

MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES AND AVAILABLE VIA MICROSOFT TEAMS VIDEO CONFERENCING ON MARCH 15, 2024.

Commission Chair Daniel C. Scripps called the meeting to order at 10:00 a.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: Charlie Cavanagh  
Matt Helms  
Lisa Felice  
Blair Renfro  
Lucy Clay  
Cindy Creisher  
Kevin Spence  
Jacob Martus  
Dolores Midkiff-Powell  
Julie Baldwin  
Andy Hannum  
Ben Johnson  
Kyle Daymon  
Mike Byrne  
Sarah Mullkoff  
Jill Rusnak  
Kayla Gibbs  
Cathy Cole  
Dave Chislea

Public: Kelly Hall, Consumers Energy  
Heidi Myers, Consumers Energy

Additional Staff & Public Attending Telephonically/Video Conferencing: 160 Participants

- I. Commissioner Peretick moved to amend today's agenda, Commissioner Carreon seconded.

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

The amended agenda was approved.

**II.** Commissioner Peretick moved to approve the minutes of the Regular Commission Meeting of March 1, 2024, Commissioner Carreon seconded.

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

The minutes were approved.

**III. CONSENTED ORDERS**

**A. COMMUNICATIONS**

1. U-20954 IN THE MATTER OF THE APPLICATION OF STARLINK SERVICES, LLC FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER FOR PURPOSES OF RECEIVING RURAL DIGITAL OPPORTUNITIES FUND SUPPORT; REQUEST FOR EXPEDITED CONSIDERATION (request to voluntarily relinquish designation)
2. U-21035 IN THE MATTER OF THE APPLICATION OF STARLINK SERVICES LLC FOR A TEMPORARY AND PERMANENT LICENSE TO PROVIDE BASIC LOCAL EXCHANGE SERVICE IN ALL OF THE ZONES AND EXCHANGE AREAS IN MICHIGAN (request to voluntarily surrender license)
3. U-21588 IN THE MATTER OF A JOINT REQUEST FOR COMMISSION APPROVAL OF AN INTERCONNECTION AND RECIPROCAL COMPENSATION AGREEMENT BETWEEN THE DEERFIELD FARMERS TELEPHONE COMPANY AND TELEPORT COMMUNICATIONS OF AMERICA, LLC (interconnection agreement)
4. MINUTE ACTION AT&T MICHIGAN (9-1-1 wireless, U-14000, invoice no. 517 R41-0001 067 9 dated March 1, 2024)
5. MINUTE ACTION PENINSULA FIBER NETWORK NEXT GENERATION SERVICES LLC (9-1-1 wireless, U-14000, invoice no. INV-1243 dated March 1, 2024)

6. MINUTE ACTION PENINSULA FIBER NETWORK  
(9-1-1 wireless, U-14000, invoice no. INV-3393 dated March 1, 2024)

**B. ELECTRIC**

1. U-21403 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR RECONCILIATION OF ITS 2022 DEMAND RESPONSE PROGRAM COSTS  
(proposed settlement agreement)
2. U-21429 IN THE MATTER OF THE APPLICATION OF NORTHERN STATES POWER COMPANY FOR APPROVAL TO IMPLEMENT A POWER SUPPLY COST RECOVERY PLAN FOR THE 12 MONTHS ENDING DECEMBER 31, 2024  
(proposed settlement agreement)
3. MINUTE ACTION MIDCONTINENT INDEPENDENT SYSTEM OPERATOR, INC.'S FORCED-OFF ASSET REFORMS  
(FERC docket number ER24-1191)

**C. GAS**

1. U-21063 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY FOR RECONCILIATION OF ITS GAS COST RECOVERY PLAN (CASE NO. U-21062) FOR THE 12 MONTHS ENDED MARCH 31, 2023  
(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 6 orders and 4 minute actions were adopted.

**IV. OTHER ORDERS**

**A. COMMUNICATIONS**

1. U-14725 IN THE MATTER, ON THE COMMISSION'S OWN MOTION, REGARDING DESIGNATION OF A STATE 2-1-1 COORDINATING AGENCY PURSUANT TO SECTION 214 OF THE MICHIGAN TELECOMMUNICATIONS ACT  
(request for designation)

Case No. No. U-14725 involves a request filed with its March 1, 2024 report by Michigan 2-1-1 to be redesignated as the 2-1-1 statewide coordinator for an additional three years until April 30, 2027. The order before you conditionally grants the request as discussed in the order. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

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

The order was adopted.

2. U-21539 IN THE MATTER OF THE APPLICATION OF IM TELECOM, LLC d/b/a INFINITI MOBILE FOR DESIGNATION AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER IN THE STATE OF MICHIGAN  
(final order)

Case No. U-21539 involves an application filed by IM Telecom, LLC, d/b/a Infiniti Mobile, for designation as an eligible telecommunications carrier for purposes of universal service fund support for Lifeline only. The order before you conditionally approves the application as set forth in the order. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

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

The order was adopted.

**B. ELECTRIC**

1. U-20300 IN THE MATTER OF THE APPLICATION OF ALPENA POWER COMPANY FOR APPROVAL OF ITS INTEGRATED RESOURCE PLAN PURSUANT TO MCL 460.6t AND FOR OTHER RELIEF (*ex parte*/amended integrated resource plan)

Case No. U-20300 involves an application filed by Alpena Power Company requesting *ex parte* approval of its amended integrated resource plan including its proposed course of action as the most reasonable and prudent means of meeting the company’s energy and capacity needs. The order before you approves Alpena Power Company’s amended integrated resource plan and directs the company to file its next integrated resource plan or integrated resource plan amendment in accordance with the order by December 31, 2027. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

Vote: Yeas – Scripps, Peretick, Carreon  
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 (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 denies the application as noncompliant with MCL 460.6j. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

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

The order was adopted.

3. U-21015 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR FINANCING ORDER APPROVING THE

SECURITIZATION OF QUALIFIED COSTS  
(annual true-up adjustment/proposed surcharges)

Case No. U-21015 involves a request filed by DTE Electric Company for approval of the company's 2024 annual true-up adjustment to the current securitization charges in conformity with the June 23, 2021 order in this docket. The order before you approves the request and accepts DTE Electric Company's 2024 annual true-up adjustment. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

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

The order was adopted.

4. U-21090 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY FOR APPROVAL OF AN INTEGRATED RESOURCE PLAN UNDER MCL 460.6t, CERTAIN ACCOUNTING APPROVALS, AND FOR OTHER RELIEF  
(*ex parte*/power purchase agreement/ Freshwater Solar/final order)

Case No. U-21090 involves an application filed by Consumers Energy Company requesting *ex parte* approval of a power purchase agreement with Freshwater Solar, LLC. The order before you approves the application. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

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

The order was adopted.

- REMOVED 5. U-21172 ~~IN THE MATTER, ON THE COMMISSION'S OWN MOTION REGARDING THE REGULATORY REVIEWS, REVISIONS, DETERMINATION AND/OR APPROVALS NECESSARY FOR DTE ELECTRIC COMPANY TO COMPLY WITH SECTION 61 OF 2016 PA 342~~  
(~~voluntary green pricing program/final order~~)

6. U-21459 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY FOR APPROVAL OF POWER PURCHASE AGREEMENT AMENDMENTS  
(proposed settlement agreement)

Case No. U-21459 involves an application by Consumers Energy Company requesting approval of a settlement agreement to amend a power purchase agreement. The order before you denies the application for *ex parte* approval of an amendment to a power purchase agreement and declines to approve a settlement agreement approving the amendment to the power purchase agreement. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

**Chair Scripps commented:**

“I want to speak to the merits of the order both before us in this item and also the order that we just approved under agenda item IV.B.2 that involved the power purchase agreement for the Lincoln Biomass plant. While there were a number of purported benefits in both of these to accelerate the closure of these plants to May of this year, the concern that we have is around reliability. Specifically, that even with the purported benefits in terms of cost, there were no purported benefits around reliability. Indeed, the Company conceded that it would need to rely on market energy purchases during the spring, summer, and fall months, and market capacity purchases in the winter months, as the proposed replacement projects to offset the retirement of these plants would be insufficient to meet their energy contributions during the spring, summer, and fall and their capacity contributions in the fall. In addition, we also have concerns over the projected savings which were ultimately based on unsupported assertions in the record.

Turning to biomass more broadly, I think there is a challenge to a number of the biomass plants that operate in Michigan. That is clear. It is also clear that these biomass plants play an important role both in our electricity mix where that account for approximately 20% of renewable energy in Michigan, as well in the rural communities where these plants are located. We recognize that as economic regulators we cannot capture the full range of materials management community and other benefits that biomass plants provide, but we do want to pursue more accurate reflection of the energy related attributes of these plants and indeed raise that issue for questions in the February 8<sup>th</sup> order seeking comment on elements around implementation of the new renewable energy law. Those reply comments are ultimately due on March 22<sup>nd</sup>.

Finally, we recognize that this is a unique situation. Not least, in the fact that this order would not approve a settlement agreement between the company and our staff. We do not do this often and we do not do it lightly. We very much rely on staff’s expertise across a broad range of our cases. This is no different. Given the concerns outlined above, as well as some of the statutory provisions to allow for IRP amendments to consider the full range of issues that would be outlined in IRP, we feel like this is an important, appropriate, and a necessary step. We hope that this provides the opportunity for these plants to identify a better path forward.”

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

The order was adopted.

7. 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  
(interim order)

Case No. U-21492 involves a matter on the Commission’s own motion to commence technical conferences to collaboratively consider and address issues related to the use and deployment of electric vehicles. The order before you expands the scope of the vehicle-to-grid and energy storage workgroup established in the December 1, 2023 order in Case No. U-21297, directs the Commission Staff to file a proposed transportation electrification plan filing process and proposed schedule for filings in Case No. U-21492, and establishes a comment period related to the Commission Staff’s proposed transportation electrification plan filing process. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

**Commissioner Carreon commented:**

“Thanks Chair. First, I’d like to thank the cross-divisional group of Staff members who not only helped organize this conference over many months and identified expert speakers for the event, but moderated discussions and did an outstanding job identifying recurring themes and key questions for further exploration.

Accordingly, this order affirms the Commission’s agreement with several points that emerged from the conference:

- 1) First, continued collaboration and coordination through public-private partnerships and across sectors is necessary to address our state’s transportation goals to support 2 million electric vehicles in Michigan with 100,000 chargers by 2030;
- 2) Grid readiness that can sustain the additional load attributable to all EV classes is critical;
- 3) Utility EV pilot learnings must be incorporated into permanent programs;
- 4) Transportation electrification must be designed and implemented in a way that ensures equitable access to both the transportation modes themselves, as well as the infrastructure required to support electric vehicle charging, and
- 5) There should be a continuing analysis of rate design for EVs as the market matures over time.

I want to commend our Staff for taking the initiative to keep up with and engage in shaping the ever-evolving technology needed for transportation electrification at scale, as well as for leading discussions on this front, such as how to integrate equity into transportation electrification plans and what tariff proposals are best suited for energy storage and bidirectional EV charging broadly for all regulated electric utilities.



Finally, I want to emphasize a critical outcome of today’s order. In December we opened a docket for utility transportation electrification plan filings and for input from interested parties on these plans and related issues. A separate filing for transportation electrification plans allows for planning, review, and discussions related to transportation electrification outside of the time constrained, statutory ten-month rate case process. So, to assist utilities in developing and filing transportation electrification plans that integrate a variety of perspectives and considerations meaningfully, we’ve requested Staff to propose a filing process by July 1<sup>st</sup> of this year, including expectations for public engagement. Importantly, utility transportation electrification plans should be coordinated with the same utility’s distributed grid planning process to consider grid capabilities and capacity, and other programmatic opportunities when forecasting EV load growth. We aim to avoid siloing plan development and filing when these areas are clearly intertwined, and all require significant input from multiple parties beyond utilities alone.”

**Commissioner Peretick commented:**

“I would like to note the process we are asking for staff’s help setting up that is coming out of this order. The new Transportation Electrification Planning, or TEP, process we are establishing is meant to help bring some of the conversation, planning, and analysis for the complex issue of ensuring a right-sized system for the challenges and opportunities brought by electric vehicles outside of the rate case process. Our yearly rate cases contain thousands of pages of transcript and hundreds of pages of exhibits, and it has become exceedingly difficult for the Staff and intervening parties to fully evaluate and respond to the issues within the allotted time.

The purpose behind a separate TEP filing is to provide an opportunity for much of the planning, review, and discussion of the TEP to occur outside of this tough 10-month process.

The rate recovery decisions will still be made in rate cases, but I’m hoping this TEP process will aid in better decision making and better outcomes for Michigan customers.”

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

The order was adopted.

- 8. U-21500 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY FOR APPROVAL OF AN EXPEDITED PILOT REVIEW WORKPLAN AND EXPEDITED PILOT PROPOSALS (petition for intervention/petition for rehearing, reopening, et al.)

Case No. U-21500 involves an application filed by Consumers Energy Company for *ex parte* approval of its Expedited Pilot Review Workplan. The order before you denies the petition for intervention and the petition for rehearing, reopening, reconsideration, and clarification filed by the Great Lakes Renewable Energy Association. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

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

The order was adopted.

9. U-21507 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY FOR APPROVAL OF AMENDMENT NO. 3 TO THE POWER PURCHASE AGREEMENT WITH MICHIGAN POWER LIMITED PARTNERSHIP  
(*ex parte*/final order)

Case No. U-21507 involves an application filed by Consumers Energy Company requesting *ex parte* approval of a third amendment to a power purchase agreement with Michigan Power Limited Partnership. The order before you approves the application. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

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

The order was adopted.

10. U-21515 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR APPROVAL OF A PURCHASED POWER AGREEMENT WITH KAY LOUISE BRAINERD AND FOR ASSOCIATED POWER SUPPLY COST RECOVERY  
(*ex parte*/final order)

Case No. U-21515 involves an application filed by DTE Electric Company for *ex parte* approval of a power purchase agreement and an amendment to the power purchase agreement. The order before you approves the application. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

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

The order was adopted.

11. U-21566 IN THE MATTER OF THE APPLICATION OF DTE ELECTRIC COMPANY FOR APPROVAL OF CONTRACTS FOR THE

DEVELOPMENT OF THE TRENTON CHANNEL ENERGY CENTER  
(*ex parte*/final order)

Case No. U-21566 involves an *ex parte* application filed by DTE Electric Company for approval of contracts for the development of the Trenton Channel Energy Center Project. The order before you approves the application. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

**Chair Scripps commented:**

“There are times that the energy transition feels very distant. Then there are days where it seems to be unfolding in real time. Today is one of those days. Earlier this morning, DTE removed the stacks from the Trenton Power Coal Plant that has served that community in southeast Michigan for decades and just a couple of hours later, in this order, we are approving the go-ahead for the battery energy storage facility that will be built at that facility. We did not plan this timing. We are not that good, but I think emblematic of the energy transition that is taking place as resources are retired or replaced with other resources, sometimes at the very same facility. I just wanted to remark on that before we vote on the order before us.”

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

The order was adopted.

12. U-21585 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY FOR AUTHORITY TO INCREASE ITS RATES FOR THE GENERATION AND DISTRIBUTION OF ELECTRICITY AND FOR OTHER RELIEF  
(motion to extend time/interim order)

Case No. U-21585 involves a motion filed by Consumers Energy Company seeking an extension to the time to comply with Part III of the Rate Case Filing Requirements, Attachments 2-12 and 14-17. The order before you grants the motion. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

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

The order was adopted.

**C. GAS**

1. U-21387 IN THE MATTER OF THE APPLICATION OF CONSUMERS ENERGY COMPANY FOR APPROVAL OF A VOLUNTARY RENEWABLE NATURAL GAS PROGRAM  
(*ex parte*/final order)

Case No. U-21387 involves an application filed by Consumers Energy Company for approval of a voluntary Renewable Natural Gas Program. The order before you approves the application, resolving all issues in the case. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

**Commissioner Carreon commented:**

“This new voluntary program proposed by Consumers would offer customers a choice to purchase up to 100% of their natural gas use to be sourced from renewable natural gas vs conventional or geological natural gas. The value proposition that Consumers explains is associated with this voluntary program, whose costs would only be incurred by participating customers, is that by electing to use renewable natural gas, customers contribute to carbon emission reductions compared to conventional natural gas use. Importantly, Consumers witness testimony noted that, “[t]he environmental attributes of the renewable natural gas supply are included with the customer’s subscription and will be retired on their behalf by the Company, with attestations provided upon request. Environmental credits will be verified through a third party on behalf of customers.”

That said, today’s order approving this program underscores the need to include third-party verification of any environmental attributes to ensure customers receive the value proposition they are seeking through a voluntary program and that carbon emission reductions are, indeed, occurring through program participation. This assurance from an external party is critical to maintain the transparency and accountability of the company in offering such a program. Therefore, the Commission has requested that beyond the annual reporting metrics Consumers proposed to document for the voluntary program, the report must also include total environmental attributes of annual renewable natural gas supply, including verified annual greenhouse gas emissions and reductions, to demonstrate how this program is, indeed, contributing to the important goal of decarbonization.”

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

The order was adopted.

2. U-21573 IN THE MATTER OF THE APPLICATION OF TITAN GAS, LLC d/b/a CLEANSKY ENERGY FOR A LICENSE AS AN ALTERNATIVE GAS SUPPLIER  
(final order)

Case No. U-21573 involves an application by Titan Gas, LLC, d/b/a CleanSky Energy, to become a licensed alternative gas supplier. The order before you approves the application. Commissioner Peretick moved that the Commission approve the order at its March 15, 2024 meeting. Commissioner Carreon seconded that motion.

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

The order was adopted.

## V. PUBLIC COMMENTS

Adam Chaczyk, Sterling Heights, addressed his concerns regarding his risk going forward with his position on the portion of the grid that supplies power to his house.

Heidi Brown-Drumheller provided new developments in Case No. U-21471 - ITC's proposed transmission line.

### **Chair Scripps announced:**

“On March 4<sup>th</sup>, the Commission released its 2023 Annual Report. It is something that we submit on an annual basis to the Governor and to the Legislature to summarize the Commission's activities during the prior year. As I think many of you are aware, 2023 was an exceptionally busy year for the Commission and 2024 looks to be no different. I wanted to flag that the full report is available on our website.

In addition, on March 4<sup>th</sup>, the Commission held a public hearing in Detroit related to the implementation of the state's 2023 energy laws. I appreciate those who turned out. I enjoyed both hearing from people directly in the public hearing as well as some of the meetings we did with community organizations over the course of the day.

Continuing the outreach, the Commission will hold a Regular Commission Meeting (the one that is scheduled for June 6, 2024) in Grand Rapids. Additional details on that June 6<sup>th</sup> meeting in Grand Rapids will be forthcoming.

Finally, I did want to note that March is National Women's History Month. This year's theme celebrates women who advocate for equity, diversity, and inclusion. This theme recognizes women throughout the county who understand the need to eliminate bias and discrimination from individual's lives and institutions for a positive future. I am grateful for the opportunity to serve with strong women here at the Commission. Fully half of our division directors are women, and a majority of the Commission staff are women. I am grateful to serve with the two of you.”

A recording of the proceedings of the March 15, 2024 meeting is archived at:  
<https://www.youtube.com/watch?v=Py1xpgJU5K0> .

Chair Scripps announced that the next regularly scheduled Commission Meeting will be held on Thursday, April 11, 2024 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 10:36 a.m.

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Lisa Felice  
Executive Secretary