STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter, on the Commission's own motion, to open a docket to implement the provisions of Section 10ee of 2016 PA 341.

At the March 28, 2017 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman Hon. Norman J. Saari, Commissioner Hon. Rachael A. Eubanks, Commissioner

ORDER

On April 20, 2017, 2016 PA 341 (Act 341), an act amending 1939 PA 3, will go into effect. Section 10ee of Act 341, MCL 460.10ee, governs the code of conduct applicable to utilities, as well as value-added programs and services offered by utilities or affiliated entities.

MCL 460.10ee(1) provides:

The commission shall establish a code of conduct that applies to all utilities. The code of conduct shall include, but is not limited to, measures to prevent cross-subsidization, preferential treatment, and, except as otherwise provided under this section, information sharing, between a utility's regulated electric, steam, or natural gas services and unregulated programs and services, whether those services are provided by the utility or the utility's affiliated entities.

As soon as practicable, the Commission will commence a rulemaking proceeding to address this directive. In the interim, the Code of Conduct established in Case No. U-12134 (Code of Conduct) remains in place. However, that code does not address several of the new measures

mandated by Section 10ee.¹ This order will provide guidance (and a docket) for utilities choosing to commence activities pursuant to Section 10ee.

MCL 460.10ee(4) requires a utility to notify the Commission of its intent to offer its customers a new value-added program or service before offering the program or service, but provides no other guidance. Utilities that intend to offer a program or service pursuant to Section 10ee shall notify the Commission no less than 30 days before offering the program or service to customers. Consistent with Section 10ee(6), the written notification shall provide the Commission with a description of the new program or service, including the personnel responsible for management of the program or service and their location, and how costs will be allocated to the unregulated program or service. A copy of the business plan for the new program or service shall be included with the notice. For the time being, such notifications shall be filed in this docket.

MCL 460.10ee(6)(c) and (15) each require utilities to submit an annual report. This is in addition to the annual report regarding complaints that is already required from electric utilities and alternative electric suppliers (AESs) under Section VII.C. of the Code of Conduct. Electric utilities and AESs may submit one annual report to the Commission (consolidating the information sought from utilities under all three provisions) on the date that they normally provide the existing annual report regarding complaints, and may continue to make that filing in Case No. U-12134. Natural gas and steam utilities affected by Section 10ee shall submit their annual reports no later than April 30 of each year, commencing in 2018, in this docket.

The Commission notes that MCL 460.10ee(10)(a) provides as follows:

(10) In marketing a value-added program or service offered under this section to the public, a utility shall do all of the following:

¹ The Commission notes that, to the extent that any of the provisions of Section 10ee conflict with the provisions of the Code of Conduct, Section 10ee prevails. All existing waivers to the Code of Conduct will remain in place.

(a) In the manner and to the extent allowed by commission rule or order, provide upon request to a provider of a similar program or service any lists of customers receiving regulated service that the utility provides to its value-added programs or services. The customer list shall be provided within 5 business days of the request on a nondiscriminatory basis. A new customer shall be added to the customer list within 1 business day of the date the customer requests to enroll in the program or service.

Thus, customer lists, as described in the statute, may be provided on request in "the manner and to the extent allowed by commission rule or order." The Commission finds that any customer list provided pursuant to Section 10ee(10)(a) must comply with any existing data privacy tariff applicable to the affected utility.

Finally, electric utilities continue to have the ability to seek a waiver from the Code of Conduct. Utilities and AESs may also seek a waiver from any provision of this order. The request for a waiver may be filed in this docket or in a docket addressing the subject matter of the waiver.

THEREFORE, IT IS ORDERED that:

A. Utilities, as defined in MCL 460.10ee(16)(a), that intend to offer a program or service pursuant to MCL 460.10ee shall notify the Commission no less than 30 days before offering the program or service to customers by filing notification in this docket. The written notification shall provide the Commission with a description of the new program or service, including the personnel responsible for management of the program or service and their location, and how costs will be allocated to the unregulated program or service to ensure that there is no cross-subsidization between regulated and unregulated programs or services. A copy of the business plan for the new program or service shall be included.

B. Electric utilities and alternative electric suppliers may submit one annual report to the Commission (consolidating the information sought under the Code of Conduct issued in Case No. U-12134, and MCL 460.10ee(6)(c) and (15)) on the date that they normally provide the existing

annual report regarding complaints, and may continue to make that filing in Case No. U-12134.

Natural gas and steam utilities affected by MCL 460.10ee shall submit their annual reports no later than April 30 of each year, commencing in 2018, in this docket.

C. Utilities, as defined in MCL 460.10ee(16)(a), providing customer lists pursuant to MCL 460.10ee(10)(a) must comply with any existing data privacy tariffs applicable to the affected utility.

D. Utilities, as defined in MCL 460.10ee(16)(a), and alternative electric suppliers may seek a waiver from any provision of this order. The request for a waiver may be filed in this docket or in a docket addressing the subject matter of the waiver.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at mpscedockets@michigan.gov and to the Michigan Department of the Attorney General - Public Service Division at pungp1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917. MICHIGAN PUBLIC SERVICE COMMISSION Sally A. Talberg, Chairman Norman J. Saari, Commissioner Rachael A. Eubanks, Commissioner By its action of March 28, 2017.

Kavita Kale, Executive Secretary

PROOF OF SERVICE

| STATE OF MICHIGAN |) | | |
|-------------------|---|--|------------------|
| | | | Case No. U-18326 |
| | | | |
| County of Ingham |) | | |

Lisa Felice being duly sworn, deposes and says that on March 28, 2017 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).



Subscribed and sworn to before me this 28 day of March 2017

Steven J. Cook

Notary Public, Ingham County, Michigan

As acting in Eaton County

My Commission Expires: April 30, 2018

GEMOTION DISTTRIBUTION SERVICE LIST UPDATED AS OF: 01-19-2017

CBaird-Forristall@MIDAMERICAN.COM Mid American david.d.donovan@XCELENERGY.COM **Noble Americas** ddasho@cloverland.com Cloverland bmalaski@cloverland.com Cloverland vobmgr@UP.NET Village of Baraga braukerL@MICHIGAN.GOV Linda Brauker info@VILLAGEOFCLINTON.ORG Village of Clinton igraham@HOMEWORKS.ORG Tri-County Electric Co-Op mkappler@HOMEWORKS.ORG Tri-County Electric Co-Op psimmer@HOMEWORKS.ORG Tri-County Electric Co-Op aurora@FREEWAY.NET **Aurora Gas Company** frucheyb@DTEENERGY.COM Citizens Gas Fuel Company mpscfilings@CMSENERGY.COM **Consumers Energy Company** jim.vansickle@SEMCOENERGY.COM SEMCO Energy Gas Company kay8643990@YAHOO.COM Superior Energy Company ebrushford@UPPCO.COM **Upper Peninsula Power Company** kerriw@TEAMMIDWEST.COM Midwest Energy Coop dave.allen@TEAMMIDWEST.COM Midwest Energy Coop meghant@TEAMMIDWEST.COM Midwest Energy Coop tharrell@ALGERDELTA.COM Alger Delta Cooperative tonya@CECELEC.COM Cherryland Electric Cooperative sboeckman@GLENERGY.COM **Great Lakes Energy Cooperative** llopez@LIBERTYPOWERCORP.COM Liberty Power Deleware (Holdings) kmarklein@STEPHENSON-MI.COM **Stephson Utilities Department** debbie@ONTOREA.COM **Ontonagon Cnty Rural Elec** sharonkr@PIEG.COM Presque Isle Electric & Gas Cooperative, INC dbraun@TECMI.COOP Thumb Electric rbishop@BISHOPENERGY.COM Bishop Energy mkuchera@BLUESTARENERGY.COM BlueStar Energy todd.mortimer@CMSENERGY.COM **CMS Energy** igoodman@COMMERCEENERGY.COM **Commerce Energy** david.fein@CONSTELLATION.COM Constellation Energy kate.stanley@CONSTELLATION.COM **Constellation Energy** kate.fleche@CONSTELLATION.COM Constellation New Energy mpscfilings@DTEENERGY.COM DTE Energy Don.Morgan@DUKE-ENERGY.COM **Duke Energy** john.finnigan@DUKE-ENERGY.COM **Duke Energy** bgorman@FIRSTENERGYCORP.COM First Energy vnguyen@MIDAMERICAN.COM MidAmerican Energy rarchiba@FOSTEROIL.COM My Choice Energy gbass@NOBLESOLUTIONS.COM Noble American Energy rabaey@SES4ENERGY.COM Santana Energy cborr@WPSCI.COM Spartan Renewable Energy, Inc. (Wolverine Po john.r.ness@XCELENERGY.COM **Xcel Energy** cityelectric@ESCANABA.ORG City of Escanaba crystalfallsmgr@HOTMAIL.COM City of Crystal Falls

Lisa Felice

felicel@MICHIGAN.GOV

GEMOTION DISTTRIBUTION SERVICE LIST UPDATED AS OF: 01-19-2017

mmann@USGANDE.COMMichigan Gas & Electricmpolega@GLADSTONEMI.COMCity of Gladstonerlferguson@INTEGRYSGROUP.COMIntegrys Grouplrgustafson@CMSENERGY.COMLisa Gustafsontahoffman@CMSENERGY.COMTim Hoffman

daustin@IGSENERGY.COM Interstate Gas Supply Inc

<u>krichel@DLIB.INFO</u> Thomas Krichel

pnewton@BAYCITYMI.ORGsbn@LBWL.COMjreynolds@MBLP.ORGBay City Electric Light & PowerLansing Board of Water and LightMarquette Board of Light & Power

bschlansker@PREMIERENERGYONLINE.COM Premier Energy Marketing LLC

ttarkiewicz@CITYOFMARSHALL.COM City of Marshall

d.motley@COMCAST.NET Doug Motley blaird@michigan.gov Dan Blair

<u>nwabuezen1@MICHIGAN.GOV</u> Nicholas Nwabueze

<u>mpauley@GRANGERNET.COM</u> Marc Pauley

ElectricDept@PORTLAND-MICHIGAN.ORG City of Portland

akb@ALPENAPOWER.COMAlpena Powerdbodine@LIBERTYPOWERCORP.COMLiberty Powerleew@WVPA.COMWabash Valley Powerkmolitor@WPSCI.COMWolverine Power

ham557@GMAIL.COM Lowell S.

AKlaviter@INTEGRYSENERGY.COM Integrys Energy Service, Inc WPSES

<u>BusinessOffice@REALGY.COM</u> Realgy Energy Services <u>landerson@VEENERGY.COM</u> Volunteer Energy Services

Ldalessandris@FES.COM First Energy Solutions

<u>rboston@NOBLESOLUTIONS.COM</u> Noble Energy Solutions

<u>mbarber@HILLSDALEBPU.COM</u> Hillsdale Board of Public Utilities

mrzwiers@INTEGRYSGROUP.COM Mich Gas Utilities/Upper Penn Power/Wisconsi

<u>djtyler@MICHIGANGASUTILITIES.COM</u> Mich Gas Utilities/Qwest donm@BPW.ZEELAND.MI.US Zeeland Board of Public Works

Teresa.ringenbach@directenergy.com Direct Energy christina.crable@directenergy.com Direct Energy Bonnie.yurga@directenergy.com Direct Energy ryan.harwell@directenergy.com Direct Energy Direct Energy kadardwa@itctransco.com ITC Holdings Corp. johnbistranin@realgy.com Realgy Corp. jweeks@mpower.org Jim Weeks

gaclark2@aep.com Indiana Michigan Power Company

mvorabouth@ses4energy.com Santana Energy

scdevon@uppco.com Upper Peninsula Power Company

<u>sjwestmoreland@voyager.net</u> MEGA <u>hnester@itctransco.com</u> ITC Holdings Service List U-18326

Name

Consumers Energy Company

DTE Energy Company

Email Address

matorrey@cmsenergy.com

kurmass@dteenergy.com