

Michigan Public Service Commission Presentation to MIACCA

Mike Byrne
Chief Operating Officer

September 19, 2019



Who We Are



**Commissioner
Tremaine Phillips**



**Chairman
Sally Talberg**



**Commissioner
Daniel Scripps**

Who We Are

Approximately 170 full-time employees focused on serving the public, with expertise in the following:

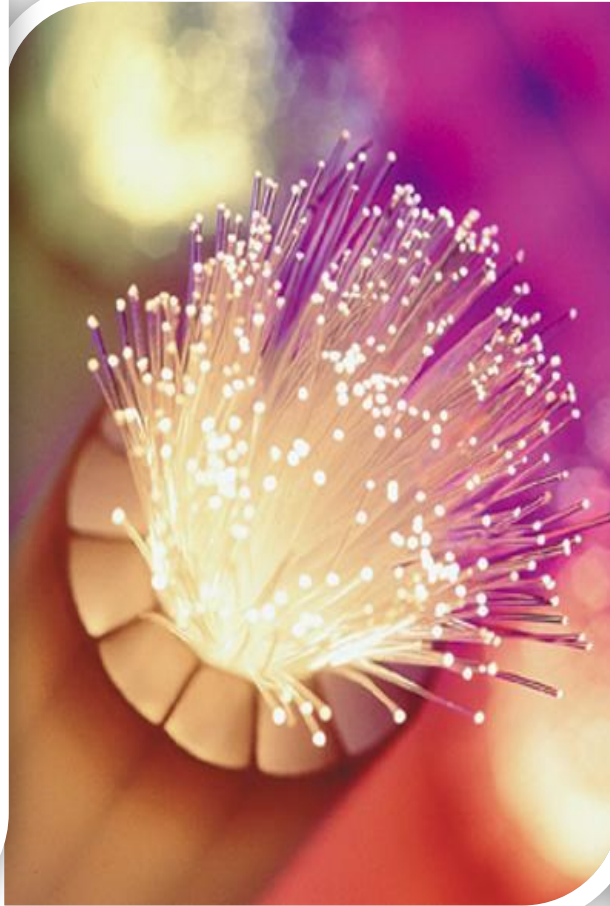
- Engineering
- Finance
- Auditing
- Law
- Economics



Electric



Telecom



Gas



Our Mission:

Protect the public by ensuring
safe, reliable, and
accessible energy and
telecommunications services
at reasonable rates for Michigan's
residents

Major Functions:

Public Safety

Setting Just and Reasonable Rates

Customer Assistance & Protection

Facility Siting & Need Determination

Reliability

Licensing & Fostering Competitive Markets

MPSC Code of Conduct

- Set of rules that apply to electric, natural gas, and steam utilities, and alternative electric suppliers under the jurisdiction of the MPSC
- Intended to prevent cross-subsidization, preferential treatment, and information sharing between a utility's regulated services and unregulated programs and services provided by the utility or an affiliate

Code of Conduct Background

- Affiliate Transaction Guidelines
- PA 141 of 2000 – Electric Choice
 - Code of Conduct applicable to electric providers, alternative electric suppliers (AES)
- MPSC Case No. U-12134
- PA 88 of 2004 – Appliance Service Plans

Public Acts 341 and 342 of 2016

- PA 341 and 342 were signed in December 2016 and took effect in April 2017
- PA 341 addresses:
 - utility rate cases, electric choice, certificates of necessity, electric capacity resource adequacy, and establishes an integrated resource planning process
- PA 342 addresses:
 - renewable energy, energy waste reduction, distributed energy, green pricing programs, and allows utilities to implement on-bill financing programs
- To see status of implementation of each section visit: [Michigan.gov/energylegislation](https://www.michigan.gov/energylegislation)

Section 10ee of Public Act 341

- Removed provisions from PA 141, PA 88
- Created new Section 10ee
 - Code of Conduct
 - Value-Added Programs and Services

Section 10ee of Public Act 341

- Requires the MPSC to establish a **Code of Conduct** to prevent cross-subsidization, preferential treatment, and (except as otherwise provided) information sharing, between a utility's regulated services and unregulated programs and services.
- Applies to electric, gas, and steam utilities and unregulated affiliates.
- Utilities are now allowed to offer customers **value-added programs and services (VAPS)** if those programs or services do not harm the public interest by unduly restraining trade or competition in an unregulated market.
 - “Value-added programs and services” means programs and services that are utility or energy related, including, but not limited to, home comfort and protection, appliance service, building energy performance, alternative energy options, or engineering and construction services. Value-added programs and services do not include energy optimization or energy waste reduction programs paid for by utility customers as part of their regulated rates.
- Requires a utility to file an annual report with the list of VAPS and provide the MPSC with the ability to conduct an audit of the utility and the VAPS to ensure compliance with these provisions.

- Case No. U-18326 – Interim Order
- Case No. U-18361 – Rulemaking
 - Stakeholder process in 2017
 - Formal rulemaking in 2018
 - Rules effective January 9, 2019
 - Stakeholder meeting March 9, 2019
re: customer information sharing


Core Principles re: Code of Conduct

- Fair Competition
 - No cross-subsidization, preferential treatment, unauthorized information sharing
- Transparency
 - Allow customer lists to be shared with competitors
- Accessibility
 - Filings, processes at MPSC
- Collaboration
 - Bring stakeholders together to attempt to forge compromise on unresolved issues


Next Steps

- Continued monitoring of utility compliance
 - Updated Staff letter – September 4, 2019
- Work through issues re: customer information sharing
- Potential complaint cases
- Follow-up order(s) in Case No. U-18361

How You Can Stay Involved

Search

Home Login / Sign Up E-Dockets Help Hearings Calendar Commission Meeting Agendas Archived Commission Orders

 Case
U-18361

Print Case and Filings

Open Date
5/17/2018

Industry
Electric

Subject
In the matter, on the Commission's own motion, to promulgate rules required by MCL 460.10ee(1).

Description ⓘ
In the matter, on the Commission's own motion, to promulgate rules required by MCL 460.10ee(1).

Case Number ⓘ
U-18361

Contact Name ⓘ
MPSC

Account Name ⓘ
State of Michigan


On Behalf of Company ⓘ
Michigan Public Service Commission (MPSC)

On Behalf of Company 2 ⓘ
On Behalf of Company 3 ⓘ

Industry ⓘ
Electric

Open Date ⓘ
5/17/2018

Parent Case
Legacy Case No. ⓘ
U-18361

 Filings (25)

| FILING # ▼ | FILE DATE | FILED BY | ON BEHALF OF COMPANY | FILING TYPE | FILING DESCRIPTION | # PAGES | FILE LINK |
|------------|-----------|----------|----------------------|-------------|--------------------|---------|-----------|
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How You Can Stay Involved

- Regular interaction with Commission and Staff
- Monitoring open cases for newly proposed VAPS, COC waiver requests, etc.
 - Upcoming website enhancements
- Ongoing collaborative re: information sharing

How You Can Stay Involved

Michigan.gov

E-DOCKETS CONTACT US Q SEARCH

LARA


MPSC

ABOUT THE MPSC

COMMISSION ACTIVITIES

CONSUMER INFORMATION

REGULATORY INFORMATION



The mission of the Michigan Public Service Commission is to protect the public by ensuring safe, reliable, and accessible energy and telecommunications services at reasonable rates for Michigan's residents.

LATEST NEWS

Final Statewide Energy Assessment outlines room for improvements to Michigan's energy supply and delivery systems

MPSC approves Consumers PURPA settlement, clears path for renewables

MPSC announces public forum in Benton Harbor on Indiana Michigan Power's proposed integrated resource plan

Ways to prepare for winter utility bills; Home Heating Credit application deadline Sept. 30th

See our consumer tip for electric outage credit information 

Gov. Whitmer Appoints Tremaine Phillips to the Michigan Public Service Commission



Thank You!

<https://www.michigan.gov/mpsc>