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MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES ON DECEMBER 16, 2009

Commission Chairman Orjiakor N. Isiogu called the meeting to order at 3:35 p.m.
Executive Secretary Mary Jo Kunkle called the roll and declared there was a quorum.

PRESENT

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

Staff: Margaret Wallin
Judy Palnau
Mary Jo Kunkle
Catherine Bowers
Alissa Day

Public: Ron Bloomberg, Miller Canfield
Suzy Denison, MEGA
Jerry Crandall, MIRS
Ronan Patterson, WEPCo
Jim Padgett, DTE Energy
Tim Hoffman, Consumers Energy

- I.** Chairman Isiogu announced one amendment to the published agenda, Section C, Item #3, Case No. U-15985, was deleted, Commissioner Martinez moved to approve the amended agenda, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The amended agenda was approved.

- II.** Commissioner Martinez moved to approve the minutes of the Regular Commission Meeting of December 1, 2009, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The minutes were approved.

III. ORDERS

A. COMMUNICATIONS

1. U- 13849 **CLEARTEL COMMUNICATIONS, INC.**
(license surrender)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves a request by Cleartel Communications, Inc., to surrender its license to provide basic local exchange service. The order before you grants the request, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

2. U-14369 **NII COMMUNICATIONS, LIMITED PARTNERSHIP**
(license surrender)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves a request by Nii Communications, Limited Partnership, to surrender its license to provide basic local exchange service. The order before you grants the request, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

3. U-16110 **COMCAST PHONE OF MICHIGAN, LLC**
(license amendment)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves an application to expand the geographic service area of a license to provide basic local exchange service. The order before you grants the license expansion, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

4. U-16116 LIQUID WEB, INC. AND AT&T MICHIGAN
(interconnection agreement)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which requests Commission approval of an interconnection agreement. The order before you approves the request, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

5. U-16130 BUFFALO WILD WINGS GRILL v COMMUNICATIONS
NETWORK BILLING, INC., AND ILD TELESERVICES

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves the complaint of Buffalo Wild Wings Grill against Communications Network Billing, Inc., and ILD Teleservices. The order before you dismisses the complaint with prejudice, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

6. U-16137 MICHIGAN ACCESS, INC.
(license expansion)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which is an application for a temporary expansion of a license to provide basic local exchange service. The order before you grants the temporary license amendment, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

B. ELECTRIC

1. U-14851 EDISON SAULT ELECTRIC COMPANY
(rule waiver)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which concerns Consumer Practices and Billing Standards for Residential Gas and Electric Service. The order before you grants the request filed by Edison Sault Electric Company for a waiver of R 460.113(1) of these rules, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

2. U-15404-R WISCONSIN ELECTRIC POWER COMPANY
(’08 PSCR reconciliation)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves an application by Wisconsin Electric Power Company for a power supply cost recovery reconciliation proceeding for the 12-month period ended December 31, 2008. The order before you approves a settlement agreement granting this request, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

3. U-15805 CONSUMERS ENERGY COMPANY
U-15889 CONSUMERS ENERGY COMPANY
(EOP surcharge rehearing)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which concerns an application by Consumers Energy Company for approval of its proposed renewable energy and energy optimization plans for the company’s electric division. The order before you approves revised energy optimization surcharges for electric primary customers using more

than 50,000 kilowatt-hours per month, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

4. U-15952 HEMLOCK SEMICONDUCTOR CORPORATION v
CONSUMERS ENERGY COMPANY

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves the complaint and motion for summary disposition by Hemlock Semiconductor Corporation against Consumers Energy Company. The order before you dismisses the complaint and motion as moot, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

5. U-15981 WISCONSIN ELECTRIC POWER COMPANY
(self-implementation)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves an application filed by Wisconsin Electric Power Company for authority to increase its rates for the generation and distribution of electricity and for other relief. The order before you addresses the company's self-implementation of a rate increase, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

6. U-15988 UPPER PENINSULA POWER COMPANY
(retail electric rates)
U-15989 UPPER PENINSULA POWER COMPANY
(depreciation rates)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves an application by Upper Peninsula Power Company for authority to increase its rates for the sale of electricity and for approval of depreciation rates and practices. The order before you approves a settlement agreement granting this request, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

7. U-16007 GLACIAL ENERGY OF ILLINOIS, INC.
(renewable energy plan approval)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves an application by Glacial Energy of Illinois, Inc., for approval of a renewable energy plan to comply with the requirements of Public Act 295 of 2008. The order before you approves the renewable energy plan as in compliance with Public Act 295 of 2008, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

8. U-16158 COMMISSION’S OWN MOTION
(rulemaking)

Commissioner Transeth moved that the Commission adopt and issue order dated December 16, 2009 which is a rulemaking proceeding commenced to consider adopting amendments to the Commission’s Rules of Practice and Procedure regarding the filing and processing of general rate cases by regulated electric and gas utilities. The order before you schedules a public hearing on the proposed rules for February 2, 2010, Chairman Isiogu seconded.

Vote: Yeas – Isiogu, Transeth
Abstaining – Martinez

The order was adopted.

PRESS RELEASE ISSUED

9. U-16161 COMMISSION'S OWN MOTION
(PURPA standards)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves Commission review of the Public Utility Regulatory Policies Act standards in the Energy Independence and Security Act of 2007. The Commission finds that it is in compliance with these standards, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

C. GAS

1. U-15041-R CONSUMERS ENERGY COMPANY
(’08 GCR reconciliation)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves the application of Consumers Energy Company for a gas cost recovery reconciliation for the 12-month period ended March 31, 2008 and for a reconciliation of the company's pension and other post employment benefits expense. The order before you authorizes Consumers Energy Company to roll into its 2008-2009 gas cost recovery plan a net overrecovery of \$16.795 million and authorizes the company to recover its pension and other post employment benefits expense of \$3,439,616, plus interest, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

2. U-15778 SEMCO ENERGY GAS COMPANY
(depreciation rates)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves an application by SEMCO Energy Gas Company seeking accounting approval of proposed depreciation rates for its M.P.S.C. Division and Battle Creek Division gas utility plant. The order before you approves a settlement agreement and adopts revised depreciation rates for both divisions, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

3. U-15990 MICHIGAN GAS UTILITIES CORPORATION
(rate application)

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves a request by Michigan Gas Utilities Corporation to increase its rates for the sale and distribution of natural gas and other relief. The order before you approves a partial settlement agreement and authorizes Michigan Gas Utilities Corporation to increase its retail natural gas rates in the amount of \$3,500,191, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

PRESS RELEASE ISSUED

4. U-16103 TURKEY GRILL, INC. v MICHIGAN CONSOLIDATED GAS
COMPANY AND THE DETROIT EDISON COMPANY

Commissioner Martinez moved that the Commission adopt and issue order dated December 16, 2009 which involves the complaint of Turkey Grill, Inc., against Michigan Consolidated Gas Company and The Detroit Edison Company. The order before you dismisses the complaint with prejudice, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The order was adopted.

5. MINUTE ACTION GREAT LAKES GAS TRANSMISSION LIMITED PARTNERSHIP (FERC)

Commissioner Martinez moved that the Commission adopt and issue minute dated December 16, 2009 confirming that the Department of the Attorney General has intervened on behalf of the Michigan Public Service Commission before the Federal Energy Regulatory Commission in Docket Number RP10-149, an investigation (initiated by the FERC pursuant to section 5 of the Natural Gas Act) to determine whether the rates currently charged by Great Lakes Gas Transmission LP are just and reasonable, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The minute was adopted.

6. MINUTE ACTION NORTHERN NATURAL GAS COMPANY (FERC)

Commissioner Martinez moved that the Commission adopt and issue minute dated December 16, 2009 confirming that the Department of the Attorney General has intervened on behalf of the Michigan Public Service Commission before the Federal Energy Regulatory Commission in Docket Number RP10-148, an investigation (initiated by the FERC pursuant to section 5 of the Natural Gas Act) to determine whether the rates currently charged by Northern Natural Gas Company are just and reasonable, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The minute was adopted.

D. TRANSPORTATION

1. MINUTE ACTION MOTOR CARRIER ADVISORY BOARD (2010 appointments)

Commissioner Martinez moved that the Commission adopt and issue minute dated December 16, 2009 appointing the following persons to the Motor Carrier Advisory Board for a 12-month term ending December 31, 2010:

Don Beerens, Lansing
Mickey Blashfield, Warren
Carl Brune, Carson City
Al DeMeester, Ludington
Don Lahring, Waterford
Gregory Gorno, Brownstown
Michael Haller, Detroit
William Kotynski, Ann Arbor
Glen Merkel, Corunna
Donald Messing, Fenton
Brian Hitchcock, Webberville
George Thompson, Romulus
Douglas G. Ostrowski, Melvindale
Vincent Held, Sr., Alma

Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The minute was adopted.

PRESS RELEASE ISSUED

IV. PUBLIC COMMENTS

There were no public comments.

Chairman Isiogu announced that the next regularly scheduled Commission Meeting will be held on January 7, 2010.

Chairman Isiogu thanked Commissioner Transeth for his service to the residents of Michigan for the past 2 ½ years and extended his best wishes for happy holidays to all.

Commissioner Transeth thanked Natalie Thelen, Ken Roth, and MPSC staff for their support. He indicated that it has been an honor to serve on the Commission.

Commissioner Martinez wished everyone happy holidays.

Chairman Isiogu requested a motion to adjourn today's meeting. Commissioner Martinez moved that the Commission adjourn, Commissioner Transeth seconded.

Vote: Yeas – Isiogu, Martinez, Transeth
Nays – None

The motion was approved.

The meeting adjourned at 3:52 p.m.

Mary Jo Kunkle
Executive Secretary