

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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In the matter, on the Commission’s own motion,)
to conduct a proceeding in accordance with)
Section 1251 of the Energy Policy Act of 2005)
to consider implementation of standards for net) Case No. U-15316
metering, fuel sources, and fossil fuel generation)
efficiency.)
_____)

In the matter, on the Commission’s own motion, to)
require regulated utilities with fossil fuel generation)
to file 10-year fossil fuel generation efficiency plans) Case No. U-15631
consistent with the standard proposed in)
16 USC 2621(d)(13).)
_____)

At the September 15, 2009 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Orjiakor N. Isiogu, Chairman
Hon. Monica Martinez, Commissioner
Hon. Steven A. Transeth, Commissioner

ORDER

The Energy Policy Act of 2005 added subsection 13 to 16 USC 2621(d) of the Public Utility Regulatory Policies Act of 1978 (PURPA). This subsection provides for the Commission to have completed its consideration of whether to implement the following standard by August 8, 2008:

(13) Fossil fuel generation efficiency -- Each electric utility shall develop and implement a 10-year plan to increase the efficiency of its fossil fuel generation.

16 USC 2621(d)(13).

On August 6, 2008, the Commission issued an order adopting this PURPA standard, and directing regulated electric utilities with fossil fuel generation to file 10-year fossil fuel generation efficiency plans in the docket in Case No. U-15631 by December 31, 2008. The required plans were filed.

On October 6, 2008, Governor Jennifer M. Granholm signed HB 5524 into law, enacting 2008 PA 286 (Act 286). Section 10p(8) of Act 286 provides that the Commission shall submit a report to the Governor and the Legislature by September 1, 2009, that shall include, among other things, an assessment of utility power plant generating cost efficiency, a description of current efforts to enforce standards pertaining to power plant generating cost efficiency, and recommendations for monitoring power plant generating cost efficiency. MCL 460.10p(8)(a)-(e). On April 30, 2009, the Commission issued an order in Case No. U-15945 soliciting comments on Section 10p(8) of Act 286 and seeking responses to a power quality questionnaire, in an effort to assess and determine the extent and nature of existing problems with power plant generating cost efficiency.

On September 1, 2009, the Commission issued the Report on the Status of Power Quality in Michigan to the Governor and the Legislature, which is filed in Case No. U-15945. In the report, the Commission finds that, in order to continue to monitor power plant generating cost efficiency, utilities with electric generation should continue to submit a 10-year fossil fuel generation efficiency plan every three years, in Case No. U-15631. The first submission was required on December 31, 2008. The next plan should be filed by December 31, 2011, and on December 31st every three years thereafter, in Case No. U-15631.

THEREFORE, IT IS ORDERED that regulated electric utilities with fossil fuel generation shall file 10-year fossil fuel generation efficiency plans consistent with the standard proposed in

16 USC 2621(d)(13) in Case No. U-15631 by December 31, 2011, and on December 31st every three years thereafter.

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, under MCL 462.26.

MICHIGAN PUBLIC SERVICE COMMISSION

Orjiakor N. Isiogu, Chairman

Monica Martinez, Commissioner

Steven A. Transeth, Commissioner

By its action of September 15, 2009.

Mary Jo Kunkle, Executive Secretary