AND TELEPORT COMMUNICATIONS AMERICA, LLC
(interconnection agreement)
3. MINUTE ACTION PENINSULA FIBER NETWORK NEXT GENERATION SERVICES (9-1-1 wireless, U-14000, invoice no. INV-1224, dated September 26, 2023)
4. MINUTE ACTION PENINSULA FIBER NETWORK NEXT GENERATION SERVICES (9-1-1 wireless, U-14000, invoice no. INV-1225 dated September 26, 2023)
5. MINUTE ACTION PENINSULA FIBER NETWORK NEXT GENERATION SERVICES (9-1-1 wireless, U-14000, invoice no. INV-1223 dated October 1, 2023)

6. MINUTE ACTION PENINSULA FIBER NETWORK NEXT GENERATION SERVICES (9-1-1 wireless, U-14000, invoice no. INV-3313 dated October 1, 2023)

B. ELECTRIC

1. U-21057 IN THE MATTER OF THE APPLICATION OF UPPER MICHIGAN ENERGY RESOURCES CORPORATION FOR RECONCILIATION OF ITS POWER SUPPLY COST RECOVERY PLAN (CASE NO. U-21056) FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2022 (proposed settlement agreement)
2. U-21313 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATIONS, AND/OR APPROVALS NECESSARY FOR DTE ELECTRIC COMPANY AND DTE GAS COMPANY TO FULLY COMPLY WITH PUBLIC ACT 295 OF 2008, AS AMENDED BY PUBLIC ACT 342 OF 2016 (energy waste reduction reconciliation/proposed settlement agreement)
3. U-21412 IN THE MATTER OF THE APPLICATION OF INDIANA MICHIGAN POWER COMPANY FOR APPROVAL OF REVISED DEPRECIATION RATES AND OTHER RELATED MATTERS (proposed settlement agreement)

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

Commissioner Carreon seconded that motion.

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

The 5 orders and 4 minute actions were adopted.

IV. OTHER ORDERS

A. ELECTRIC

1. U-20898 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, TO COMMENCE A COLLABORATIVE TO CONSIDER ISSUES RELATED TO NEW TECHNOLOGIES AND BUSINESS MODELS (interim order)

Case No. U-20898 involves the establishment, on the Commission’s own motion, of the New Technologies and Business Models workgroup. The order before you provides guidance on the substance of the benefit cost analysis and announces a future collaborative planned for 2024 for the purpose of developing a jurisdictional specific societal cost test and utility cost test. Commissioner Peretick moved that the Commission approve the order at its October 12, 2023 meeting. Commissioner Carreon seconded that motion.

Commissioner Peretick commented:

“I would like to express my thanks to staff and to all the parties who have spent a large amount of time developing the benefit cost analysis framework to this point. Being able to properly assess the benefits – including benefits like reliability, resilience, environmental, equity-based, cost savings, and others – and compare these benefits to the costs of a particular project is key to our decision making as a Commission. Having this additional insight into the ratio of benefits to costs of a proposal in front of us will allow for better and easier analysis for staff and for Commissioners so we can more fully evaluate and determine the best outcome and decision for Michigan electric and gas customers. The development of an open-source tool for benefit cost analysis, as proposed in this order, will provide more detail, more transparency, and more information that will benefit energy customers. I am looking forward to seeing the development and the final proposed tool in the near future.”

Commissioner Carreon commented:

“I would like to thank the many stakeholders and our MPSC staff who informed, developed, and commented on the Benefit Cost Analysis proposal that the Commission reviewed. The variety of perspectives including lessons learned from work underway across the country, as well as some highly nuanced considerations offered, can help ensure we are comprehensively evaluating benefits to customers as we work together to improve and innovate our energy systems and service delivery. The order specifically notes that future development of benefit cost analysis requirements should continue to be a collaborative process which includes utilities, Staff, and other stakeholders.

I would also like to reflect on the opportunity afforded to us in identifying benefits. As the order states, the Commission finds that equity, environmental justice, and environmental impacts should be included and monetized wherever possible and quantified if monetization is not possible. As we refine the benefit cost analysis framework, we invite pilot applications that can leverage what the Commission recommends in the order. We look forward to these pilot applications as well as ongoing stakeholder input to establish the open-source tool that Commissioner Peretick referenced that can provide a holistic approach to evaluating costs and societal impacts when integrating emerging technologies onto our grid.”

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

The order was adopted.

2. U-21492 IN THE MATTER, ON THE COMMISSION’S OWN MOTION, TO OPEN A DOCKET THAT WILL BE USED TO COLLABORATIVELY CONSIDER AND ADDRESS ISSUES AND CONCERNS RELATED TO THE USE AND DEPLOYMENT OF ELECTRIC VEHICLES AND CHARGING INFRASTRUCTURE IN A COMMISSION-SPONSORED TECHNICAL CONFERENCE
(order opening docket)

Case No. U-21492 involves a matter, on the Commission’s own motion, to open a docket to collaboratively consider new issues, concerns, and opportunities related to the use and deployment of electric vehicles. The order before you opens the docket and notifies interested persons of a Commission-sponsored technical conference to be held on January 24 and 25, 2024. Information on how to participate will be made available in the docket no later than January 10, 2024. Commissioner Peretick moved that the Commission approve the order at its October 12, 2023 meeting. Commissioner Carreon seconded that motion.

Commissioner Carreon commented:

“As Ms. Gold indicated, this new docket and order announce a technical conference focused on transportation electrification. The timing of this conference signals a true inflection point in our state trajectory as we transition to unprecedented levels of electric vehicle adoption.

Consider that in 2017 when the Commission opened Case No. U-18368 ordering collaborative technical conferences on EV charging infrastructure deployment, there were approximately 2,500 battery electric vehicles registered in Michigan according to the Department of Energy’s Alternative Fuels Data Center. By the end of 2022, the Department of Energy shows over 33,000 electric vehicles registered in our state. This corresponds to an over ten times per capita increase of EVs in only five years. And our MI Healthy Climate Plan has set a goal to support 2 million EVs on the road in Michigan by 2030.

As utility EV charging programs move from pilot to permanence, our grid infrastructure, vehicle and charging infrastructure technology, industry business models, and, importantly, our communities will need to be prepared for this continued growth. The EV Technical Conference that the Commission will host in January aims to elevate and address the outstanding questions we must collectively answer to evolve our EV charging programs and co-create an implementation road map that ensures safe and effective transportation electrification infrastructure for all vehicle classes, service at reasonable rates, and equitable charging access for all Michiganders and those traveling through our state. I encourage all who are interested in attending to visit our MPSC website for more information.”

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

The order was adopted.

C. GAS

1. U-21064 IN THE MATTER OF THE APPLICATION OF DTE GAS COMPANY FOR APPROVAL OF A GAS COST RECOVERY PLAN AND AUTHORIZATION OF GAS COST RECOVERY FACTORS FOR THE 12 MONTHS ENDING MARCH 31, 2023
(final order)

Case No. No. U-21064 involves an application filed by DTE Gas Company seeking approval of its gas cost recovery plan, 5-year forecast, and monthly gas cost recovery factors for the 12 months ending March 31, 2023. The order before you approves the application as revised in part, accepts the company's five-year forecast without compensation for its premium cost, and issues a Section 7 warning regarding the company's premium costs for responsibly sourced gas. Commissioner Peretick moved that the Commission approve the order at its October 12, 2023 meeting. Commissioner Carreon seconded that motion.

Chair Scripps commented:

"In terms of the Section 7 warning around the premium cost for responsibly source gas, I think the language in the order speaks for itself, but just to note that we have investigated opportunities to reduce the carbon intensity of the gas system, including last year's RNG (renewable natural gas) potential study and this case sort of does not foreclose the use of responsibly sourced gas in the future, but notes, as we have in other orders involving reduced methane intensity and greenhouse gas emissions from gas, that more work needs to be done in terms of showing the benefits of the premium costs over and above the cost of base gas in order to justify those being paid for by customers. It is a warning that the cost may not be recoverable, but also I think points to opportunities to better justify the costs involved as the companies, both DTE Gas and others, investigate opportunities to reduce the intensity of the gas in our state's gas system."

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

The order was adopted.

V. PUBLIC COMMENTS

Larry Strzalka provided comments regarding the Nelson Road to Oneida transmission line that Michigan Electric Transmission Company and ITC are developing and the lack of transparency.

Coreen Strzalka provided comments regarding the Nelson Road to Oneida transmission line that Michigan Electric Transmission Company and ITC are developing and the lack of transparency.

Abdul Raymond, Detroit, requested that the Commission Meeting agendas be posted earlier.

Commissioner Peretick announced:

“I would like to note that on September 29, the MPSC issued a combined report on the status of renewable energy, distributed generation, and legacy net metering in Michigan. We issued it to coincide with Clean Energy Week. The new combined report replaced our previous annual report on the Implementation and Cost-Effectiveness of Renewable Energy Standards required by PA 295 of 2008. The report summarized renewable energy activities related to the renewable energy portfolio standard, voluntary green pricing programs, integrated resource plans, Public Utility Regulatory Policies Act, or PUPRA, and distributed generation and legacy net metering programs.

The report shows that renewable energy grew by nearly 15% between 2021 and 2022, and each of Michigan’s regulated electric utilities met the State’s required 15% renewable portfolio standard by 2021.

We also submitted a report on Energy Waste Reduction and Distributed Energy Resources to the legislature on Oct. 4th, to coincide with Energy Efficiency Day. The energy waste reduction programs in Michigan saved the state more than 3.4 million MWh of electricity and more than 12.5 million Mcf of natural gas in 2021 and 2022. The report found that the EWR (energy waste reduction) programs implemented in 2021 are expected to result in savings of over \$1.3 billion for Michigan customers over the 12-year lifecycle of the programs and measures. For every dollar spent, customers should realize benefits of \$2.73. These programs reduce the energy burden, improve health outcomes, and strengthen economic security of low-income customers and communities.

Thanks to the great MPSC staff for compiling these reports and for all the important work behind them.”

Chair Scripps announced:

“Congratulations and notable appointments from some members of the Commission. First, Josh McConkie, Telecommunications Division has been appointed to the Federal Numbering Administration Oversight work group. It is a permanent standing group assisting the North American Numbering Council as it advises the Federal Communications Commission on numbering issues. Congratulations to Josh McConkie.

Alex Morese, Energy Security Section within the Energy Operations Division has been appointed to the Midwest Regional Petroleum Shortage Response Coalition. We are still working on an acronym for that. Alex has been a bedrock of solid advice on both emergency response and petroleum issues over the time certainly since I have been at the Commission. I want to congratulate him on his appointment.

I also want to acknowledge that Commissioner Carreon has been appointed to the NARUC Natural Gas Resource Planning Task Force. One of just 20 Commissioners from across the country named to this task force which will facilitate the development of road maps focused on state planning approaches highlighting items such as questions, information needs, process steps, and stakeholder engagement strategies. This new task force is supported by the U.S. Department of Energy’s Office of Fossil Energy and Carbon Management, Office of Policy, Office of Energy and Energy

Efficiency and Renewable Energy with internal staffing from the NARUC Center for Partnerships and Innovation, as well as our staff on that as well. Congratulations to you.

Commissioner Peretick has been named Vice Chair of the Nuclear Waste Strategy Coalition which is a group that represents the collective interests of member state utility regulators, consumer advocates, attorneys general, and radiation control officials, tribal governments, local governments, electric utilities with operating and/or retired nuclear reactors, and other experts on nuclear waste policy matters. She brings a wealth of expertise and experience, including also serving on the NARUC Subcommittee on nuclear issues, waste disposal, NARUC Nuclear Energy Partnership, NARUC NASEO Advanced Nuclear State Collaborative, and Michigan Nuclear Feasibility Study work group that we have ongoing at the Commission, and that is just her nuclear involvement.

Congratulations to both of you on your appointments.

Before we close, I just want to acknowledge that September 15th to October 15th is National Hispanic Heritage Month. We recognize the many contributions of Hispanic Americans to the work that we do.

Also, October is National Disability Employment Awareness Month where we take the opportunity each October to recognize and celebrate the many contributions of people with disabilities to America's workplaces and economy. The theme this year is advancing access and equity.

I want to recognize those celebrations this month as well.”

A recording of the proceedings of the October 12, 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 Tuesday, October 24, 2023 at 1:00 p.m.

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

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

The motion was approved.

The meeting adjourned at 1:29 p.m.

Lisa Felice
Executive Secretary