Overall Objective

• Develop a proposal for a permanent and comprehensive energy-efficiency and load management program for the State of Michigan
Key Objectives

• Develop a Michigan specific analysis of achievable energy-efficiency potential
• Develop a economically justified annual spending level for a statewide program
• Develop the foundational structure of a statewide program and a plan to implement it
Energy Efficiency Initiative Strawman

- Should a public benefits fund of $---- million per year should be created for funding a statewide electric energy-efficiency (EE) program?
- Should program administration be by (1) utilities; or (2) by a third party?
- What state regulatory body should have oversight over the statewide EE program?
- Should funding levels be established by statute or by the regulatory agency?
Strawman Continued

• Should regulated utility participation in the statewide EE program be voluntary or required?
• Should municipal utilities or retail electric cooperatives be required to participate or may they opt into the statewide EE program at their discretion?
• Should large energy customers have an opportunity to opt out of the statewide EE program?
Strawman Continued

• Should fees collected by utilities from customers be approved in a general rate-case proceeding?
• Should the MPSC determine the amount to be recovered by rate class or by a uniform per-unit charge on all customers?
• Should program costs be rolled into utility distribution charges or be separately stated on customer bills?
• Should program costs be capitalized by utilities and amortized over a Commission determined period, or should program costs be expensed?
Strawman Continued

• Should the state regulatory body conduct or contract for financial and performance audits?
• How can cost effective program administration be ensured?
• Should the MPSC be required to institute revenue decoupling trackers for utilities to deal with the issue of EE induced revenue losses?
Strawman Continued

• How can a statewide EE program promote Michigan energy-efficiency manufacturers, suppliers, and service providers?

• Should EE program targets be separate from, and not exchangeable with renewable energy portfolio targets?

• Should the MPSC determine to what extent federal LIHEAP appropriations may by applied to the statewide EE program?