

NEWS RELEASE

Gretchen Whitmer, Governor Dan Scripps, Chair Sally Talberg, Commissioner Tremaine Phillips, Commissioner

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MPSC orders electricity distribution plans from DTE Electric, Consumers Energy and Indiana Michigan Power

After receiving stakeholder input, the Michigan Public Service Commission today ordered three Michigan utilities to file electricity distribution and maintenance plans consistent with the goals of the MPSC's MI Power Grid initiative.

The Commission ordered DTE Electric Co., Consumers Energy Co. and Indiana Michigan Power Co. to file second iterations of their distribution investment and maintenance plans by Sept. 30, 2021 (<u>Case No. U-20147</u>), with draft plans shared with stakeholders and Commission Staff by Aug. 1, 2021.

The plans are part of the next steps in the MI Power Grid multi-year stakeholder initiative launched in October 2019 with support from Gov. Gretchen Whitmer to maximize the benefits of the transition to clean, distributed energy resources for Michigan residents and businesses. MI Power Grid's three areas of emphasis are on customer engagement, integrating emerging technologies and optimizing grid investments and performance.

"This order fits with the Commission's focus on maintaining reliable electric service for Michigan while also supporting a grid that accommodates new capabilities in the transition to clean, distributed energy sources," said MPSC Chair Dan Scripps. "That includes supporting efforts to encourage residential and commercial customers to be more engaged in how they use energy."

Today's order focuses on transparent and long-term electric distribution planning for the three utilities, with emphasis on the goals of MI Power Grid as well as the Commission's standing objectives for distribution planning: safety, reliability and resiliency, cost effectiveness and affordability, and accessibility.

In two other MI Power Grid developments, the Commission also ordered:

 Commission Staff to begin a Competitive Procurement Workgroup with participation of rate-regulated utilities and other stakeholders to develop recommendations for a competitive bidding framework that ensures strong, technology-neutral market response and value for ratepayers, with transparency, non-discriminatory access, certainty and fairness in bidding (Case No. U-20852). The guidelines also should help streamline regulatory approval processes. A

- staff straw proposal is due by October 1, 2021, to identify issues to address through the stakeholder workgroup process.
- Staff to form a collaborative workgroup with utility company representatives and
 other stakeholders to review and discuss ways to improve and better align the
 integrated resource planning (IRP) and distribution and transmission planning in
 Michigan, with a report filed in this docket by May 27, 2021 (Case No. U20633). In addition, the Commission ordered Staff to coordinate with the
 Michigan Department of Environment, Great Lakes and Energy on public health
 and environmental justice considerations in future IRP cases.

For more information, including how to engage in the MI Power Grid initiative, please visit www.michigan.gov/mipowergrid.

AMENDED RULES FOR TECHNICAL STANDARDS FOR GAS SERVICE ADOPTED

The MPSC today formally adopted amended administrative rules governing the technical standards for gas service in Michigan and transmitted the rules to the Michigan Office of Administrative Hearings and Rules for filing with the Secretary of State's Office (Case No. U-20608). The Commission sought permission to update the rules in July 2019 and adopted the American Petroleum Institute's Standard 1164 as the applicable security standard. The technical standards promote safe and adequate gas service to the public, provide standards for uniform and reasonable practices by utility companies, and encourage efficiency and safety.

The updates include strengthened cybersecurity standards and emerging technological advancements in the area of metering, metering equipment inspections and tests, in addition to removing references to obsolete equipment from the existing rules. The rules, which apply to gas distribution utilities, take effect once filed with the Secretary of State's Office of the Great Seal. Written comments were submitted by the Michigan Department of the Attorney General; the Retail Energy Supply Association; DTE Gas Co.; Adam Adamczyk; the Citizens Utility Board of Michigan; and, jointly, Consumers Energy Co., DTE Energy Co. and Michigan Gas Utilities Corp.

MPSC GRANTS PERMANENT LICENSE TO PHONE SERVICE PROVIDER COLI INC.

The MPSC today granted COLI Inc, doing business as 186networks, a permanent license to provide basic local exchange phone service in Michigan provided the company complies fully with appropriate state law and MPSC statutes (<u>Case No. U-20767</u>). The Commission, which found it in the public interest to support a competitive field of phone service providers for Michiganders, ordered COLI to submit its tariff outlining the services that 186networks will offer and identifying the exchanges in which it will provide them.

SUNWAVE USA HOLDINGS GRANTED ALTERNATIVE ELECTRIC SUPPLIER LICENSE

Sunwave USA Holdings Inc., a Boston-based alternative electric supplier with Michigan offices in Dearborn, was today granted a license to operate in Michigan pursuant to the Customer Choice and Electricity Reliability Act of 2000 (Case No. U-20796). The MPSC

granted the license to the company based on satisfactory evidence that it has the financial and technical capabilities required and the ability to meet all safety and other requirements under state law and MPSC statute. Sunwave provides electricity and natural gas service to nearly 8,000 customers in Maryland, New Jersey, Ohio and eight other states.

MPSC SEEKS ADDITIONAL INFORMATION IN DTE GAS CO. REQUEST FOR RENEWABLE GAS PROGRAM CHANGES

The MPSC today ordered DTE Gas Co. to submit within 45 days additional information to augment the utility's request to amend its voluntary renewable gas (VRG) program and coordinate with Commission Staff on a review of the program's administrative and marketing costs, content of its promotional materials, and the format of its annual report (Case No. U-20839). DTE Gas in June 2020 sought to amend its Voluntary BioGreenGas Program and implement a new VRG pilot program that allows customers to offset a portion of their emissions from their own use of natural gas through carbon offsets associated with forestry management projects.

MPSC ORDERS CAPACITY DEMONSTRATIONS FOR 2024-2025 PLANNING YEAR

The MPSC today accepted the March 27, 2020, Capacity Demonstration Results report filed in Case No. U-20590, which highlights that all Michigan electricity providers have arranged sufficient electricity supplies to meet requirements for the 2023-24 planning year pursuant to 2016 state energy laws. The MPSC also established a new docket for Michigan utilities and other energy providers to file capacity demonstrations for the 2024-2025 planning year (Case No. U-20886). The annual reports are required of electric utilities, alternative electric suppliers, electric cooperatives and municipally owned utilities to establish that each electricity provider owns or has contractual rights to sufficient capacity to meet peak customer demand four years into the future. MPSC-regulated utilities must file by 5 p.m. Dec. 1, 2020, and others by Feb. 9, 2021. Commission Staff must file a report analyzing the sufficiency of the capacity demonstrations for the 2024-2025 planning year by March 26, 2021. To learn more about the capacity demonstration process, see the MPSC's issue brief here.

To look up cases from today's meeting, access the E-Dockets filing system here.

To watch recordings of the MPSC's meetings, click here.

For information about the MPSC, visit <u>www.Michigan.gov/MPSC</u>, sign up for one of its <u>listservs</u>, or follow the Commission on <u>Twitter</u>.

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