ENSURING MICHIGAN'S FUTURE

AFFORDABLE AND RELIABLE ENERGY, NO REGRETS FOR OUR FUTURE

Readying Michigan to Make Good Energy Decisions

Steve Bakkal, Director
Michigan Energy Office

John Quackenbush, Chairman
Michigan Public Service Commission

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Public Service Commission

The Michigan Public Service Commission is composed of three members appointed by the Governor with the advice and consent of the Senate. Commissioners are appointed to serve staggered six-year terms. No more than two Commissioners may represent the same political party. One commissioner is designated as chairman by the Governor.

- **Chairman John D. Quackenbush**
- **Commissioner Orjiakor N. Isiogu**
- **Commissioner Greg R. White**

MPSC Mission

The mission of the Michigan Public Service Commission is to grow Michigan's economy and enhance the quality of life of its communities by assuring safe and reliable energy, telecommunications, and transportation services at just and reasonable rates.

Electricity

- 1939 PA 3 – Gives MPSC broad authority over regulated electric utilities; major amendments include:
  - 2000 PA 141 – Electric Industry Restructuring – "Customer Choice"
  - 2008 PA 286 – Placed 10% Cap on Choice; allows for Certificate of Need, Integrated Resource Plan; 1-year rate case time limit; Self-Implementation; Rate Deskewing
- 2008 PA 295 – "Clean, Renewable, and Efficient Energy Act"
  - Renewable Energy Standard (10% by 2015)
  - Energy Optimization Standard
- 1995 PA 30 – Electric Transmission Siting

Electricity

The Commission regulates:

- 9 Investor-owned Utilities (e.g., Detroit Edison, Consumers Energy)
- 9 Electric Cooperatives – MPSC rate regulation vs. member regulation

The Commission licenses:

- Alternative Electric Suppliers

The Commission does not regulate:

- Municipally-owned Utilities

Natural Gas

- 1939 PA 3 – Gives MPSC broad authority over regulated gas utilities
- 1969 PA 165 – Michigan Gas Safety Standards
- 1929 PA 9, PA 16, and PA 69 – Siting of Gas and Oil Pipelines

Natural Gas

The Commission regulates:

- 10 Gas Distribution Companies (e.g., MichCon, SEMCO, Consumers, MGU)

The Commission licenses:

- Alternative Gas Suppliers

The Commission oversees:

- Pipeline Safety – In Conjunction with Feds

The Commission does not regulate:

- Propane or Fuel Oil

Telecommunications

- Responsible for administration of the Michigan Telecommunications Act (PA 179 of 1991)
  - Basic Local Telephone Service
  - Telephone Service for the Speech and Hearing Impaired
  - Provider-to-Provider Interconnections/Complaints
  - Universal Service Fund
  - Access Restructuring Mechanism
- Emergency 9-1-1 Service Rulemakings
- METRO permitting and tax credits
- Connect Michigan
  - Continued broadband mapping and planning
  - Launched Connected Community certification program

Motor Carrier

- PA 254 of 1933 – Motor Carrier Act
  - Intrastate Motor Carriers must obtain operating authority from MPSC
  - Household Goods Carriers Regulation
- Unified Carrier Registration Program
- Intrastate USDOT Numbering Program

State Energy Office Mission:

- To assist businesses and communities who are interested in reducing their energy consumption or in implementing advanced energy technologies.

- Services provided through information dissemination, education & outreach, technical assistance, demonstration projects, and feasibility studies.

Funding

Primary funding comes from the U.S. Department of Energy under the State Energy Program, part of the Office of Energy Efficiency and Renewable Energy (EERE).

Michigan Energy Office operates within the Michigan Strategic Fund, which receives services from Michigan Economic Development Corporation

MEO Program Examples

Funding received by MEO is primarily awarded to non-profits, schools, universities, & communities to deliver the services.

University of Michigan's Industrial Assessment Center
Provides energy efficiency assessments of manufacturing processes for industrial companies

Michigan Saves Commercial Loan Program
Michigan Saves, a non-profit initially established to provide financing for energy efficiency projects for residential customers, recently expanded their program to include commercial clients.

Building Operator Certification
Competency-based training and certification program that offers facilities personnel the improved job skills and knowledge to transform workplaces to be more comfortable and energy efficient.

Feasibility Studies for Biomass Projects

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Governor Snyder outlined the following:

- Energy Efficiency
- Renewable Energy
- Electric Choice
- Other Additional Areas

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Timeframe – Input Phase

- Press release announcing 7 Public Forums: January 25th
- Launch Website www.michigan.gov/energy: January 28th

  Questions posted on website

  Website open for preliminary submissions until April 25th

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General questions we seek input on:

1) What information do energy policy makers need to consider in order to make good energy decisions?

2) What existing data or studies are available for Michigan policymakers to consider when evaluating Michigan's energy policy after 2015?

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Public Forums...

Lansing
Thursday, February 14
Library of Michigan

Grand Rapids
Monday, February 25
Grand Valley State University
Loosemoore Auditorium

University Center
Monday, March 4
Delta College
Lecture Theater

Kalamazoo
Monday, March 18
Western Michigan University
Fetzer Center – Kirsch Auditorium

Detroit
Monday, March 25
NextEnergy Center

Marquette
Friday, April 12
Northern Michigan University

Traverse City
Monday, April 22
Northwestern Michigan College

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Remaining Phases

May-June: Outlining reports in each program and laying out plan for development of information that is not yet available.

July- September: Compilation/development of information.

October-November: Release of draft reports for public feedback.

November-December: Finalize reports and release final versions.

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