



April 23, 2025

Ms. Lisa Felice
Michigan Public Service Commission
7109 W. Saginaw Hwy.
Lansing, MI 48909

Via E-File

RE: MPSC Case No. U-21806

Dear Ms. Felice:

Attached please find the enclosed documents for filing:

- Direct Testimony and Exhibits of Richard J. Bunch on behalf of Citizens Utility Board of Michigan (Exhibit CUB-1 through CUB-6); and
- Proof of Service.

Thank you for your assistance in this matter. If you have any questions, please feel free to contact me.

Sincerely,

Holly L. Hillyer
holly@tropospherelegal.com

CC: Parties to Case No. U-21806

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of
CONSUMERS ENERGY COMPANY for U-21806
authority to increase its rates for authority to
increase its rates for the distribution of natural
gas and for other relief.

DIRECT TESTIMONY OF RICHARD J. BUNCH
ON BEHALF OF
CITIZENS UTILITY BOARD OF MICHIGAN

April 23, 2025

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1 **I. INTRODUCTION & QUALIFICATIONS**

2 **Q. Please state for the record your name, position, and business address.**

3 A. My name is Richard Bunch. I am a lead consultant at 5 Lakes Energy, LLC. My business
4 address is 220 MAC Ave, Suite 220, Lansing, MI. I am also Executive Director of
5 Michigan Municipal Association for Utility Issues (MI-MAUI), which has not intervened
6 in this rate case.

7 **Q. On whose behalf is this testimony being offered?**

8 A. I am testifying on behalf of Citizens Utility Board of Michigan (CUB).

9 **Q. Please summarize your experience in the field of utility regulation.**

10 A. I have worked since 2015 in positions related to clean energy, primarily on behalf of local
11 governments and non-profit organizations. A significant portion of that work has included
12 analysis of MPSC rate and other cases and supporting local government participation in
13 rate cases and other MPSC proceedings. From 2015 to 2017 I organized and led the
14 Municipal Street Lighting Coalition, a group of 24 municipalities served by DTE Energy,
15 which intervened in cases U-17767, U-18014, U-20836 and U-21297 and participated in
16 the subsequent MPSC-ordered street lighting collaborative. I organized and supported the
17 intervention of several municipalities receiving street lighting services from Consumers
18 Energy in cases U-20134, U-20697, U-20963, U-21224 and U-21389. I have submitted
19 comments in several other case dockets on behalf of MI-MAUI and have participated in
20 various MI Power Grid working groups and the Electric Distribution Planning working
21 group. I directed MI-MAUI's intervention in DTE Energy's Voluntary Green Power case
22 U-20713.

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1 In the field of consumer protection, I am president and board chair of the Washington
2 Public Interest Research Group (WashPIRG), an independent, non-partisan, non-profit
3 organization based in Seattle that works to protect consumers and promote good
4 government. I am also an officer of the WashPIRG Foundation, an affiliated research and
5 public education organization. I was Executive Director of WashPIRG from 1989 to 1992
6 and worked on a number of consumer protection issues during that time and in more junior
7 positions prior to that. I also served until 2020 as an officer of the PIRG in Michigan
8 (PIRGIM) Education Foundation, a non-partisan consumer protection and good
9 government public education and research organization based in Ann Arbor.

10 I am currently a stakeholder co-chair of the Commission's Data Analysis and Regulatory
11 Review working group, and I am a member of the Commission's Low Income Energy
12 Policy Board.

13 My energy-related work experience, educational and professional development
14 background are summarized in my resume, provided as Exhibit CUB-1.

15 **Q: Please list your training and education relevant to the field of utility regulation.**

- 16 • EUCI Outdoor Street Lighting Conference, June 2019
- 17 • EUCI Electric Cost-of-Service - Essential Concepts for a Changing Industry, July 2019
- 18 • MSU-IPU Accounting and Ratemaking course, September 2020
- 19 • EUCI Utility Green Tariffs: A to Z course, November 2020
- 20 • MSU-IPU Advanced Regulatory Accounting and Auditing course, October 2021
- 21 • NRRI Regulatory Training Institute, Regulating Public Utility Performance course,
22 2022.

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1 • EUCI Advanced Rate Design for Cost Effective Tariffs conference, 2024.

2 **Q. Have you testified before this Commission or as an expert in any other proceedings?**

3 **A.** I have previously testified before the Michigan Public Service Commission (Commission)
4 in the following cases:

5 • Case No. U-20530 (I&M PSCR Reconciliation case)

6 • Case No. U-20561 (DTE Electric Company Electric General Rate Case)

7 • Case No. U-20697 (Consumers Energy Company Electric General Rate Case)

8 • Case No. U-20836 (DTE Electric general rate case)

9 • Case No. U-20963 (Consumers Energy Company Electric General Rate Case)

10 • Case No. U-21087 (DTE Electric PrePay case)

11 • Case No. U-20836 (DTE Electric Company Electric General Rate Case)

12 • Case No. U-21224 (Consumers Energy Company Electric General Rate Case)

13 • Case No. U-21297 (DTE Electric Company Electric General Rate Case)

14 • Case No. U-21389 (Consumers Energy Company Electric General Rate Case)

15 • Case No. U-21534 (DTE Electric Company Electric General Rate Case)

16 • Case No. U-21585 (Consumers Energy Company Electric General Rate Case)

17 I have testified before the Kentucky Public Utilities Commission in rate cases 2020-349
18 and 2020-350, the combined Kentucky Utilities and Louisville Gas & Electric, electric and
19 gas rate cases.

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1 **Q. What is the purpose of your testimony?**

2 **A.** I am testifying about the impact on residential customers of increasing gas rates, the
3 moderating impact on inflation of productivity on costs and on allocation of uncollectible
4 expenses.

5 **Q. Are you sponsoring any exhibits?**

6 **A.** I am sponsoring the exhibits listed below:

7 Exhibit CUB-1: Resume of Richard Bunch

8 Exhibit CUB-2: U-20757 MPSC EAAC Report

9 Exhibit CUB-3: CECo WP-SMG-22 Net Write-Off History

10 Exhibit CUB-4: MI CUB Gas Transition Report

11 Exhibit CUB-5 U-21490 Redacted Direct Testimony of S. Mclean

12 Exhibit CUB-6: Productivity adjustment to inflation factor

13 **II. IMPACT ON RESIDENTIAL CUSTOMERS OF INCREASING GAS RATES**

14 **Q. Why are you concerned about the residential rate increase proposed by the Company**
15 **in this rate case?**

16 **A.** I am concerned about affordability and customer protection issues, and while I appreciate
17 references that Company witnesses make to priorities of the Low-Income Energy Policy
18 Board and Energy Affordability and Accessibility Committee (EAAC), I believe more
19 needs to be done to support and protect residential customers.

20 Consumers proposes to increase its main residential rate (Single Family Dwelling A) by
21 12.1%. Such a substantial increase promises to make it harder for vulnerable customers,
22 principally including low-income and senior customers, to make ends meet. Already there

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1 are signs that many Consumers gas customers are struggling, and too few are receiving
2 assistance to help keep their energy costs bearable and keep their homes livable.

3 **Q. Do you support the Company’s investments in assuring reliable and safe gas supplies?**

4 A. I support safety and reliability but assess them within the larger framework of energy
5 security.

6 Commission staff has recommended that the MPSC adopt the following definition of home
7 energy security, based on EAAC discussions:

8 *Home Energy Security is the reliable access to and availability of energy for*
9 *meeting diverse and varied household needs. Home energy security is driven by*
10 *several factors including but not limited to energy infrastructure, energy efficiency*
11 *of housing stock, predictability and fairness of charges, and energy affordability.*
12 *It can be improved through measures to address system reliability, home*
13 *weatherization, energy education, consumer protection plans, and affordability*
14 *strategies.¹*

15 Formal adoption of this definition is pending Commission action in response to the Staff
16 report.

17 I provide this definition to underscore that “reliable access” has multiple dimensions: not
18 only reliable distribution and safety but also affordability and equity. While the Company’s
19 proposed investments in reliability and safety are important, they should not take
20 precedence over other aspects of energy security. Moreover, because proposed reliability
21 and safety investments would be so expensive, as reflected in the Company’s proposed

¹ U-21806 Exhibit CUB-2 EAAC U-20757 Interim Progress Report, 12/26/2024, p. 34.

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1 12.1% rate increase for residential customers, they threaten to undermine other, equally
2 important, aspects of energy security. Put plainly, customers' energy security is not
3 improved if gas service becomes safer and more reliable yet so expensive that they fall far
4 behind on their payments, engage in energy self-deprivation or skimp on other necessities
5 to pay their gas bills and ultimately default and drive up uncollectible expenses. The
6 Commission should seek a more equitable balance between safety and reliability on the
7 one hand and affordability, equity and consumer protection on the other.

8 **Q. How do you know that a 12.1% rate increase would strike an inequitable balance**
9 **between safety and reliability versus affordability, equity and consumer protection?**

10 **A.** First, there are already strong indications that efforts to help customers stay current on their
11 bills and maintain their service are being overwhelmed by prior rate hikes. Second, the
12 Company's proposed residential rate increase of 12.1% is much higher than expected
13 inflation through the test year, which threatens to make it even harder for customers to pay
14 their energy bills.

15 **Q. What indications can you cite that residential customers are already struggling to stay**
16 **current on their energy bills?**

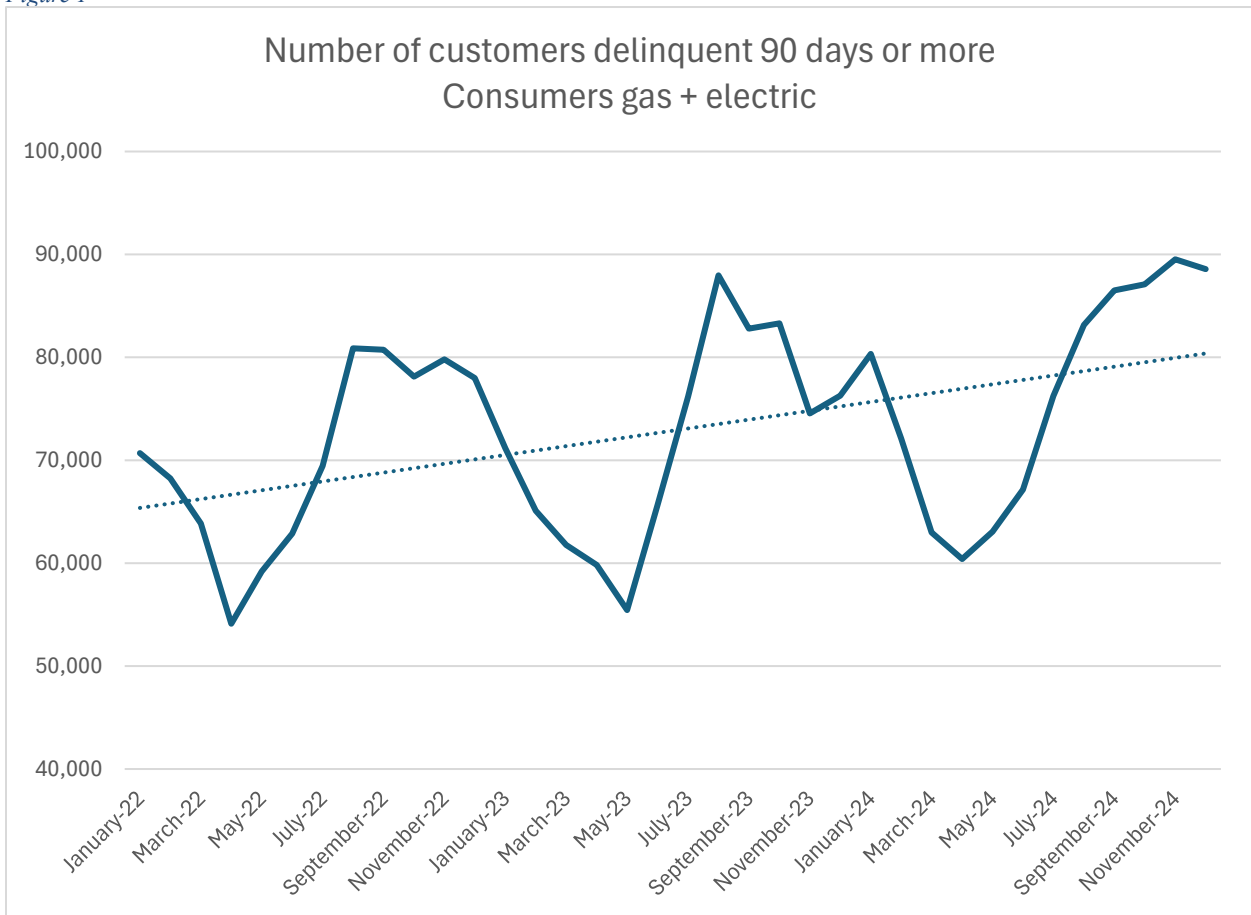
17 **A.** Long-term delinquent accounts and residential uncollectibles are both growing sharply,
18 indicating that a growing number of customers cannot afford to pay the Company's rates.

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1 **Q. What data can you provide to support your testimony that the number of long-term**
2 **delinquent accounts is growing?**

3 **A.** I can provide data gleaned from the Company’s quarterly reports filed in the docket for
4 case U-18120. The number of accounts that are 90+ days in arrears has been growing
5 significantly.² See Figure 1.

6 *Figure 1*



7
8 *Source: compilation of Consumers U-18120 quarterly reports.*

9 Long-term delinquencies have grown by about 25% over the past three years, as shown by
10 the best-fit line shown in the chart. During that time, Consumers’ residential customer

² Gas and electric delinquencies are not reported separately.

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1 count has gone from 1,677,801 (January 2022) to 1,688,064 (September 2024), an increase
2 of only about 0.6%.³ Growth in customer count or sales cannot explain such a large growth
3 in seriously delinquent accounts.

4 **Q. How much have uncollectible expenses increased?**

5 A. From 2021 to 2023, residential uncollectible expenses increased 53.7%:

	2021	2022	2023
Total Residential	\$9,566,394	\$11,726,019	\$14,702,786

6 *Source: U-21806 Exhibit CUB-3 Consumers WP-SMG-22, Net Write-off History*

7 Customer count, again per the Company’s U-20757 reports, increased only about 1.1%
8 from January of 2021 (1,670,228) to December of 2023 (1,688,066), and clearly could not
9 contribute meaningfully to the observed increase in uncollectibles.⁴

10 **Q. Have these observed energy security impacts resulted from rates increasing faster
11 than inflation?**

12 A. No. Consumers’ residential rates have not risen faster than inflation over the past few years.
13 Consumers’ average residential gas bill today is about 24% higher than the rates approved
14 in 2020 (Figure 2). The Consumer Price Index has risen about 24% since January of 2020.⁵
15 The import of this observation is that allowing rates to rise at the same rate as inflation is
16 not inconsequential – economically vulnerable customers suffer, nonetheless.

17 The impact of inflation on consumers has been widely discussed but the Commission
18 should be mindful that inflation impacts low-income consumers more than others. This
19 amplified impact happens because prices for necessities, such as gas service, tend to rise

³ U-21806 Part III – Standard Filing Requirements, Attachment 14, p.4.

⁴ U-21806 Part III – *ibid.*

⁵ https://www.bls.gov/data/inflation_calculator.htm

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1 faster than prices for discretionary purchases.⁶ Low-income customers spend higher
2 percentages of their income on necessities than on discretionary items, exposing them to a
3 higher effective inflation rate. Also, they cannot moderate their purchases of necessities
4 when prices rise to the extent they can of discretionary items.

5 **Q. What are the longer-term rate impacts of the Company's spending plans?**

6 **A.** The Company's spending plans would severely impact residential rates.⁷ CUB's recent
7 study of the bill impacts of natural gas investment plans in Michigan conservatively
8 estimated that Consumers' spending plans would result in a 158% increase in residential
9 rates in 2050 versus today, averaging 3.86% per year.⁸ If Consumers' rates grew at the
10 pace of inflation, rates in 2050 would be 36% lower than projected. (Figure 2)

⁶ [The cost of 'basic necessities' has risen slightly more than inflation over the last 30 years : Beyond the Numbers: U.S. Bureau of Labor Statistics](https://www.bls.gov/opub/btn/volume-4/the-cost-of-basic-necessities-has-risen-slightly-more-than-inflation-over-the-last-30-years.htm), June 2015. <https://www.bls.gov/opub/btn/volume-4/the-cost-of-basic-necessities-has-risen-slightly-more-than-inflation-over-the-last-30-years.htm>

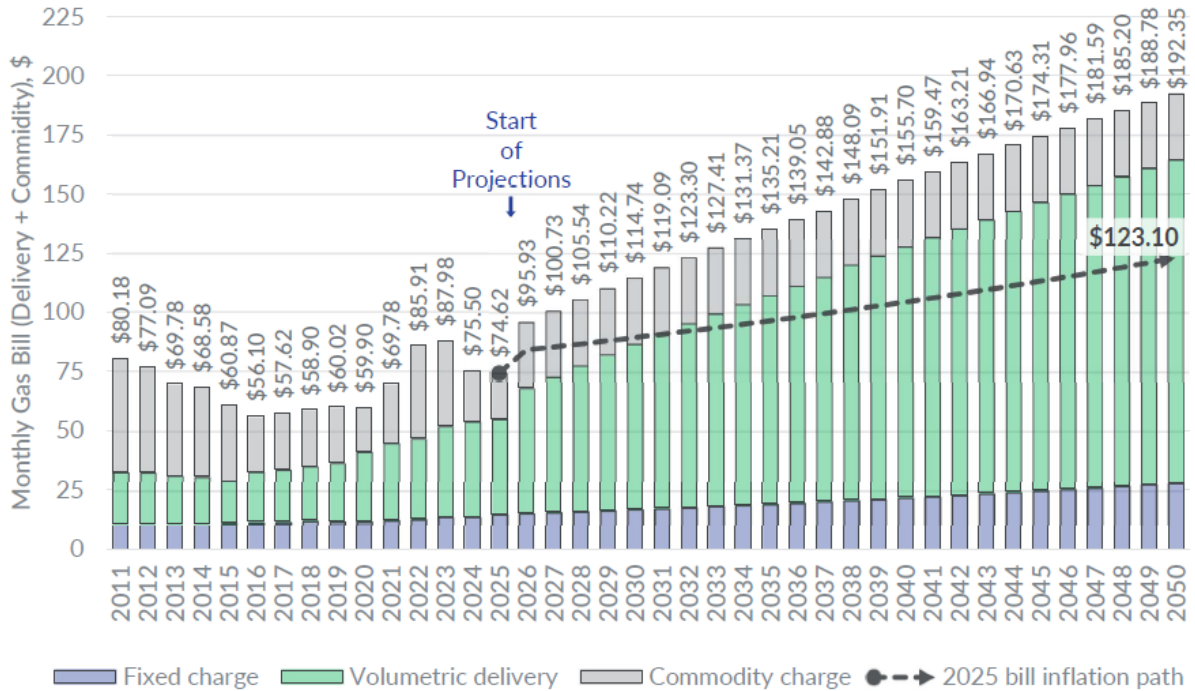
⁷ CUB's study (ref. next note) projects future capital expenditures and rate base through 2050 based on published utility investment plans and historical trends.

⁸ Exhibit CUB-4, "Investor-owned Utility Gas Distribution Capital Expenditure: A Study on the Potential Bill Impacts of Business-As-Usual Investment in Michigan," CUB of Michigan, March 2025, p. 25.

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1 *Figure 2*

Figure 4.1: Consumers Typical Residential Monthly Bill Projections, 2011-2050



Sources: Historical delivery charges from MPSC's natural gas rate history document < <https://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/consumer/nat-gas/gasrates.pdf>>. Projected delivery charges are consultant projections.

2

3

Source: U-21806 Exh CUB-4, p.21

4

The Commission should be aware that the Company's proposed 12.1% residential rate increase is not a one-off request. To the contrary: the Company's plans clearly foreshadow repeated rate increases running well ahead of expected inflation.

6

7 **Q. Would the provision of more billpayer assistance alleviate this situation?**

8

A. It would help, but billpayer assistance has risen sharply and we still see more and more customers falling far behind in their payments and ultimately defaulting.

9

10

Specifically, company witness Byrom states that in 2023, Consumers electric and gas customers received \$9.2 million in MEAP assistance, \$37.8 million in State Emergency

11

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1 Relief payments and \$18.9 million in Home Heating Credit assistance.⁹ By comparison,
2 Company witness McLean testified in the preceding gas rate case that in 2022 the
3 Company’s customers received \$10.28 million in MEAP assistance, \$20.3 million in SER
4 payments and \$11.5 million in Home Heating Credit assistance.¹⁰ Summing these three
5 programs, I find that Consumers’ customers received almost \$24 million (or 57%) more in
6 various forms of assistance in 2023 than in 2022. Yet the number of customers who are
7 more than three months behind, and the dollar value of residential uncollectibles, are both
8 surging.

9 **Q. Why has greatly increased assistance not offset the observed increase in delinquent**
10 **accounts and uncollectibles?**

11 **A.** As Company witness Byrom observes, “only one in six LMI (Low and Moderate Income)
12 customers engage in Consumers Energy Assistance programs with the majority of these
13 interactions driven by immediate crises that limit ability to introduce solutions and
14 programs given the urgent customer need.”¹¹ The LMI Customer Support investments that
15 witness Byrom proposes to increase engagement are crucial and I support them. Still, even
16 if Consumers managed somehow to double the engagement of LMI customers, two-thirds
17 of LMI customers would not be reached. Assistance is a *deus ex machina* solution: it is not
18 realistic to suppose it can ever “solve” the problem of unaffordable rates. Far and away the

⁹ U-21806, Direct Testimony of Consumers Witness Jessica R. Byrom, p. 17, lines 17-21.

¹⁰ Exhibit CUB-5, U-21490, Direct Testimony of Consumers Witness Steven Q. McLean, p. 22, lines 7-13.

¹¹ Byrom direct, p. 19, lines 9-12.

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1 better solution is to offer rates that are affordable such that LMI customers do not need
2 assistance to begin with.

3 **Q. Would you favor an assistance scheme that would serve all LMI customers?**

4 **A.** What I would favor is rates that make gas service affordable for more LMI customers so
5 they will not need assistance. Increased assistance is neither a universal nor an equitable
6 solution to the affordability problems we are seeing, even if it is an unavoidable palliative,
7 reducing pain but not addressing the cause.

8 With current rates, an assistance scheme that could serve all needs and be equitable is
9 chimerical: such a vision is illusory and the costs even if it were attainable would be so
10 high as to be inequitable to all other customers and taxpayers. State Emergency Relief and
11 the Home Heating Credit are federally funded – meaning that the Company’s unaffordable
12 rates are being passed on to US taxpayers. LIHEAP funds are recovered from all ratepayers,
13 so while not strictly a tax, this is merely a different externalized subsidy for the Company’s
14 unaffordable rates. Externalizing the impacts of unaffordable rates cannot be equitable.

15 **Q. What do you conclude from these observations?**

16 **A.** I conclude that increased assistance, while necessary given current realities, is not and can
17 never be sufficient to overcome the impacts of unaffordable rates, nor can it ever be
18 considered an equitable remedy for unaffordable rates.

19 **Q. How do you recommend the Commission respond to your observations?**

20 **A.** I recommend that the Commission carefully balance the Company’s spending proposals
21 against the human impacts of the rate increases that inevitably result from that spending.
22 Customers want safety and reliability but those are empty desires when they cannot afford

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1 the service to begin with. Past rate increases have created the situation I detail above, and
2 a further 12.1% increase can only exacerbate this dangerous trend. It is crucial that the
3 Commission set a clear standard that rates rising faster than productivity-adjusted inflation
4 are not sustainable and will not be authorized.

5 In this testimony, I recommend a framework for the Commission to restrain spending
6 increases with reference to inflation and productivity, and to reduce the amount of
7 uncollectibles allocated to residential customers. Both measures can improve affordability
8 for residential customers.

9 **III. PRODUCTIVITY ADJUSTMENT TO INFLATION FACTOR**

10 **Q. You stated above that the Company’s proposed residential rates are much higher
11 than expected inflation. What rate of inflation is expected through the test year?**

12 A. Company witness Rayl assumes an inflation factor of 2.4% for 2025 and 2.5% for 2026.¹²

13 **Q. How do the Company’s proposed gas rates compare to the expected rate of inflation?**

14 A. The Company’s proposed rates are as follows, including comparison to expected 2025
15 inflation:¹³

Rate class	% increase	vs. 2.4% inflation
Total residential	12.0%	5x
Total General Service	4.5%	1.88x
Total transportation	26.9%	11.2x
Total Service (Delivery & Fuel)	10.8%	4.5x

¹² U-21806 Direct Testimony of Company Witness Heather L. Rayl, p12, lines 4-5.

¹³ The test year starts in November 2025, so I use the Company’s expected 2025 inflation as my benchmark.

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1 From an equity standpoint, it is notable that the Company's proposed residential increase
2 is nearly triple the increase proposed for the general service rates, which itself is far above
3 the expected pace of inflation.

4 **Q. Are the Company's costs proposed to rise faster than inflation?**

5 **A.** The simple answer is yes, otherwise proposed rate hikes would not exceed inflation.

6 Understanding why this is happening is not quite as simple. For example, the Company's
7 summary of proposed O&M costs (Exhibit A-13, HLR-42, Sch. 5.1) shows Net Operations
8 and Maintenance expenses of \$320,950,000 for calendar 2023 and projects \$297,904,000
9 for calendar 2026 (Line 34), suggesting that the Company's costs are actually declining
10 over time. This total, however, includes a number of pension and benefits costs as well as
11 proceeds from the sale of the Appliance Service Program. Although containment of
12 pension and benefits costs is inarguably important, these items are not useful for evaluating
13 the Company's effectiveness at containing operating costs. By including only core
14 operating functions (Compression and Storage, Gas Operations, Pipeline Integrity,
15 Transmission, Gas Engineering and Supply, Customer Experience and Operations,
16 Operations Support, IT and Security – operations and investments, Incentive
17 Compensation and Corporate Services), I find that O&M expenses will increase from
18 \$273,884,000 actual in calendar 2023 to \$321,033,000 projected for calendar 2026, or a
19 17.2% increase over that period. (U-21806 Exhibit CUB-6, p.4, row 35, column j)
20 Compounded consumer product inflation over that period (per witness Rayl, 3.2% in 2024
21 actual, projected 2.4% in 2025 and 2.5% in 2026) would support an increase of only 8.32%
22 (Exh CUB-6, p1, column f, row 5).

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1 **Q. Does the Company apply an inflation factor to arrive at test-year cost projections in**
2 **the instant case?**

3 A. Sometimes it does and sometimes it doesn't. The more important insight, though, is that
4 budget lines that do not explicitly apply an inflation factor nevertheless have inflation
5 embedded in their cost projections.

6 For example, witness Rayl compiles merit and inflation increases to O&M labor costs
7 across all work groups in Exhibit A-13 (HLR-42), Sch. 5.1, columns d, e and f. However,
8 many sponsoring witnesses for Exhibit A-13 projected their costs using methods other than
9 inflation (e.g., changes in negotiated labor union rates). Their cost changes are included in
10 column (g), Other Adjustments, which bundles labor and non-labor costs together. Detail
11 on these changes can be gleaned from the sponsoring witnesses' exhibits and work papers.
12 Witness Rayl does not provide a similar breakout of merit and inflation increases for
13 capitalized labor costs summarized in Exhibit A-12 (HLR-35), Sch. B-5, but, again, details
14 are provided in the sponsoring witnesses' exhibits and workpapers.

15 **Q. Why do you state that budget lines that do not explicitly apply an inflation factor**
16 **nevertheless have inflation embedded in their cost projections?**

17 A. By examining sponsoring witnesses' testimony and exhibits, it is easy to see that their costs
18 are projected to grow, but many do not apply a standard inflationary factor.

19 For example, witness Pnacek provides testimony on Gas Operations O&M, with total
20 amount shown on line 7 of Exhibit A-13 (HLR-42), Sch. 5.1 and no amounts showing in
21 the Inflation & Merit columns. Witness Pnacek states, "Inflation was not used to determine

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1 the program funding in this case...”¹⁴ He further explains, “For forecasts developed for
2 future years, SLRs generally reflect current payroll costs levels with an annual forward-
3 looking adjustment of 3% per year, which is consistent with the contractual labor
4 agreement between the Company and its operating employees’ union.”¹⁵ (SLRs = Standard
5 Labor Rates) Thus, I conclude that increases functionally equivalent to inflation are
6 embedded in Gas Operations O&M costs even though no merit and inflation increases are
7 shown for Gas Operations in Exhibit A-13 (HLR-42), Sch. C-5.1.

8 Several other sponsoring witnesses propose significant cost increases but show no inflation
9 and merit increases. By going to their exhibits and workpapers, though, it is straightforward
10 to demonstrate that their labor costs are projected to increase.

11 **Q. How much are the Company’s labor costs increasing?**

12 **A.** I find that the Company’s 2026 O&M and capitalized labor costs are projected to be 28.7%
13 higher than the historical average from 2023-2024. (Exhibit CUB-6, p1, column c, row 4).

14 I calculated this amount by adding labor-cost detail from sponsoring witnesses to witness
15 Rayl’s summary O&M and Capital expense worksheets. (modified as Exhibit CUB-6, pp3-
16 4).

17 Compounded actual and projected inflation for 2025-2026 is only 4.96% (Exhibit CUB-6
18 p1, column e, row 5). This calculation is essentially the same method that several Company
19 witnesses use to inflate historical costs, with the difference being that Company witnesses
20 use a 2023 cost baseline whereas I am using 2023-2024 average costs.

¹⁴ U-21806, Direct Testimony of Company Witness James P. Pnacek, p. 6, lines 19-20.

¹⁵ Pnacek, p. 4, lines 20-23.

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1 In short, the Company’s labor costs are increasing much faster than inflation.

2 **Q. Would you recommend the Commission approve rates that rise at the same pace as**
3 **inflation?**

4 A. No. I would recommend that the Commission hold rate increases below the expected rate
5 of inflation. As I demonstrated earlier, recent rate increases keeping pace with inflation
6 have had significant affordability impacts on customers. In addition to the unacceptable
7 rate impacts, though, rates that rise at the rate of inflation are not justified by cost because
8 inflationary pressures on costs should be mitigated by gains in productivity. Viewed from
9 a different perspective, this means that the Company should be able to fully recover its
10 costs with rates that rise slower than inflation if it realizes productivity gains on a par with
11 the rest of the US economy.

12 As a regulated utility, the Company does not face competitive pressures to contain its costs.
13 The Commission’s review of rates should recognize that providing the Company a
14 reasonable opportunity to recover its costs includes a reasonable expectation that it
15 demonstrate over time that it is attaining productivity gains comparable to those of
16 companies operating in competitive markets.

17 **Q. Has the Commission ordered the Company to demonstrate that it includes**
18 **productivity gains in its test year cost projections?**

19 A. Yes, it has. The Commission included this requirement in its recent order in Consumers
20 electric rate case U-21585, accepting the ALJ’s recommendation that it “...direct

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1 Consumers to present more detailed evidence to demonstrate that it is in fact offsetting
2 inflation by productivity in the Company’s next rate case.”¹⁶

3 **Q. Has the Company responded to the Commission’s U-21585 order regarding**
4 **productivity with its filings in this rate case?**

5 A. No, it has not. Consumers filed this case before the Commission issued its order in case U-
6 21585. Several witnesses claim their proposed expenditures will improve productivity but
7 provide no explicit or quantitative analysis of financial benefits.

8 For example, witness Pascarello states that “(e)ach department within GE&S analyzed the
9 work activities and factored in productivity improvements to determine the necessary
10 number of employees.”¹⁷ Yet, witness Pascarello projects that O&M labor costs for Gas
11 Engineering & Supply will rise from the 2023-2024 average of \$11,788,000 to \$16,271,000
12 in the test year,¹⁸ and that capitalized labor will grow from \$138,617,000 in 2023-2024 to
13 \$181,242,000 in the test year. In total, labor for Gas Engineering & Supply is projected to
14 increase from \$150,405,000 to \$197,513,000, or 31.3%. Despite claiming that several
15 specific investments will boost productivity,¹⁹ witness Pascarello provides no explanation
16 or evidence to show how this dramatic increase in labor costs is consistent with the
17 purported productivity improvements.

¹⁶ Case No. U-21585, Order, March 21, 2025, pp. 355-356.

¹⁷U-21806 Direct Testimony of Company Witness Kristine A. Pascarello, p. 10, lines 11-13.

¹⁸ Exhibit CUB-6, p. 4, row 7.

¹⁹ Pascarello direct, p. 49, line 14; p. 83, line 4; p. 85, line 20.

**DIRECT TESTIMONY OF RICHARD BUNCH FOR CUB
CASE NO. U-21806**

1 Witness Baker claims productivity benefits for Asset Replacement Program and Security
2 investments²⁰, but projects capital labor for IT and security to increase from 2023-2024
3 historical average of \$4,382,000 to \$9,242,000 in the test year – more than doubling.²¹
4 Witness Baker’s projected O&M labor costs would rise from 2023-2024 average of
5 \$10,419,000 to \$15,729,000 in the test years.²² Between capitalized and O&M labor,
6 witness Baker projects 69% higher labor costs in the test year than the 2023-2024 historical
7 average. Increasing labor costs by 2/3 is not consistent with claims of increased
8 productivity, and witness Baker provides nothing else by which to judge these claims.

9 Witness Foster supports witness Baker’s costs with additional claims about enhanced
10 productivity from Corporate Service technology investments,²³ but like witness Baker
11 omits any evidence in support of these claims. Witness Joyce also cites productivity
12 benefits of IT projects included in witness Baker’s projections, without providing
13 substantiating evidence.²⁴

14 **Q. What productivity offset do you recommend the Commission apply?**

15 A. I recommend that the Commission apply productivity offsets to reduce the impact of
16 inflation on costs.

²⁰ U-21806 Direct Testimony of Company Witness Stacy H. Baker, p.57, line 5; p61, lines 7-8; p.63 line 32; p71, lines 22 and 31; p93, line 1; p117, line 21.

²¹ Exhibit CUB-6, p. 3, row 3.

²² Exhibit CUB-6, p. 4, rows 10 and 11.

²³ U-21806 Direct Testimony of Company Witness Matthew J. Foster, p. 16, line 31; p. 17, line 1; p. 17, line 34; p. 21, lines 5 and 15.

²⁴ U-21806 Direct Testimony of Company Witness Timothy K. Joyce, p. 46, line 22.

**DIRECT TESTIMONY OF RICHARD BUNCH FOR CUB
CASE NO. U-21806**

1 The US Bureau of Labor Statistics publishes productivity factor changes for sectors,
2 industries, asset categories, geographic areas and time periods. I recommend that the
3 Commission require the Company to offset inflationary increases in labor costs using the
4 BLS labor productivity figures for Michigan. Using the Michigan figures reflects that
5 Consumers is primarily competing in the Michigan labor market. Average annual change
6 in labor productivity in Michigan from 2014-2023 was 0.79% (U-21806 Exhibit CUB-6),
7 p.2, column k, row 2). This factor should be applied to all O&M labor and labor costs added
8 to rate base as an offset to explicit or embedded inflation factors.

9 For non-labor expenses, I recommend that inflation be offset by the BLS' Total Factor
10 Productivity, in this case using national figures on the basis that equipment, material and
11 capital costs operate substantially as national markets. Average national annual change in
12 Total Factor Productivity from 2015-2024 was 0.83% (U-21806 Exhibit CUB-6), p.2,
13 column k, row 3). This factor should be applied to all non-labor O&M expenses and non-
14 labor additions to rate base as an offset to explicit or embedded inflation factors. CUB
15 witnesses Denzler and Veerapaneni conduct this analysis in their granular reviews of
16 projected spending.

17 For both labor and non-labor productivity factors, I recommend using BLS averages for
18 the past ten years available. Productivity factors can vary substantially from year to year,
19 making a shorter-term average an undependable predictor of future productivity changes.

20 **Q. How do you recommend the Commission apply the productivity offset?**

21 **A.** I recommend that the Commission limit O&M and capitalized labor costs to 2023-2024
22 historical average levels plus compounded 2025-2026 labor Productivity-Adjusted

**DIRECT TESTIMONY OF RICHARD BUNCH FOR CUB
CASE NO. U-21806**

1 Inflation (hereinafter, PAI) of 3.37%. (Exhibit CUB-6, p1, column e, row 7). This figure is
2 determined by subtracting average annual Michigan labor productivity factor of 0.79%
3 from witness Rayl's inflation factors for each year, then compounding over the two-year
4 period.

5 Regarding non-labor costs, I recommend that the Commission apply to 2023-2024
6 historical average costs the non-labor Total Factor Productivity adjustment to inflation for
7 2025-2026 of 3.29% (Exhibit CUB-6, p1, column e, row 9). I defer to CUB witnesses
8 Denzler and Veerapaneni to apply the non-labor productivity offset to O&M and capital
9 project costs.

10 **Q. Should the Commission apply the offset by subtracting it from the Company's input**
11 **annual inflation rates?**

12 **A.** No. Because the Company does not use the assumed inflation factor to project most labor
13 costs, offsetting the inflation factors would impact labor cost projections for only a few of
14 the line items in the O&M cost summary and none of the capitalized labor projections. The
15 offset should be applied to all labor costs, not only those projected using a standard inflation
16 factor. The amounts shown in column c, rows 8-10 (Exhibit CUB-6, p. 1) are the
17 productivity-adjusted inflation labor costs derived by breaking out labor costs line-by-line
18 for both O&M and capital projects (Exhibit CUB-6, pp. 3-4, columns j-n). I identified those
19 labor costs from the exhibits of the witnesses sponsoring costs that appear in witness Rayl's
20 O&M and Capital projects summary exhibits.

**DIRECT TESTIMONY OF RICHARD BUNCH FOR CUB
CASE NO. U-21806**

1 **Q. Should the Commission apply the productivity offset to line items where costs are**
2 **subject to negotiated agreements?**

3 **A.** Yes, it should.

4 Labor rates and productivity measure different things. Rates tell us how much people are
5 paid for a given period of work. Productivity tells us how much work they get done during
6 that period. Applying a productivity offset to a labor cost subject to negotiated rates does
7 not impact those rates. It is reasonable to expect that the Company should improve at
8 organizing and supporting its workers to achieve greater productivity over time.

9 **Q. How do the Company's projected costs compare to productivity-adjusted inflation?**

10 **A.** The Company projects total O&M and capitalized labor cost will grow by 28.7% from
11 2023-2024 average to the test year. (Exhibit CUB-6, p. 1, row 4, column c). It projects total
12 labor costs \$93,036,000 higher than indicated by historical average actuals increased for
13 sales and productivity-adjusted inflation. (Exhibit CUB-6), p. 1, row 3, column d). This
14 figure is 18.1% higher than the amount justified by productivity-adjusted inflation from
15 2023 to 2026. (Exhibit CUB- 6), p. 1, row 3, column e).

16 It is noteworthy that the biggest projected cost growth from 2023 to 2026 is in capitalized
17 labor, which is projected to be 21.8% higher than the growth supported by productivity-
18 adjusted inflation. (Exhibit CUB-6), p. 1, row 2, column e) Looked at another way, the
19 Company proposes to increase its capitalized labor expense from \$328,223,000 in 2023 to
20 \$445,866,000 in 2026, an increase of 35.8% in only three years' time.

**DIRECT TESTIMONY OF RICHARD BUNCH FOR CUB
CASE NO. U-21806**

1 **Q. How do you recommend the Commission use this information in the instant rate case?**

2 **A.** I recommend that the Commission apply the 2025-2026 Productivity-Adjusted Inflation
3 factor to all 2023-2024 historical actual O&M and Capital project labor costs to determine
4 2026 spending projections justified by general economic conditions. My recommended
5 amounts for each work group are shown on Exhibit CUB-6 column (p) of page 3 (Capital
6 labor) and page 4 (O&M labor).

7 I also recommend that the Commission apply a 3.29% total factor productivity adjustment
8 to inflation for 2023-2024 actual costs to determine reasonable test-year non-labor costs,
9 both O&M and capital. I defer to CUB witnesses Denzler and Veerapaneni for application
10 of this offset to specific line items.

11 If the Commission finds that additional spending is justified by safety, reliability, security
12 or other compelling needs that have emerged since the 2023-2024 years that I use for
13 computing average annual expenses, then I recommend identifying 2023-2024 unit costs
14 for those activities, adding Productivity-Adjusted Inflation, then multiplying by number of
15 units to determine a reasonable total cost.

16 **Q. Please describe what you recommend the Commission require for future case filings.**

17 **A.** I recommend that the Commission replicate the order it issued in Consumers electric rate
18 case no. U-21585, namely that it should direct Consumers to present more detailed
19 evidence to demonstrate that it is in fact offsetting inflation by productivity in the
20 Company's next gas rate case.

**DIRECT TESTIMONY OF RICHARD BUNCH FOR CUB
CASE NO. U-21806**

1 **IV. ALLOCATION OF UNCOLLECTIBLES**

2 **Q. How does the Company propose to allocate uncollectible expenses among customers?**

3 **A.** Allocation of uncollectible expense is not addressed by Company witnesses in testimony.
4 However, the Cost of Service study shows that the Company proposes to allocate 89.05%
5 of net write-offs to the Residential rates. (U-21806 Exhibit A-7 (SMG-1), Sch F-1, p7, row
6 21). This allocation adds \$13,649,000 to the residential revenue requirement. (U-21806
7 Exhibit A-16 (SMG1), Sch F-1,EX_Total cell F454).

8 **Q. How was the allocation percentage determined?**

9 **A.** It was determined from the three-year historical average of net write-offs caused by
10 customers served under each rate. (Exhibit CUB-3 Company workpaper U-21806 WP-
11 SMG-22 Net Write Off History).

12 **Q. Is this method of allocation consistent with the Commission's past orders on**
13 **allocation of uncollectible expense?**

14 **A.** No, it is not. The Commission ordered allocation of gas uncollectibles as a general cost of
15 doing business as part of its decision in DTE Gas Company's rate case no. U-20940.
16 (December 9, 2021, order in Case No. U-20940, pp. 189-190.) In that case, the Commission
17 ordered that uncollectibles should be allocated on Cost of Service plus Cost of Gas.

18 **Q. Has the Commission spoken to allocation of uncollectibles in electric rate cases?**

19 **A.** Yes, it has ordered allocation of uncollectibles by rate class revenue in Consumers and
20 DTE electric rate cases.

21 Most recently, in its order for Consumers electric rate case no. 21389, the Commission
22 held:

**DIRECT TESTIMONY OF RICHARD BUNCH FOR CUB
CASE NO. U-21806**

1 *“...that the inability of one member of a class to pay a utility bill is only attributable to an*
2 *individual customer and not an entire class. Thus, uncollectibles should not be allocated*
3 *to a particular customer class. In addition, the Commission finds that past uncollectibles*
4 *amounts (or lack thereof) are not relevant to cost allocations going forward. The*
5 *Commission reiterates that uncollectibles expense is a general cost of doing business to be*
6 *shared by all customers.”*²⁵

7 Consumers itself supported that finding in its replies to exceptions in the same case,
8 averring firmly, “Uncollectible expenses are a general cost of doing business.”²⁶

9 In case no. U-21297, a DTE Electric general rate case, the Commission held that
10 “uncollectible costs are a general cost of doing business and should be allocated to all
11 customer classes based on revenue.”²⁷

12 **Q. Has the Commission addressed allocation of uncollectibles in Consumers gas cases**
13 **subsequent to its order in DTE case no. U-20940?**

14 **A.** No, it has not. Consumers gas cases no. U-21148 (2022), U-21308 (2023) and U-21490
15 (2024) were all settled without reference to allocation of uncollectibles.

16 **Q. What allocation of gas uncollectibles do you recommend in this case?**

17 **A.** I recommend that the Commission order the Company to allocate uncollectible expense to
18 each rate class according to Cost of Service plus Cost of Gas, the same method as the
19 Commission ordered DTE to adopt in 2021.

²⁵ Case No. U-21389, Order, March 1, 2024, p. 228.

²⁶ Case No. U-21389, filing U-21389-0402, Consumers Energy Company Replies to Exceptions, January 23, 2024, p. 113.

²⁷ Case No. U-21297, Order, December 1, 2023, pp. 295-296.

**DIRECT TESTIMONY OF RICHARD BUNCH FOR CUB
CASE NO. U-21806**

1 While I have testified as a witness for MI-MAUI in recent electric rate cases (Consumers
2 U-21389 and DTE U-21297) opposing allocation of uncollectibles to streetlight customers
3 by revenue, the Commission did not adopt my recommendations. There appears to be no
4 other basis for making an exception in this case either.

5 **Q. What would be the impact on required revenue of the allocation change you are**
6 **recommending?**

7 **A.** The Company's proposed rate design revenue for residential rates is 72.5% of total revenue
8 (\$1,301,551,000/\$1,794,891,000). Allocating 72.5% of uncollectibles to the residential
9 rate class would result in \$11,112,380 of required revenue. This amount is about \$2.5
10 million less than the \$13,649,000 uncollectibles allocation to residential rates proposed by
11 the Company, based on historical net write-offs per class. The reduced allocation to
12 residential rates should be reallocated to other rates based on their share of projected
13 revenue.

14 **V. RECOMMENDATIONS**

15 **Q. Please summarize your conclusions and recommendations to the Commission.**

16 **A.** On behalf of CUB, I recommend that the Commission:

17 (1) Limit the Company's spending increases to inflation offset by either labor
18 productivity factor or total factor productivity;

19 (2) Order the Company to present more detailed evidence to demonstrate that it is
20 in fact offsetting inflation by productivity in the Company's next gas rate case.

21 (3) Allocate uncollectible expenses according to revenue, not historical
22 uncollectibles by rate class.

**DIRECT TESTIMONY OF RICHARD BUNCH FOR CUB
CASE NO. U-21806**

1 My silence in regard to any position taken by the Company in its application or direct
2 testimony in this proceeding does not indicate CUB's endorsement of that position.

3 **TABLE OF RECOMMENDED DISALLOWANCES**

Description	Projected	CUB recommendation	Difference
O&M labor costs	\$160,864,000	\$149,390,000	(\$11,474,000)
Capitalized labor	\$455,866,000	\$323,272,000	(\$122,594,000)

4

5 **Q. Does that complete your testimony?**

6 A. Yes.

RICHARD J. BUNCH

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Executive and organizational innovator with expertise in energy technology, finance, utilities and regulation. Leadership experience in academic, non-profit and public sectors. Broad topical and functional expertise in sustainable and socially responsible business and public policy. Demonstrated ability to recruit top performers and build strong teams.

EXPERTISE

- ▶ Clean energy project evaluation, development and financing for local governments; utility tariffs and regulatory processes.
- ▶ Broad understanding of sustainability and clean energy issues that impact businesses through markets, technology and public policy.
- ▶ Integration of clean energy and sustainability into organizational strategy, management and culture through education, training and strategic planning.
- ▶ Electric tariff topics including municipal streetlighting, rates and programs affecting low-income customers, service quality and billing rules, infrastructure project coordination with local governments, voluntary green power tariffs, production cost allocation, PSCR reconciliation.

PROFESSIONAL EXPERIENCE

5 Lakes Energy, Lansing, MI, *Lead Consultant, May 2019-present*

Michigan Municipal Association for Utility Issues, Ann Arbor, MI

Founder and Managing Director, 2017-present

Providing collective, expert and focused representation for municipal governments in Michigan Public Service Commission proceedings and in dialog with regulated utilities.

Southeast Michigan Regional Energy Office, Ann Arbor, MI

Executive Director, 2014-2017

Directed coalition of southeast Michigan municipalities cooperating to identify, finance and implement clean energy projects.

University of Michigan, Erb Institute for Global Sustainable Enterprise

Managing Director, 2008-2013

Led world-leading sustainable enterprise program at top-10 business school.

Aspen Institute Business and Society Program, New York

Senior Fellow, 2006-2008

Launched new Corporate Social Responsibility business education program in China in partnership with Chinese business schools, accrediting agency and corporations

Bainbridge Graduate Institute, Bainbridge Island, WA

Executive Director, 2003-2005

Led administration, education, fundraising and communications of fast-growing, startup business school with world-first infusion of sustainability throughout MBA curriculum.

World Resources Institute, Washington, DC

Director of Business Education, 1996-2003

Developed, fundraised and directed international sustainable business education initiatives engaging universities, companies, governments and non-profit leaders.

Washington Public Interest Research Group, Seattle, Washington

Executive Director, 1989-1992

EDUCATION

MBA with Environmental Management Certificate, University of Washington, 1995
BA in Political Science, Yale University, 1985

TRAINING

EUCI Outdoor Street Lighting Conference, June 4-5, 2019, Atlanta.
EUCI Electric Cost-of-Service – Essential Concepts for a Changing Industry Course, July 15-17, 2019, Chicago.
MSU-IPU Accounting and Ratemaking course, September 2020
EUCI Utility Green Tariffs: A to Z course, November 4-5, 2020, online
MSU-IPU Advanced Regulatory Accounting and Auditing course, October 2021
NRRRI Regulatory Training Institute, Regulating Public Utility Performance course, 2022
EUCI Advanced Rate Design for Cost Effective Tariffs training, 2024

REGULATORY PROCEEDINGS

Expert Witness, MPSC case U-21585 (Consumers Energy general electric rate case, 2024)
Expert witness, MPSC case U-21534 (DTE Electric general rate case, 2024)
Expert witness, MPSC case U-21389 (Consumers Energy electric rate case, 2023)
Expert witness, MPSC case U-21297 (DTE Electric general rate case, 2023)
Expert witness, MPSC case U-21087 (DTE Electric PrePay, 2021-2022)
Expert witness, MPSC case U-20836 (DTE Electric general rate case, 2022)
Expert witness, MPSC case U-20963 (Consumers Energy electric rate case), 2021.
Expert witness, MPSC case U-20697 (Consumers Energy electric rate case), municipal street lighting tariffs, 2020.
Expert witness, MPSC case U-20530 (I&M PSCR reconciliation
Expert witness, MPSC case U-20561 (DTE Electric general rate case), production allocation, 2019
Expert witness, Kentucky Public Utilities Commission cases 2020-349 and 2020-350, the combined Kentucky Utilities and Louisville Gas & Electric electric and gas rate cases.
Submitted comments, MPSC case U-20147, Electric Distribution Planning. Participated in stakeholder meetings.
Submitted comments, MPSC case U-20629, electric reliability standards. Focused on municipal street lighting reliability standards.
MPSC case U-20134 (Consumers Energy general electric rate case), organized and managed coalition of municipalities intervening to challenge street lighting tariffs.
MPSC cases U-18014 and U-17767, DTE Electric general rate cases, organized and coalition of municipalities challenging street lighting tariffs.

SELECTED RESEARCH AND PUBLICATIONS

“Corporate Responsibility In a Transitioning Industry: An Automotive Supply Chain Perspective”, Automotive Industry Action Group, 2019. Co-author and researcher.
“Expect the Unexpected: Building Business Value in a Changing World”, KMFG 2012. Erb Institute (University of Michigan) research team leader and contributor.
Where Will They Lead? China 2008 MBA Student Attitudes about Business & Society. The Aspen Institute, 2008.
“Beyond Grey Pinstripes: Preparing MBAs for Social and Environmental Stewardship,” World Resources Institute and The Aspen Institute, 1998, 1999, 2001 and 2003. Creator, co-author. Numerous academic, non-profit and public agency conference and meeting presentations and public testimony.

SERVICE

The Stewardship Network Board of Directors and Treasurer, 2022-present.

Michigan Environmental Council Board of Directors, 2009-present. Treasurer, 2017-2022.
Soulardarity Board of Directors and Secretary, 2018-present. Highland Park, MI.
Washington Public Interest Research Group and WashPIRG Foundation Board of Directors,
1994-present
PIRGIM Education Foundation Board of Directors, 2015-present. Ann Arbor, MI.
MPSC EAAC Data Analysis and Regulatory Review working group, ongoing.
MPSC Low Income Energy Policy Board, ongoing.



Energy Affordability and Accessibility Collaborative

U-20757 Interim Progress Report
December 26, 2024

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Executive Summary

The Michigan Public Service Commission (“MPSC” or “Commission”) issued an Order on February 18, 2021, in Case No. U-20757¹ that included a directive for Staff to convene the Energy Affordability and Accessibility Collaborative (“EAAC”)² in coordination with the Energy Waste Reduction Low-Income (“EWR-LI”) Workgroup³. Since that time, collaborators have been undertaking system analysis and providing recommendations for long-term reform targeted toward sustainable affordability, ease of access to services, protections, safety, opportunities for low-income households and overburdened communities to influence policy development, and equity.

On February 10, 2022, the Commission issued a subsequent Order in Case No. U-20757 adopting several recommendations made by Staff. Staff, along with interested parties, continued the work and also enhanced collaboration and policy development with the creation of the [Low-Income Energy Policy Board \(michigan.gov\)](https://www.michigan.gov/eaac) Advisory Committee, which is comprised of EAAC and EWR-LI leadership. A subsequent report was filed by Staff on March 17, 2023, and the Commission issued an Order on December 21, 2023, in response to the recommendations in the March report.

This report provides an update limited to work accomplished by the EAAC Data Analysis and Regulatory Review (DARR) Subcommittee who led the Critical Care Collaborative (CCC) directed by the Order on December 21, 2023, and the Definitions and Customer Focused Data and Metrics (CFDM) Subcommittee. A subsequent report will follow in 2025 regarding additional aspects of the EAAC’s collaborative work.

Staff co-leaders, Jennifer Brooks, Chris Forist, Jake Thelen, and Mary Wilkins express their appreciation to all who so generously gave of their time to participate in subcommittee and board meetings. Without the dedication of customers who share their lived experience, advocacy groups, human service agencies, intervenors, and utilities, this process of building a more efficient, effective system that better protects and assists customers would not be possible. Staff would especially like to acknowledge the contributions of those representing external parties and/or their own lived experience, Kasey Grieco, Synia Gant-Jordan, and Wende Randall, who together co-led the work contained in this report.

¹ [Case No. U-20757 February 18, 2021, Order](#)

² [Energy Affordability and Accessibility Collaborative](#)

³ [Low Income Workgroup](#)

Data Analysis and Regulatory Review (DARR)

Status Updates

History

The goal of the DARR Subcommittee was to review the monthly utility customer payment data collected in the Case No. U-20757 report and the Quarterly Report as described in the Commission's Consumer Standards and Billing Practices for Electric and Natural Gas Service (Billing Rules), examine and discuss a long-term data collection strategy, and ensure that this data collection is working in concert with the Commission's direction on data collection and privacy through the MI Power Grid Customer Education and Participation workgroup from Case No. U-20959.

The Case No. U-20757 Report⁴ originated from a Commission's COVID-19 response Order on April 15, 2020.⁵ This data was used to monitor the number of residential customers in the State who were without utility service, the number of homes where service was restored, and the number of shut off notices sent. It directed utilities to submit data bi-weekly. The Commission worked informally with the utilities to report arrearage data beginning in June and the Order was updated on July 23, 2020, to include arrearage data and change the cadence of the data submission from biweekly to monthly. This information can be viewed in Case No. U-20757 or <https://www.michigan.gov/mpsc/regulatory/reports/other/utility-customer-data>.

The Quarterly Report⁶ is detailed in the Billing Rules, Mich Admin Code, R 460.151 and is submitted to the docket in Case No. U-18120. This report includes account payment performance, the number and description of complaints registered with the utility, the number of shut off notices issued by the utility and the reasons for the notices, the number of hearings held by the utility, the number of written settlement agreements entered into by the utility, the number of service disconnections, and the number of reconnections. Residential and small commercial customers are included.

Part 7 of the Billing Rules, Mich Admin Code, R 460.128 – Mich Admin Code, R 460.134, focuses on customer protections. The Commission requires all regulated electric and natural gas utilities to follow the Billing Rules. This rule set outlines protections for both the customer and utility preventing an account from being disconnected or shut off during the time frame specified in the rules. The account balance will continue to accrue while the account is protected, and payment is still expected.

The subcommittee worked with interested parties over several months in 2022, and offered several recommendations in the March 16, 2023, Staff Report in Case No. U-20757,⁷ to which the Commission responded in its December 21, 2023, Order.⁸

⁴ Case No. U-20757, COVID-19 Response Data Report Template: https://www.michigan.gov/-/media/Project/Websites/mpsc/regulatory/reports/U-20757_Data_Template_and_Definitions.pdf

⁵ Case No. [U-20757-0001](#), April 15, 2020, Order

⁶ Appendix A: titled DARR Merged Quarterly Report Template

⁷ Case No. [U-20757-0524](#)

⁸ Case No. [U-20757-0618](#)

Directive - Consolidation of Quarterly and Customer Payment Data Reports

In response to several Staff recommendations⁹ resulting from the subcommittee's work, the Commission directed actions regarding the consolidation of Quarterly and Utility Customer Payment Data Reports. These directives included the following:

- The Commission directed the combining of the Case No. U-20757 report and the Quarterly Report by December 2024, integrating the work of this recommendation with other approved in data submission recommendations.
- The Commission further directed Staff to work with utilities and other interested persons as appropriate to develop a new data reporting template and a timeline for its implementation to be completed by December 2024 and file the data reporting template in the docket of Case No. U-20757.

Action Steps – Updated Quarterly Report and Webpage Development

Staff has updated the quarterly report¹⁰ form,¹¹ as outlined in Case No. U-20757-0618.¹² These changes reflect the approved recommendations that were vetted through the EAAC's DARR Subcommittee combining both Case No. U-20757 Utility Customer Payment Data form and the existing Quarterly Report. Utilities¹³ will start using this form starting in the first quarter of 2025. Monthly submission will no longer be required, but monthly data will be submitted on a quarterly cadence. Utilities are still required to submit these reports to the webpage and docket in Case No. U-18120.

Staff has also been working on an updated webpage to make the new quarterly report data more transparent and easier to navigate. This webpage is currently in development and expected to go live in 2025.

Directive - Zip Code / Census Shut Off and Arrearage Data

The Commission adopted Staff's recommendation¹⁴ to move towards collecting shut off and arrearage data by zip code or census tract.

Action Steps – Continued Analysis

Staff continues to look into the collection of shut off and arrearage data by zip code and/or census tract and is working to review the granular data submitted in Case No. U-21122 for electric reliability to ensure this method of collection results in viable data

⁹ Case No. [U-20757-0618, Pg. 21-25 & 28-29](#), Recommendation 2.1 to 2.5, 2.7

¹⁰ Mich Admin Code, R 460.151

¹¹ Appendix A: titled DARR Merged Quarterly Report Template

¹² Case No. [U-20757-0618, Pg. 21-25 & 28-29](#)

¹³ Alpena Power Company, Consumers Energy Company, DTE Energy Company, Indiana Michigan Power Company, Michigan Gas Utilities Corporation, Northern States Power Company – Wisconsin (Xcel Energy), Semco Energy Gas Company, Upper Michigan Energy Resources Corporation, and Upper Peninsula Power Company

¹⁴ Case No. [U-20757-0618, Pg. 25-28](#), Recommendation 2.6

regarding shut offs and arrearages. Staff is currently concentrating on the directive of combining the Quarterly and Utility Customer Payment Data reporting.

Directive - Medical Certification Form Update

In the March 16, 2023, Staff Report, Staff recommended¹⁵ that the Commission open a new docket to review the Medical Certification Form approved under Case No. U-18479, and adopt the new protection. A new docket should be opened in the coming months to review the previously approved Medical Certification Form.

Action Steps – New Medical Certification Form Approved

In Case No. [U-21618](#), the Commission approved the new Medical Certification Form based on the above recommendation.¹⁶ The form can be found on the utilities' or Commission's websites¹⁷ in the following languages: Arabic, Bengali, Chinese, Japanese, Korean, Russian, Spanish, and Vietnamese.

The form outlines that a customer or household member seeking protection under a medical emergency¹⁸ or critical care customer shut off protection¹⁹ would have their health aggravated or face immediate life-threatening consequences if there was an interruption of service. The Medical Certification Form identifies the type of medical condition or medical equipment needed for the emergency, and the specific time period during which the shut off of service will cause medical consequences.

Directive - Other Winter Protection Plan Options

In the same report dated March 16, 2023, Staff recommended that the Commission encourage utilities that are not offering "other shut off protection plans" to explore different payment plan options similar to other industry shut off protection plans. The Commission supported this recommendation.²⁰

Action Steps – Staff Encouragement of Investor-Owned Utilities

Staff met with the Michigan Electric & Gas Association (MEGA) encouraging all investor-owned utilities to continue offering flexible payment plan options for low-income customers beyond the requirement in Mich Admin Code, R 460.131. Currently, Consumers Energy Company (CE) and DTE Energy Company (DTE) are the only two utilities who have expanded their Winter Protection Plan (WPP) as outlined in Mich Admin Code, R 460.131(10), identified as the Shut off Protection Plan (SPP). This expanded payment plan option is similar to the existing protection but offers customers a longer time frame to pay off arrearages.

The WPP protects low-income customers whose annual household income is at or below 150% of the federal poverty level from service shut offs and high utility bill payments during the heating season, November 1 - March 31. A customer can also

¹⁵ Case No. [U-20757-0618, Pg. 29–30](#), Recommendation 2.8

¹⁶ Case No. [U-20757-0524](#), Pg. 30-31

¹⁷ <https://www.michigan.gov/mpsc/regulatory/medical-certification-form>

¹⁸ Mich Admin Code, R 460.130

¹⁹ Mich Admin Code, R 460.130a

²⁰ Case No. [U-20757-0618, Pg. 30, Recommendation 2.9](#)

participate if they receive services from the Michigan Department of Health and Human Services (MDHHS), i.e., cash assistance, Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (SNAP), or Medicaid. This program requires a low-income customer to pay at least seven percent of their estimated annual bill each month during the protection period. At enrollment, if the customer has an outstanding arrearage, the utility will distribute the amount in equal monthly installments between the application period and the next heating season. At the end of the heating season, the customers' account will be reconciled.

Utilities have been innovative when trying to work with customers who have arrearages by incorporating assistance and payment plan options that can be customized. Staff encourages utilities to continue to be creative and keep the customer engaged in the process.

Directive - Home Heating Credit Payment Plan Options

In the report dated March 16, 2023, Staff recommended changing the requirement mandating customers receiving the HHC be placed on the WPP. Staff is recommending that DARR discuss different payment plan options, in addition to the customer protections provided in rule, by working directly with the Michigan Department of Treasury (Treasury) to gain a clear understanding and intention of the provision requiring customers of regulated utilities to be placed on the WPP. The Commission supported this recommendation.²¹

Action Steps – Discussion with the Michigan Department of Treasury

In regard to Recommendation 2.11 in the March 16, 2023, Staff Report under Case No. U-20757, Staff had an open discussion with the Treasury to gain an understanding as to why customers who participate in the Home Heating Credit are required to enroll in the WPP.²² It was brought to light that the provision is within statutory requirements under MCL 206.527a(9):

“A claimant whose heating fuel is provided by a utility regulated by the Michigan public service commission is protected against the discontinuance of his or her heating fuel service from the date of filing a claim for the credit under this section through the date of issuance of an energy draft and during a period beginning December 1 of the tax year for which the credit is claimed and ending March 31 of the following year if the claimant participates in the winter protection program set forth in R 460.131 of the Michigan Administrative Code or if the utility accepts the claimant's energy draft. The acceptance of an energy draft by a utility is considered a request by the claimant for the winter protection program.”

Due to the above statutory requirement to be placed on the WPP, customers receiving the Home Heating Credit are not offered more flexible options. Other MPSC

²¹ Case No. [U-20757-0618, Pg. 33, Recommendation 2.11](#)

²² Mich Admin Code, R 460.131

payment plan types would be more successful than the current requirement. The WPP is one of the least effective plans in terms of giving customers the time they need to catch up on their arrears. If any policy changes are considered, Staff would like to provide a level of expertise in the process. The Commission is constantly working with utilities on flexible payment plan options for customers to be successful and could provide a level of expertise.

Directive - Co-Payment Requirements With MDHHS

In the Staff report dated March 16, 2023, Staff recommends working in tandem with MDHHS to correct the problem with co-payment requirements and the ability of critical care customers to receive assistance, without being at risk of shut off.²³

In the March 16, 2023, Staff Report in Case No. U-20757, Recommendation 1.8, it was recommended Staff work with MDHHS on the process of determining how critical care customers can receive assistance. In its December 21, 2023, Order in this case, the Commission found that Staff should continue to collaborate with MDHHS, including work on redefining crisis as it pertains to energy assistance programs and address the process of determining how critical care customers assistance process.

Action Steps – Discussions and Follow-Up

As follow up to Staff Recommendation 2.12 in the March Staff Report, Staff met with MDHHS to discuss the eligibility of critical care customers for payment assistance. The expressed concern is that critical care customers are not eligible for assistance because they are not at risk for shut off. MDHHS confirmed that this is not true and there is no longer a requirement of a shut off notice to be eligible for assistance. It was stated that without specific customer case details, MDHHS cannot state why a customer would be denied. Potential causes could include income eligibility or poor communication from the utility. Staff communicated that they would bring the issue back to the DARR Subcommittee to gather further information.

Following the meeting, Staff emailed the assistance agency that brought up the issue during the DARR Subcommittee meeting. The agency confirmed that it did not have a specific customer in mind. In the past, the agency has dealt with critical care customers who have high balances, and, in these cases, assistance would not cover the entire balance. Consequently, the main issue is that there are no payments being made to the account until the balance is too high for assistance.

Staff reached out to all utilities to discuss the importance of utility call center representatives having and distributing correct payment assistance information to customers. It is possible that some customers have received incorrect information from the utility in the past and, therefore, did not attempt to apply for assistance.

²³ Case No. [U-20757-0618](#), Pg. 34, Recommendation 2.12

Critical Care Collaborative (CCC) Committee Process

History

The critical care shut off protection, Mich Admin Code, R 460.130a, was established as a result of two cases that came before the Commission, Case No. [U-18098](#) and Case No. [U-18099](#).

Case No. U-18098 directed Staff and all interested parties to establish a collaborative to study the state of emergency medical hold guidelines, rules, procedures, and practices. Staff met with key interested parties throughout the process and also reviewed best practices, the protections in use by other states, and case studies. In addition, Staff evaluated current protections. At that time, the collaborative outlined two key cases: the [Seattle City Light Co.'s Sample Life Support Equipment Program](#) (Washington) and [Holston Electric Cooperative Life Support Classification](#) (Tennessee). These cases focused on notification of planned outages, financial assistance, payment plans, and priority restoration.

The outcome of the previous collaborative was the establishment of new rules,²⁴ which went into effect December 2017:

- Focus on high-risk emergency needs.
- Longer time period for customers to get their financials in order while being protected, reducing utility stress.
- Focus on the customer continuing to engage in the process.
- Intent of a temporary protection program, not a long-term program without payments being made.
- Development of one common Medical Certification Form.
- A 3-day hold placed onto the account to allow processing time for the Medical Certification Form after the utility has been notified of the application.
- Requirement of utilities to code medically vulnerable customer accounts.
- During planned service interruptions, utility notification of customers and no shut off service using remote shut off capability without first providing a personal contact.
- Continued obligation of customer to pay for utility service.

In Case No. U-18099, the Commission reviewed the cases of two medically vulnerable Michigan customers with emergency needs who were disconnected due to non-payment. In both of these incidents the customer was on a ventilation system. The result of the investigation found the utility in question followed all of the Consumer Standards and Billing Practices for Electric and Natural Gas Service (Billing Rules) including notifications, assistance, etc.

²⁴ Mich Admin Code, R 460.130a

Directive – Critical Care Collaborative

The Commission ordered²⁵ the creation of a critical care protection collaborative to discuss possible rule changes focusing on the critical care customer journey and detailing the appropriate steps for a customer to seek assistance, both at enrollment and renewal period, and to explore payment plan options for non-income-qualified customers prior to receiving recertification. In its December Order, the Commission found that the Staff's recommendation should be adopted, and the Staff should establish a Critical Care Collaborative (CCC) to commence in 2024 and file a summary of findings in this docket by December 2024.

Goals

The goal of the CCC was to discuss possible rule changes while focusing on the journey of a customer seeking the critical care shut off protection. As directed, the CCC's discussion centered on increasing a customer's success while on the program. This included a focus on the customer's ability to make payments while on the protection, appropriate steps for customers to seek assistance, various payment plan options for non-income-qualified customers, and a focus on continued active service for customers while on the protection.

Participation

Under the leadership of Christina Forist, Manager and Jake Thelen, Department Specialist, both within the Compliance and Investigation Section at the MPSC; and Kasey Grieco, Assistant Program Manager with Superior Watershed Partnership, over 420 invitations were sent to potentially interested parties. This resulted in diverse participation from government agencies (MPSC, MDHHS, Treasury, Department of Environment Great Lakes and Energy (EGLE), and the Executive Office of the Governor), human service agencies, advocacy groups (low-income, environmentalists, and economists), and utilities.²⁶ Each participant was provided the subcommittee's charge, agenda, and timeline and encouraged to forward the information to other interested parties.

Action Steps – Staff Research and Feedback

In order to understand the complexity of medically vulnerable customers, Staff used a variety of tools to analyze the barriers customers face when trying to be protected from utility services being shut off. Efforts went beyond initial recommendations outlined in the Case No. U-20757 Staff Report.²⁷ Staff looked internally at the number of complaints received related to protections with medical vulnerabilities, reviewed all 50 states' medical protection plans,²⁸ reviewed how critical care customers affect utility uncollectible accounts through the rate case process, and requested updated data from all utilities related to medical emergency and critical care shut off protections.²⁹ The utilities provided key insights regarding the number of customers

²⁵ Case No. [U-20757-0618](#), Pg. 30–32, Recommendation 2.10

²⁶ Appendix B: titled CCC Critical Care Shut off Protection Invited Participants

²⁷ Case No. [U-20757-0524](#), Pg. 31-33

²⁸ Appendix I: titled CCC Medically Vulnerable Programs – 50 States

²⁹ Appendix J: titled CCC Utilities Medically Vulnerable Program Data Request

that were enrolled, denied, arrearage amounts, customers protected who did not make a payment, and the length of the protection period. Additionally, utility data helped outline the customer journey, specifically of those with the highest arrearages.

CCC used a variety of feedback methods to communicate with participants. These included direct email, a suggestion box,³⁰ surveys,³¹ open forum discussions, presentations,³² and collaborative comments.³³ In the effort to help customers, Staff encouraged participants to provide feedback while allowing them the option of remaining anonymous.

Action Steps – Collaborative Session One

Session One was held on June 20, 2024, from 9:30 a.m. to 12:00 p.m. on a Microsoft Teams platform.³⁴ To begin the session, a robust conversation took place regarding the current critical care shut off protection rule. This conversation was designed to re-educate the group on the current rule, establish the baseline for possible changes, and serve as a reminder of the issues that led to the formation of this collaborative. The group discussed the fact that the current rule does not require a customer to make payments on the account which can lead some customers to accrue high arrearages. In some cases, these balances are higher than assistance dollars for qualified customers can resolve. The new Medical Certification Form was also shared with the group so everyone could experience what the form looks like and what information is required by the customer and medical professional during the application process.

Following the discussion of the critical care shut off protection rule, the group reviewed a Staff data request that was sent to all regulated utilities. In this request, Staff asked the utilities to provide the following information:

- Number of customers on the critical care shut off protection
- Length of time the customers have been on the protection
- Number of customers who have been denied the protection
- Average amount of arrearages for customers on this protection
- Highest arrearages for customers using the protection
- Customer journey for the highest arrearages

The purpose of the data request was to acquire tangible information regarding the arrearage concern that was raised by members of the DARR Subcommittee. The data provided revealed that some customers are not making any payments on their

³⁰ [Suggestion box](#)

³¹ Appendix C: titled CCC Results from Survey One and Appendix D: titled CCC Results from Survey Two

³² Appendix E: titled CCC Discussion Notes 06/20/24, Appendix F: titled CCC Discussion Notes 08/14/24, and Appendix G: titled CCC Discussion Notes 08/29/24

³³ Appendix H: titled CCC Public Comments

³⁴ <http://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/workgroups/eaac/Crit-Care-Collab/Critical-Care-Collaborative-Session-1> and Appendix E: titled CCC Discussion Notes 06/20/24

accounts for the duration of enrollment as a critical care shut off protection customer. This makes it very difficult for customers to maintain service when they are no longer in critical care status. According to the data received in time for Session One, 154³⁵ critical care shut off protection customers made zero payments in 2023 and the total arrearages for critical care customers had risen from \$597,126 in 2019 to \$1,262,908 in 2023. Each company also shared the largest individual arrearage amount for all of their critical care shut off protection customers. DTE's highest individual customer arrearage at the time of the data report was over \$78,000; CE was over \$41,000; UMERC had a customer owing over \$38,000; and UPPCO had a customer that owed over \$23,000.

The collaborative used the information provided in the data request as the basis for a conversation centered around how to address issues with high arrearages while also remembering that these customers are the most vulnerable. At a time where utility bills may not be at the forefront of a customer's priorities, they may struggle to make payments. Keeping these customers engaged during the protection period and letting them know that assistance may be available is an important component to helping them manage their balances.

Supported by research conducted by Staff, the next discussion topic revolved around what other states are doing for medically vulnerable customers. The goals of the research were to compare Michigan with other state practices³⁶ and to consider solutions the CCC had not yet considered. Staff found that no other state currently has a rule where a customer is not required to pay on their account. Some states have long duration holds that utilities will place on an account, but if a customer does not make a payment, then the utility is allowed to disconnect the customer. Of the states where Staff was able to identify medical emergency and critical care shut off protection rules, the majority had a rule similar to Michigan's current medical emergency rule.³⁷

Michigan has two medically vulnerable protections, the medical emergency protection and critical care shut off protection. The medical emergency protection allows a customer who has a household member with an existing medical condition that would be aggravated by the lack of utility service, to be protected for 21-days. A customer can also receive an extension for a total of 63-days (three separate medical holds) in any 12-month period. Annually, the utility is not required to grant shut off extensions totaling more than 126-days per household. Whereas the critical care shut off protection³⁸ allows any customer, who has an inability to pay a utility expense and who requires or has a household member who requires home medical equipment or life support, protection from shut off where an interruption of service would be

³⁵ Numbers reflected by: Alpena Power Company, Consumers Energy Company, DTE Energy Company, Michigan Gas Utilities Corporation, Northern States Power Company – Wisconsin (Xcel Energy), Semco Energy Gas Company, Upper Michigan Energy Resources Corporation, and Upper Peninsula Power Company.

³⁶ Appendix I: titled CCC Medically Vulnerable Programs - 50 States

³⁷ Mich Admin Code, R 460.130

³⁸ Mich Admin Code, R 460.130a

immediately life threatening. The customer must annually provide to the utility company a new Medical Certification Form for a new protection.

CCC leaders then highlighted the programs offered for medically vulnerable customers in Arizona, California, West Virginia, Colorado, and Washington. Arizona offers a similar rule to Michigan's in that customers can receive a critical care hold on their account for up to one year. The main difference is that Arizona allows for customer disconnections if payments are not made. California has a program called the [Medical Baseline Program](#) that allows utilities to offer discounted rates to customers with medical conditions requiring the use of electrical equipment.

Finally, the CCC discussed programs in West Virginia, Colorado, and Washington. These states all have programs for customers with medical needs, but the duration of the program varies by each state. Each of these programs require the customer to enter into a payment plan when applying. If the payment plan defaults, the customer may be disconnected.

The CCC then discussed the solutions suggested by the DARR Subcommittee in 2022. The recommendations centered around keeping the customer engaged during the critical care process, the possibility of requiring critical care customers to apply for assistance if eligible, and the possibility of enrolling critical care customers on special payment plans. Following the review of the 2022 DARR Subcommittee recommendation, an open forum discussion took place.

Following Session One, a survey³⁹ was sent out to all participants to help shape the subsequent session.

Action Steps – Collaborative Session Two

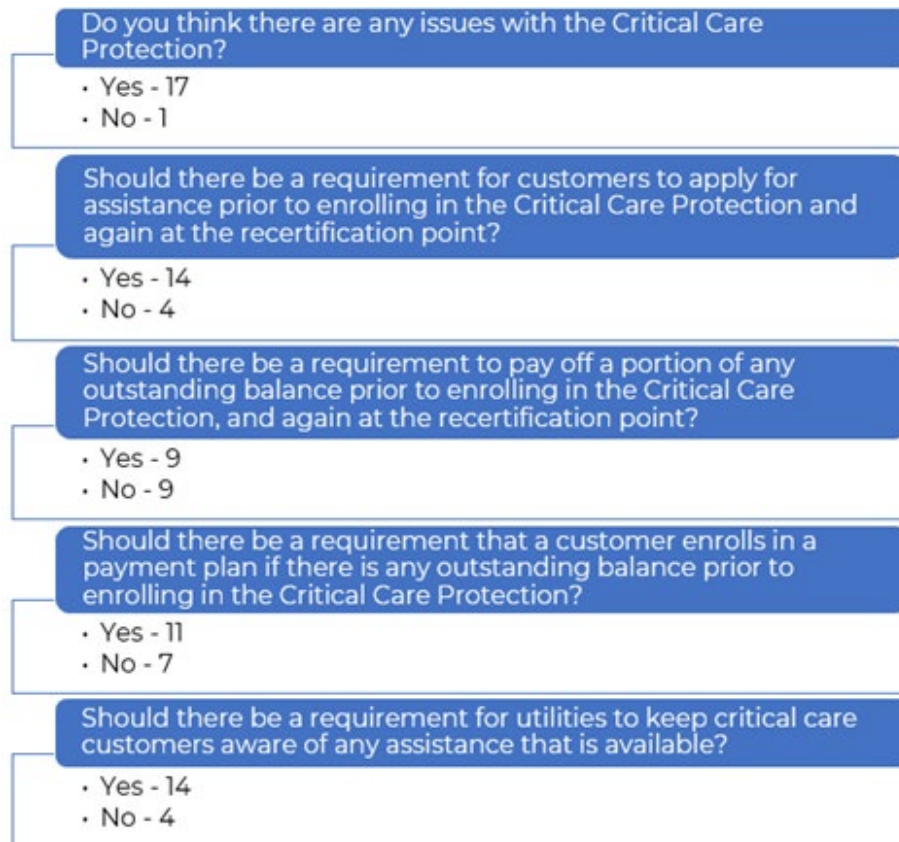
Session Two was held on August 7, 2024, from 9:30 a.m. to 12:00 p.m. on a Microsoft Teams platform.⁴⁰ To start this session leaders walked the group through the history of the critical care shut off protection. This conversation highlighted two cases, Case No. [U-18098](#) and Case No. [U-18099](#). Case No. U-18099 was a Commission investigation into the deaths of two customers. In both circumstances the customer was disconnected for non-payment while on a ventilation system. The Commission found that the utility disconnected service in accordance with the Billing Rules. The Commission then opened Case No. U-18098 which directed Staff and all interested parties to establish a collaborative to study the state of emergency medical hold guidelines, rules, procedures, and practices.

The CCC proceeded to discuss the results of the survey that was sent out following Session One. This discussion also allowed participants that did not complete the survey to comment on the questions and issues.

³⁹ Appendix C: titled CCC Results from Survey One

⁴⁰ <http://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/workgroups/eaac/Crit-Care-Collab/Critical-Care-Collaborative-Session-2> and Appendix F: titled CCC Discussion Notes 08/14/24

Figure 1: Survey 1 Results⁴¹



The CCC shifted the discussion to the 2022 DARR Subcommittee recommendations for critical care. The DARR Subcommittee originally identified that keeping critical care customers engaged during the protection period is paramount, including educating these customers on the importance of making payments and applying for assistance, and keeping customers informed of their current balance and arrears. It was noted during the 2022 DARR Subcommittee meetings that some customers on the protection had not made a payment or reached out to the company at all during the protection period. This caused those customers to accrue arrearages that assistance agencies and payment plans would be unable to resolve once the customer is no longer protected by the critical care shut off protection.

The 2022 DARR Subcommittee also recommended that income-eligible customers should seek payment assistance for any arrearages before and during the critical care shut off protection period. This would help customers lower arrearages and benefit them when they are no longer eligible for the protection.

⁴¹ Appendix C: titled CCC Results from Survey One

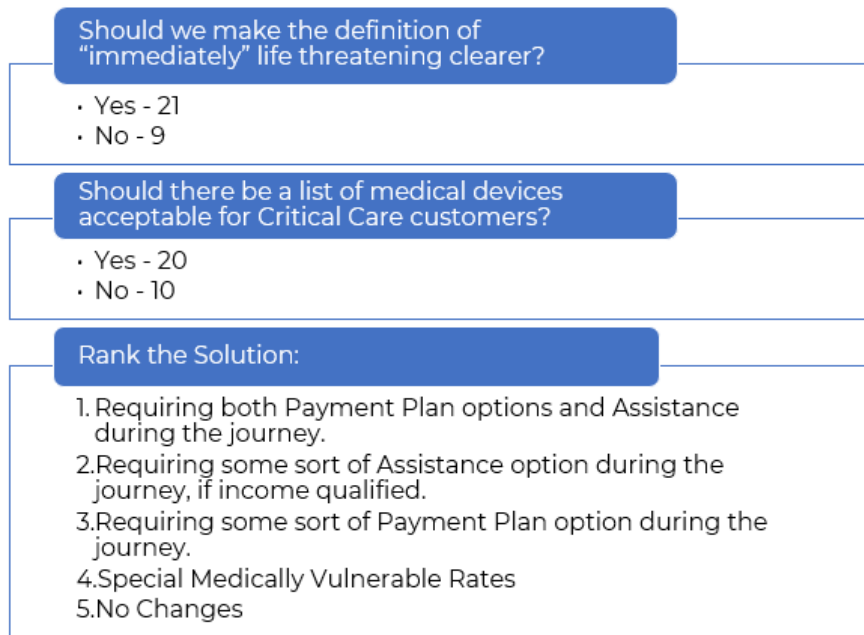
The final discussion from the 2022 DARR Subcommittee centered on having critical care customers pay a prorated amount of their usage when enrolling in the protection, then requiring them to pay a portion of their annual usage each month, similar to the structure of the WPP.

Following Session Two, leaders sent out an additional survey.⁴² The purpose of this survey was to focus the CCC's work in its final session on definitive recommendations for the critical care shut off protection.

Action Steps – Collaborative Session Three

Session Three took place on August 29th, 2024, from 9:30 a.m. to 12:00 p.m. on a Microsoft Teams platform,⁴³ starting with a quick recap of the previous two sessions. The goal of this session was to discuss solutions identified in the survey that was sent following Session Two. This included reviewing the survey and focusing on how to make the recommendations successful.

Figure 2: Survey 2 Results⁴⁴



The CCC focused the discussion on the top three solutions identified in the survey: updating the definition of a critical care customer,⁴⁵ creating a list of qualifying medical devices, and requiring some sort of payment during the journey.

⁴² Appendix D: titled CCC Results from Survey Two

⁴³ <http://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/workgroups/eaac/Crit-Care-Collab/8-29-Slide-Deck-Critical-Care-Collaborative> and Appendix G: titled CCC Discussion Notes 08/29/24

⁴⁴ Appendix D: titled CCC Results from Survey Two

⁴⁵ Mich Admin Code, R 460.102

It was decided that the language surrounding “immediately life threatening” needed to be modified to “any customer that requires, or has a household member who requires, home medical equipment or a life support system without which the patient will die.” This change would help the customer and medical professional identify if the medical equipment used by the customer qualifies for enrolling in critical care shut off protection. More information is provided in the recommendation for a “Clear-Cut Critical Care Shut off Protection Definition.”

The CCC discussed the need for a list of medical devices that would qualify for critical care shut off protection to assist customers, medical professionals, and utilities in determining eligibility for the protection. The list need not be all encompassing due to the fluid status of technology and customers’ medical needs. It would be impossible to include every device that could qualify. Ultimately, this list should include language clarifying that other devices may qualify. A baseline list would ultimately help parties identify eligibility with less uncertainty and more consistency. The group also identified the list established for a medical emergency in Oklahoma⁴⁶ as one that may be beneficial to mirror:

“Examples of life-sustaining equipment include kidney dialysis machine, iron lung, oxygen concentrator and certain other oxygen machines, cardiac monitor, heating and air-conditioning equipment, or any other equipment that is prescribed by a licensed medical doctor. If battery backup is normally available for the life-sustaining equipment, then the medical condition is not considered life-threatening. The following equipment is not considered to be life-sustaining equipment: hot water heater, refrigerator, range/stove, nebulizer that is battery-driven or hand-driven or self-contained, battery-driven sleep apnea monitor, battery-driven car.”

This list could be included in the critical care shut off protection billing rule or alternately included within the utility tariff. Staff could also consult with the MDHHS or contact a local hospital for assistance and include that list in the billing rules. For more on this, please see the recommendation for “Establish a List of Qualifying Medical Equipment for Medical Emergency and Critical Care Shut off Protection.”

Finally, the group discussed changing the critical care customer journey. Based on the survey results it was deemed important to enroll income-qualified critical care shut off protection customers on a payment plan and exhaust all assistance options while participating in the program. The CCC used the remainder of Session Three to walk through the critical care journey, including describing what it would be like for a customer to fill out the Medical Certification Form, apply for assistance, and enroll in a payment plan. This conversation concentrated heavily on timing, specifically how long the customer would have to apply for assistance prior to defaulting on the critical care shut off protection. More on this process can be seen in the recommendation for the “Critical Care Shut off Protection Program – Customer Journey.” This proposed journey suggests it will help customers by keeping them engaged. On the front end, applying for assistance will help any income-qualified

⁴⁶ [2020CH35ElectricRules Life Support Form.pdf \(ecoec.com\)](https://www.ecoec.com/2020CH35ElectricRulesLifeSupportForm.pdf)

customer with an arrearage, lower their balance, and make their potential payment plan amount lower. The payment plan will also keep the customer engaged, even if the plan amount is a small portion of the balance, and it will help keep the arrearage lower than it would have been if zero payments were made.

Session Three wrapped up with a discussion focusing on the customer journey and how it could be broken down to only having the customer apply for assistance or only having the customer enroll in a payment plan.

Recommendations to the Commission

While reviewing the customer's critical care shut off protection journey, various successes, downfalls, and barriers came to light. The overarching goal of the CCC's process was to try to create a way to keep the customer engaged throughout their protection period by requiring both the customer and utility be involved. Staff provides the Commission with the following recommendations:

Recommendation 1.1 - Adopt a Clear-Cut Critical Care Shutoff Protection Definition

The first step in reviewing the administrative rules pertaining to the critical care shut off protection was to consider the intention of the rule. The current definition of a critical care customer under Mich Admin Code, R 460.102(n) reads:

“Any customer that requires, or has a household member who requires, home medical equipment or a life support system, and that, on an annual basis, provides a commission-approved Medical Certification Form from a physician or medical facility to the utility identifying the medical equipment or life support system and certifying that an interruption of service would be immediately life threatening.”

Some CCC participants voiced concerns that the definition of “immediately,” was too vague. In addition to not understanding the true definition, some advocates had to educate medical professionals on the interpretation of the two medically vulnerable protections⁴⁷ and their definitions. There were other participants who stated that the rule clearly identifies who the intended protection is for. During the original critical care shut off protection rulemaking process, the collaborative participants inferred that under the current rules, if a protected household member's service was interrupted, then that member would be at risk of death.

After reviewing standards and programs in other states, it was identified that some have a more direct definition, like the [Holston Electric Cooperative: Life Support Classification](#) which states:

“A special classification for our customer, who either themselves or a person living in the customer's home, has a life-threatening medical condition which requires special equipment, as specified by the American Medical Association,

⁴⁷ Medically Vulnerable Programs: 1) medical emergency, Mich Admin Code, R 460.130 and 2) critical care shut off protection, Mich Admin Code, R 460.130a

to provide treatment that, based on reasonable medical judgment, sustains the life of a patient and without which the patient will die."

It was determined that this approach was direct and clear, describing what will happen if the household member's service was to be disconnected. To embrace this approach, Staff recommends the Commission adopt the following definition of a critical care customer:

"Any customer who requires, or has a household member who requires, home medical equipment or a life support system without which the patient will die, and that, on an annual basis, provides a commission-approved Medical Certification Form from a physician or medical facility to the utility identifying the medical equipment or life support system and certifying that an interruption of service would be immediately life threatening."

Staff believes that the current definition is clear but finds merit with the CCC recommendation and requests the Commission move forward with adopting the proposed draft critical care definition.

Recommendation 1.2 - Establish a List of Qualifying Medical Equipment for Medical Emergency and Critical Care Shut off Protection

A consideration brought up during the CCC multiple times was to establish a list of life-sustaining medical equipment that the utility, customer, and medical professionals could reference. The utilities would find this useful when reviewing and approving holds, and the customer would find this helpful when trying to differentiate between a medical emergency hold and a critical care shut off protection hold. It would also alleviate any confusion for medical professionals signing a customer's Medical Certification Form. The medical equipment list should reduce the number of denials, as all parties will be knowledgeable of the qualifications. Figure 3 provides a description of three policy options for clarifying life-sustaining equipment.

Figure 3 – Critical Care Protection Policy Options

Option 1: Standardized Equipment List
Establish a new policy similar to what Oklahoma ⁴⁸ is using for their medically vulnerable customers. Oklahoma provides the following examples of life-sustaining equipment: kidney dialysis machine, iron lung, oxygen concentrator and certain other oxygen machines, cardiac monitor, heating and air-conditioning equipment, or any other equipment that is prescribed by a licensed medical doctor. If battery backup is normally available for the life-sustaining equipment, then the medical condition is not considered life-threatening.

⁴⁸ [2020CH35ElectricRules Life Support Form.pdf \(ecoec.com\)](#)

Option 2: Utility-Determined Equipment List
The rule also provides the following equipment that is not considered to be life-sustaining equipment: hot water heater, refrigerator, range/stove, nebulizer that is battery-driven or hand-driven or self-contained, battery-driven sleep apnea monitor, battery-driven cardiac monitor.
Establish a new policy or rule requesting all utilities to submit annually a list of qualifying medical equipment that treat ongoing medical conditions (similar to Mich Admin Code, R 460.134 Extreme Weather Condition Policy) to the Commission for approval.
Option 3: Collaborative Process
Establish a collaborative outlining recommendations from other states' programs, rules, etc.

It is important to note that even with a list of qualified medical devices, the utility and medical professionals will still need to consider the individual customer's needs. It was expressed during the CCC that medical equipment used by one customer may be considered life sustaining, but that same medical equipment used by another customer may not be life sustaining, even if it may improve their quality of life. It was also discussed that with changing technology, equipment that is not listed may need to be approved. Due to this caveat, it is important to leave flexibility within the language accompanying the list. This flexibility will allow medical professionals to use discretion in establishing an individual's vulnerability.

Staff have concerns with creating a list of qualifying medical devices due to their lack of medical expertise, and thus are not qualified to create a medical device list.

The CCC recommends adopting Option 1. The language used in the Oklahoma requirement allows flexibility, while providing all parties direction for what is deemed an acceptable device. If accepted, the collaborative is requesting opening up the billing rules for rulemaking.

Recommendation 1.3 - Critical Care Shut off Protection – Customer Journey

Due to the number of customers who have medically vulnerable needs requiring energy resources, it is important to have protections in place to preserve a customer's peace of mind while they are enrolled. The current critical care shut off protection was designed to allow any customer to participate regardless of their ability to pay, health, demographic, etc. Once accepted into the program, the customer remains protected from disconnection annually, regardless of whether a payment was received. The customer would be notified of any planned outages, and their utility account would receive a special notation alerting them of the protection. It is

emphasized to customers and even outlined within the rules, that nothing relieves an enrolled customer of his or her obligation to pay for utility service.

At the time of this report, the State of Michigan is the only state in the nation that has full annual protection for a customer with medically vulnerable needs without any form of payment required. Other states either have a shorter protection period averaging around 30-days, and/or have a payment requirement.⁴⁹

It has been recognized that customers seeking these types of protections are already under higher levels of stress. Numerous comments were submitted during the collaborative sessions requesting that the number of steps a customer must go through to seek authorization not be increased. Advocates voiced concerns for some customers who, in addition to the burden of their utility bill, have had to struggle to pay for doctor appointments, transportation, cell phone minutes, computer access, etc. The CCC agreed the intention of the program is not to create extra hurdles for a customer to be protected. Once a customer submits a Medical Certification Form and it is approved, the form should remain valid for a year, as is the current rule.

The goal of the program is to ensure customers have energy services to meet their medical needs. Some advocates stressed it is also a goal to improve the health of customers. For many customers, the added protection is working; they are paying their utility bill while having the safeguard in place. A utility is required to send customers a bill each month, regardless of whether a payment is received. If a customer chooses to not make a payment, the bill will continue to reflect the amount owed on the account with the addition of late fees. The customer is encouraged to make payments to keep any arrearages manageable. A problem occurs when a customer who has an arrearage is no longer protected due to ineligibility or failure to renew the protection. When the protection ends, the outstanding balance is due in full. If a customer does not communicate with the utility, a payment plan will not be automatically created. Without payment, the collection process will proceed and result in a disconnection notice.

The utilities reported that in 2023, 160 out of 664⁵⁰ critical care shut off protection customers never made a payment on their account. This indicates that almost a quarter of the customers enrolled in the protection will develop some sort of arrearage on their account. From 2019 to 2023, the sum of arrearage amounts of critical care shut off protection customers with balances of \$5,001 or more has increased from \$283,204 in 2019, to \$812,636 in 2023, and total arrearages increased from \$597,126 in 2019, to \$1,280,512 in 2023. In contrast, the medical emergency arrearage decreased during that same time period from \$4,468,189 in 2019 to \$2,669,544 in 2023.⁵¹ As noted above, utilities provided the CCC with examples of

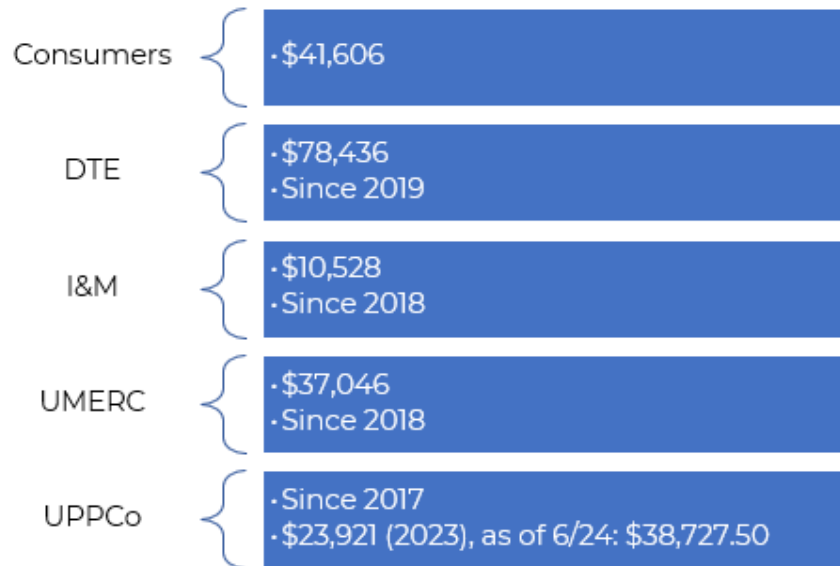
⁴⁹ Appendix I: titled CCC Medically Vulnerable Programs – 50 States

⁵⁰ Numbers reflected by: Alpena Power Company, Consumers Energy Company, DTE Energy Company, Indiana Michigan Power Company, Michigan Gas Utilities Corporation, Northern States Power Company – Wisconsin (Xcel Energy), Semco Energy Gas Company, Upper Michigan Energy Resources Corporation, and Upper Peninsula Power Company.

⁵¹ Appendix J: titled CCC Utilities Medically Vulnerable Program Data Request

actual customers with the highest reported arrearages. These accounts have become unmanageable for those customers.

Figure 4: Customer Highest Household Arrearage Data⁵²



Utilities voiced concerns regarding not being able to collect on these active accounts protected under the critical care shut off protection.

When the CCC looked at the highest arrearage currently held by a customer it was discovered that the utility made many efforts to engage the customer. Regardless of engagement attempts, there was no response by the customer. It was also found that the customer consolidated commodity sources making the household only electric. This troubled the CCC. It was reported by some utilities that the customer account increased dramatically, averaging between \$1,500-\$2,000 during the heating season and \$600-\$800 during the cooling season, while the household did not make any payments to the account. As noted above, often when a customer has an arrearage due to having made limited or no payments, the outstanding balance becomes so large that MDHHS, MEAP grantees, or other assistance agencies are unable to assist because the arrearage is over assistance caps. Utilities and agencies outlined the struggles encountered in conversations with these customers because, if payments are not required, the program sets the customer up to fail. A struggle that has been identified by the CCC and stressed in this report is a lack of customer involvement. Outside of a shut off for non-payment, CCC participants did not know what to do after a customer has reached this point.

In addition to the struggles, some success stories were shared. These situations appear to be very rare but do occur. For success to occur, all parties need to be

⁵² Appendix E: titled CCC Discussion Notes 06/20/24 and Appendix J: titled CCC Utilities Medically Vulnerable Program Data Request

involved to help lift the customer toward success. Success has been found with customers seeking assistance and utilities customizing flexible payment plans to meet individual customer needs.

Opportunities have been lost for income-eligible, critical care customers who are eligible to seek assistance with their utility arrears. It has been shown that some sort of payment is needed to keep arrearages down. It is reflected in data, the programs the other 50 states are offering, and in success stories that customers can make some sort of payment and be protected. The overall goal is to find a way to keep medically vulnerable customers protected but still continue to keep them engaged during the protection and beyond the enrollment and renewal period, ultimately resulting in success.

In an attempt to accomplish this goal, the CCC reviewed various processes and methods. It was determined that the customer, if income qualified, needs to seek assistance or some sort of payment arrangement, if assistance is not available. Often, certain steps are required in order for a customer to act. Seeking a payment arrangement requires the customer to stay engaged. The utility also needs to take some ownership in the journey by providing guidance on assistance and offering reasonable payment options for the customer. The CCC drafted a customer journey chart that highlights the processes for the customer seeking assistance and for the utility offering the assistance.

Figure 5: Proposed Critical Care Customer Journey

	Customer	Utility
Step 1	Notify the utility of the critical care hold request.	Place a 3-day hold on the account to postpone the shut off and allow time for the customer to get the certification form completed.
Step 2	Submit the approved Medical Certification Form to the utility: medical condition, medical equipment needed, specific time period, and signed authorization.	1) Review documentation. Once approved, notify the customer on the application status, at which time a <u>temporary 60-day hold</u> will be placed onto the account. (A temporary hold is defined as: A customer that is income qualified or in arrears, the customer will be awarded the grace period.) If a customer is neither low-income nor in arrears, the

		<p>household will be automatically protected for one-year.</p> <p>Note: Once a customer's Medical Certification Form is approved, a customer will <u>NOT</u> have to resubmit a new Medical Certification Form until it expires, even if the customer defaults. A customer only has to submit a form certifying the critical care shut off protection once annually.</p> <p>2) The utility company identifies the critical care customer within their system ensuring that service is provided for as long as the customer remains enrolled.</p> <p>3) When a planned service interruption occurs, the utility company will notify the customer and not shut off service using remote shut off capability without first providing a personal contact.</p>
<p>Step 3</p>	<p>If in arrears:</p> <ol style="list-style-type: none"> 1. seek assistance if income qualified (Section A), or 2. enroll in an appropriate payment plan (Section B). <p>Note: Not income-qualified customers would proceed directly to a payment plan</p> <p><u>Section A: Assistance</u> Income-qualified customers:</p> <ul style="list-style-type: none"> ▪ If accepted, the agency awards monies to the account. ▪ If denied, the agency provides proof of rejection to utility. ▪ If no assistance is sought, enroll in appropriate payment plan 	<p>Once the customer obligation is fulfilled, the temporary hold will be removed, and the account will remain protected annually.</p>

	<p>(assistance will lower required payment plan amount).</p> <p><u>Section B: Payment Plan</u></p> <ul style="list-style-type: none"> ▪ Enter into a payment plan with the utility reflecting % of annual usage. ▪ Make a payment of 1/12 of the outstanding bill (similar to WPP⁵³). ▪ Pay up to 10% of delinquent balance upfront, then pay % of arrearage balance for each remaining month of the protection period.⁵⁴ 	
Step 4	<p>Continue to make appropriate payment plan payments (established in step 3).</p> <p>Customer default:</p> <ul style="list-style-type: none"> ▪ If payment is not received, customer will be removed from program and placed into dunning process. ▪ Grace period allowance: two documented payment plans over the protection period within a 12-month period. <p>(Similar to the Payment Plan Rule in Mich Admin Code, R 460.146, and in the Affordable Payment Plan Program.)</p>	
Step 5	<p>At renewal, resubmit application for assistance and payment plan, if applicable.</p>	<p>Prior to the protection period end date, notify the customer outlining when the protection period ends, provide a link to the Medical Certification Form with instructions, and provide information about where to seek assistance.</p>

⁵³ Mich Admin Code, R 460.131

⁵⁴ Appendix I: titled CCC Medically Vulnerable Programs – 50 States. Portions of payment plan recommendation similar to what Washington state requires customers to pay to be protected.

Staff is supportive of the proposed critical care customer journey to require customers who participate in the critical care shut off protection to seek assistance (if income eligible) or enter into a payment plan. This recommendation is consistent with protection plans in other states as mentioned in this report. If the customer defaults under the payment plan, the customer may be disconnected. This change would keep the customer engaged during the critical care shut off protection and aid with managing account arrearages. The CCC is requesting opening up the billing rules for rulemaking. The rule revision would encourage both engagement from the utility and the customer by specifically requiring the utility to work hand-in-hand with the customer, providing guidance with assistance and payment plan options. The customer's responsibility, if in arrears, is to seek assistance or make a payment.

During rulemaking, the payment plan and default process will be outlined. Plan defaults could ultimately lead to disconnections. Staff further supports that the customer must annually submit a Medical Certification Form.

Reviewed Concepts Not Supported by The Collaborative

Unsupported – New Rate Structure for Medical and Critical Care Customers

The CCC discussed creating a new rate structure for medical and critical care customers. The basis of this conversation came from reviewing California's Medical Baseline Program⁵⁵ described below.

The California Public Utilities Commission's (CPUC) Medical Baseline Program is an assistance program for residential customers who have special energy needs due to qualifying medical conditions. It is based solely on medical conditions and there is no income requirement. The program provides a lower rate on participants' monthly energy bill and extra notifications in advance of a utility Public Safety Power Shut off (PSPS). To qualify, a full-time resident in the home must have a qualifying medical condition and/or require use of a qualifying medical device to treat ongoing medical conditions. Qualifying medical devices include any medical device used to sustain life. Devices include equipment used for mobility, per a licensed medical practitioner. Devices are for home-use only. Devices used for therapy generally do not qualify.

Survey 2 results scored this option as the lowest. The CCC did not move forward with discussing how this would work and are not putting it forth as a recommendation. Multiple utilities shared the implementation difficulty and legislative action could be required.

⁵⁵ California Medical Baseline Program. https://www.cpuc.ca.gov/-/media/cpuc-website/about-cpuc/documents/transparency-and-reporting/fact_sheets/medical_baseline_101921.pdf

EAAC Definitions Subcommittee (Definitions)

Committee Process

Original Directive – Establish a Definition for Energy Security/ Self-Sufficiency

On August 26, 2021, the Definitions Subcommittee convened to address a charge from the Commission’s U-20757 Order that included establishing a common definition of energy security/self-sufficiency. Participants began with the definition that was developed by the Michigan Energy Assistance Program Workgroup, proposing how energy affordability can be integrated into the regulatory environment, and drafting suggested requirements for consistent energy affordability-related information for utilities to submit to appropriate dockets.

The subcommittee concluded its work on the first charge by proposing a definition of energy affordability to the Low-Income Energy Policy Board, which the Board supported at its August 2022 meeting. This definition was recommended to the Commission in the March 17, 2023, Interim Report in Case No. U-20757, amended slightly by the Commission, and adopted in the December 21, 2023, Order. It reads,

“The extent to which a household has the resources to meet their home energy needs for heating, cooling and other uses in a healthy, sustainable and energy efficient manner without compromising a household’s ability to meet other basic needs.”

Renewed Directive – Define Energy Equity and Related Terms

Through the Order in Case No. U-20836⁵⁶ dated November 18, 2022, the subcommittee was directed to define equity and related terms such as environmental justice, energy justice, and grid equity and to take into consideration the proposed definition of energy affordability. In this case, the Administrative Law Judge recommended that “a collaborative or other forum would be a preferable approach to explore options for equity-related terms and metrics outside of the constraints of a 10-month rate case, which DTE Electric could file within two months of a Commission Order in this case with little time for the anticipated analysis.” Advocates supported this position while arguing that the recommendations “do not go far or fast enough.”

Herein lies the thread of tension that runs throughout the subcommittee’s process. How do we ensure that we have a set of definitions where the meanings are commonly understood by regulators, utilities, intervenors, and those with lived experience while addressing concerns currently before the Commission? The process of ensuring a common understanding can take time, but persons are living with inequities right now.

⁵⁶ [Case No. U-20836 November 18, 2022, Order](#) pg. 461-463

One of the elements of speed is alignment. Ensuring a common understanding of the words and terms utilized in cases coming before the Commission is fundamental to alignment, and it was important to lay a solid foundation for decision-making around affordability, energy security, equity and related concepts, as well as consider alignment with other State of Michigan and Federal agencies. In the process of defining terms, there was rarely a time when there was full consensus around a decision point. However, participants with a diversity of backgrounds engaged in rich discussions about not only the meaning of concepts but also their current, historical, and projected impacts. Developing alignment through a set of common definitions can help to break through inertia.

Goals

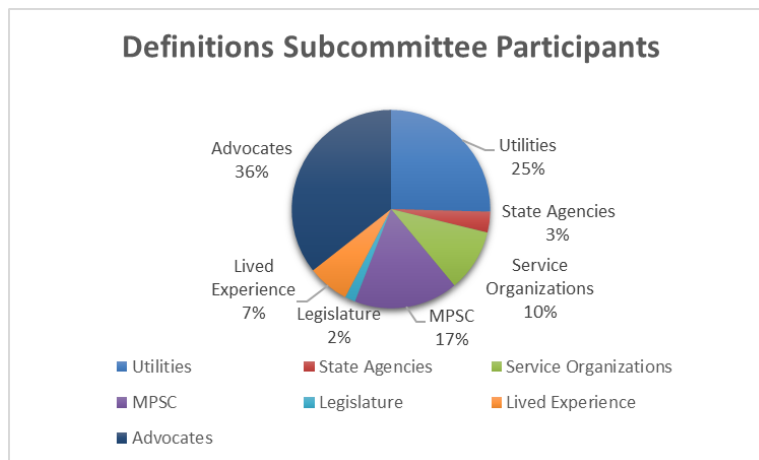
Shared goals of the Definitions Subcommittee included:

- 1) Provide definitions for a common understanding of words and terms utilized in communication around low-income energy policy.
- 2) Enhance and clarify understanding of defined words and terms.
- 3) In the defining of words and terms utilized in communication around low-income energy policy, broaden understanding of factors impacting low-income energy customers.

Participation

Participation in the subcommittee was confirmed via a broadly distributed survey link and grew to 59 diversely identified participants with an average meeting attendance of roughly 27 participants. Beginning in April 2023, Synia Gant-Jordan, representing her own lived-experience of energy inequities, joined the subcommittee's leadership team, which also included Wende Randall from Kent County's Essential Needs Task Force, and Commission Staff Jennifer Brooks and Mary Wilkins. Figure #6 depicts the various constituencies represented by those who signed-up via the survey to participate in the subcommittee.

Figure 6: Definitions Subcommittee Participants



Action Steps – Foundational Work

In February 2023, the subcommittee received an updated charge directed from Case No. U-20836, namely, to define equity and related terms such as 'Environmental Justice,' 'Energy Justice,' and 'Grid Equity,' while taking into consideration the definition of 'Energy Affordability.' Subcommittee leaders took this opportunity to discuss the change of directives with the participants, discuss possible approaches to the task, and effectuate a subcommittee refresh with a revised meeting cadence. The subcommittee continued its work in a fully virtual environment utilizing the Microsoft Teams platform with call-in options. Participants contributed to discussions by using the raised hand feature, commenting in the chat, responding to polls, and occasionally emailing co-leaders. Correspondence with the group was provided via email. An Index of Meeting Topics is provided in Appendix K.

The work of defining equity and related terms began in April 2023. The meeting kicked off with shared goals and a "Pledge to Position Ourselves for Progress." The shared goals and pledge were reviewed at each meeting thereafter. The pledge included both a "stance toward others" and a "stance toward myself" as follows:

My stance toward others:

- Give others the benefit of the doubt
- Listen to others with respect, empathy and trust
- Demonstrate cultural humility toward others
- Be an ally and provide support
- Make it safe for others to speak up

My stance toward myself:

- Have the courage to show up and lean in
- If I am feeling offended, consider if and how to share
- Desire to understand and learn
- Engage in dialogue, not debate
- Ensure my voice is heard; it is important

Participants were provided with a short list of equity-related terms already in use by the State of Michigan and a list of those that were not yet defined for use by the Commission or other Michigan agencies. The group chose to review and consider existing definitions for use by the Commission beginning with the definition of 'meaningful involvement'. They engaged in a discussion around procedural justice and how to ensure that those with lived experience of energy inequities had opportunities to engage in co-creation of the definitions that may impact them. To do so, the subcommittee compared the concepts of 'low-income communities' to 'marginalized communities;' considered various social and economic descriptors for person, people, communities and populations; and began a dialogue regarding strategies for giving those who are impacted a voice in the process. Meanwhile, through targeted outreach to organizations, subcommittee leaders were able to expand representation in the subcommittee from those with lived experience.

Subcommittee members were asked to respond to a “Who is at Our Table Survey,” and 20 of the 38 identified participants responded. Notably, three-quarters of respondents had personal or familial difficulty with affording energy or answered yes to “feeling like I am treated as less than others with energy service.” Nearly half of respondents identified as part of a group who feels they have been treated as less than others (disenfranchised or marginalized). More than a third were presently working directly with customers who have been impacted by energy affordability or reliability. The respondents resided in eleven counties in the Mid-Michigan, Southeast Michigan, Western Michigan, Northern Michigan, and the Upper Peninsula.

The May meeting provided context to the charge by briefly outlining the positions surrounding the directive from Case No. U-20836. Participants discussed potential engagement methods for expanding input into the process. Due to a lack of consensus regarding what approach to use, participants were asked to complete a “Defining Equity Process Survey” which was ultimately inconclusive.

In June and August, participants reviewed the existing definitions of ‘Energy Affordability’ as proposed to the Commission, ‘Self-Sufficiency’ as defined by the MEAP Workgroup, and ‘Equitable Treatment’ and ‘Environmental Justice’ as defined by EGLE. While the subcommittee continued to struggle to develop consensus regarding an approach to the work, there were also those who had not participated in defining energy affordability who felt that the definition then under consideration by the Commission put too much onus on the low-income customer for affordability concerns. On June 28, 2023, members participated in a Microsoft Forms poll regarding whether to accept these definitions and begin using them, confirm the definitions with identified communities, or re-evaluate these definitions. Despite several messages of encouragement, only six participants responded to the poll.

By late August, frustration had built, and an anonymous comment was received in the EAAC suggestion box. It read,

“The definitions subcommittee has been meeting since 2021. No definitions have been provided to Michiganders! How long does it take to provide important definitions that help give voice to the underserved communities? This work requires intentionality and trust. With how long this is taking, it looks like whoever is leading this is not doing either part well.”

Action Steps – Building Context

Subcommittee leaders approached the September meeting by educating the group on the mission of the Commission, various ways constituents can have impact at the Commission, and the role of a workgroup in Commission processes, highlighting the goal of the EAAC and the multiple recommendations resulting from this work.

Staff shared the comment that had been received as an important step in providing a feedback loop. Synia Gant Jordan shared her experience as a volunteer co-leader and a person of lived experience. She emphasized the importance that generations of concerns are listened to during these processes and that systems are changed through them. She underscored that this is an opportunity to do better than in the

past and to create long-term impact. She advocated for slowing down the process and getting it right. She stressed the importance of providing feedback, of participation from everyone involved, and the importance of each voice being heard.

Leaders then made note of several changes that had been observed as a result of the activities of the EAAC and EWR Low-Income Workgroups. These included:

- Growing involvement in workgroups including diversity of parties and geographic representation.
- Increased education leading to a greater understanding of how the energy and energy assistance systems work, reliability discussions, and a greater understanding of consumer experience and concerns.
- Increased coordination and collaboration among implementers as a result of the EWR Low-Income Workgroup as well as increased interaction between EWR representatives and those who work in the assistance system.
- Assignment of tasks by the Commission to the EAAC from other Orders, new discussions regarding system improvements between State agencies, and legislators paying attention.

The group moved into discussions about electric reliability and energy security as context for what needs to be equitable. They approached this by introducing the Commission's definition of electric reliability and related metrics. The group engaged in a thoughtful discussion of the impacts of reliability factors and what questions could best be answered by those with lived experience.

At the October 2023 meeting, subcommittee co-leaders presented a list of seven previously defined terms related to energy equity in use in Michigan: 'Energy Affordability,' 'Electric Reliability,' 'Environmental Justice,' 'Equitable Treatment,' 'Equity,' 'Meaningful Involvement,' and 'Self-sufficiency.' It was noted that defining 'Energy Security' was part of the original charge to the EAAC Definitions Subcommittee but had been delayed due to the group's focus on 'Energy Affordability.' Discussions ensued around 'Home Energy Security,' followed by 'Energy Equity,' 'Grid Equity' and 'Energy Justice' in subsequent meetings.

The group reviewed four sample definitions of "Energy Security" and participated in a gut-check poll to assess preferred language. Of these, utilities and Staff favored: "*Energy security is the ability to adequately meet basic household heating, cooling, and energy needs, over time.*"⁵⁷ Advocates and customers with lived experience preferred the following definition: "*Energy security includes both fuel poverty, the inability to pay for the heating or cooling required to maintain a home at a reasonable temperature, and the loss of access to electricity through cessation of services due to non-payment or other factors.*"⁵⁸

⁵⁷ [u2006.pdf \(aceee.org\)](#)

⁵⁸ Great Britain's Warm Homes and Energy Conservation Act

A hearty discussion ensued as participants brainstormed elements of energy security and contributing factors to energy insecurity in the home. Participants with lived experience actively voiced concerns, and elements of energy security were identified. These elements included affordability, reliability, “true equity for all,” and being free from worry and anxiety about energy. Comments focusing on freedom from anxiety and worry about energy included, “You don’t worry about it;” “There’s no fear of energy not being available;” “Bills are predictable;” “There’s no fear of unnecessary fees being passed on to poorer customers;” “Not trusting the utility;” and “There is transparency by the utility.”

Discussion about affordability brought out the need for equality and effectiveness of assistance programs, easy access to assistance for low-income customers, and the need to go beyond assistance to create “true affordability.” Participants indicated that poverty guidelines needed to be updated and noted the importance of fair charges and the impacts that housing stock can have on affordability.

The reliability discussion touched on an absence of disruption and the challenges of aging infrastructure.

Factors contributing to energy insecurity were identified as a lack of affordability, having to use assistance, poor or inefficient housing, outdated poverty guidelines, and a lack of system reliability due to aging and inadequate infrastructure. Participants noted a lack of access to household solutions or infrastructure upgrades and provided examples of energy storage for medically vulnerable households and access to solar. Other factors that were noted included not trusting communications, as well as utilities and the government being disconnected from the communities they serve.

From this discussion a definition of “Home Energy Security” was drafted, presented at the November meeting, and briefly discussed and refined at each meeting until consensus language was reached at the June 2024 meeting.

Action Steps – Putting it all Together

The on-going discussions on ‘Home Energy Security’ provided valuable context for the consideration of ‘Energy Equity.’ In November 2023, the subcommittee reviewed four definitions of ‘Equity.’ Sample definitions of ‘Equity’ were gleaned from the Partnership for Southern Equity via Lawrence Berkeley National Lab, Quinn Parker with Encolor, the City of Denver’s Office of Social Equity, and the MDHHS Office of Diversity, Equity, and Inclusion. Of these four definitions, the group expressed a preference for the definition from MDHHS.

The subcommittee was presented with eight sample definitions of ‘Energy Equity’ to analyze⁵⁹. These came from a variety of sources including: the Hawaii Public Utilities Commission, empowerdataworks.com, American Council for an Energy-Efficient Economy, Partnership for Southern Equity, Lawrence Berkeley National Laboratory, Pacific Northwest National Laboratory, oilprice.com, and businessinsider.com.

⁵⁹ See Appendix L – Definitions Sample Definitions of Energy Equity

Several questions were derived from these definitions that would comprise the scope of enquiry for the subcommittee's process of exploring 'Energy Equity.' Questions included:

- Who should be the focus of equity?
- What should be equitable?
- How should equity be achieved?
- How do we understand the choices and priorities lying ahead?
- What questions could be best answered by those with lived experience?

It was noted that the sample definitions provided a variety of framing for 'Energy Equity,' posing it as a goal, an aim, or a recognition. It was described as a concept, term, or idea. It was also described as a problem that won't go away any time soon. After discussion, participants were polled, and a solid majority felt that "Energy Equity" should be framed as a goal.

To address the question of "What should be equitable?", co-leaders presented how this was described in sample definitions and provided a reminder of the MPSC's mission statement:

"The mission of the Michigan Public Service Commission is to serve the public by ensuring safe, reliable, and accessible energy and telecommunications services at reasonable rates."

Participants reflected on whether the definition of 'Energy Equity' should be focused on elements in the mission statement, such as safety, reliability, accessibility of energy and telecommunications services, and reasonableness of rates.

Discussion moved to the question, "Who should be the focus of equity?" The group reviewed how this was described in the sample definitions ranging from very broad - "all members of society," to very specific - "black people, communities of color, and rural and low-wealth communities across the South," to descriptors that were less broad and less specific - i.e., "low-income households" or "disadvantaged communities." Co-leaders shared language from the October 27, 2022, Order in Case No. U-18461 regarding Integrated Resource Planning Filing Requirements which reads,

"The Commission acknowledges that comments were filed regarding the definition of 'vulnerable communities.' Under the advisement of EGLE, the Commission has removed the definition of 'vulnerable communities' and added the definition for 'overburdened communities,' which will read as follows: 'Refers to overburdened, vulnerable, underserved or disadvantaged communities that are identified in accordance with metrics and percentiles as recommended by the specific environmental justice screening tool used.'"

Co-leaders noted that the “Defining Equity Process Survey,” completed by 19 of the 46 identified participants between May 30 and July 10, 2023, and reviewed at the August 2023 subcommittee meeting, reflected preferences for some of the language encompassed in the definition of ‘Overburdened Communities.’ Co-leaders recommended that the definition of ‘Overburdened Communities’ be utilized to describe who should be the focus of equity in our definition of ‘Energy Equity.’

Throughout 2024, the subcommittee systematically discussed the remaining questions in the scope of enquiry including “What should be equitable?”, “How should equity be achieved?”, and “How do we understand the choices and priorities lying ahead?”. Participants discussed and refined their understanding of these questions. They brainstormed the benefits of the energy system in the past/present and present/future as well as the burdens of the energy system, looking to the past and to the future. They considered what questions could be best answered by those with lived experience and began to refine a draft definition in June. The structure of the draft was modelled after the State’s definition of equity and concepts had been discussed in the preceding months but did not yet include language around what the definition applies to or how it may be achieved. The next four months were spent developing these remaining concepts, considering each definition in context of other definitions and their meanings, and refining word choices within each sentence. Wordsmithing on the definition of energy equity continued through November.

Subcommittee co-leaders consulted with Staff in the Distribution Planning Section to enhance their understanding regarding the concept of ‘Grid Equity’. A draft definition, modeled after the structure of the ‘Energy Equity’ definition, was crafted for review and consideration by participants at the September 2024 meeting. Discussions centered around the drivers of reliability and of factors impacting restoration times. A suggestion was made to incorporate the concept of modernization into the draft definition.

Action Steps – Finalizing the Definitions

Subcommittee co-leaders issued a brief survey to gauge consensus and collect additional comments regarding the definition of energy equity and grid equity. There were 18 responses to the survey indicating that 72% of respondents supported the definition of energy equity, and 66% supported the definition of grid equity as drafted. Respondents had the opportunity to provide comments within the survey.

Energy Equity

Survey results and comments were discussed at the subcommittee meeting on November 20, 2024.⁶⁰ Participants were given the opportunity to respond to polls and provide additional comments via the chat feature. To the question, “Who should be the focus of equity?”, 33% of survey respondents were in favor of the language “for all.” Another 27% favored the language “for all people.” One respondent representing three advocacy organizations favored the “for all people” response but noted in the

⁶⁰ Appendix P – Definitions Energy and Grid Equity Survey

chat that “for all” was also acceptable language. Comments supported being broadly inclusive when indicating the focus of energy equity.

Other choices included “for all consumers” (22%), “for all households and consumers” (11%), and “for all households” (5%). Although ‘Households’ is consistent with definitions of ‘Energy Affordability’, ‘Self-Sufficiency’, and ‘Home Energy Security’, some felt that ‘Households’ homogenizes people within a dwelling, and there was a desire to cover both residential and business interests, especially small businesses. The subcommittee acknowledged that ‘Energy Equity’ applies more broadly than ‘Energy Affordability’, ‘Self-Sufficiency’, and ‘Home Energy Security’. Participants felt that ‘Consumers’ encapsulates each way in which energy is used; however, the consumer or end user of energy may not be the customer of record, i.e., energy is provided as part of a rental agreement and the landlord is the customer of record.

There were other changes suggested for the first sentence of the three-sentence definition of ‘Energy Equity’. Some were accepted and others were not. The rationale that was discussed during the meeting⁶¹ and detailed in slide deck⁶². Comments included:

“I would modify to read "meaningful participation" after "affordable and clean energy". This ensures that not just any participation meets the definition of energy equity.”

The word meaningful was added.

“The definition should also include mention of reliability and service.”

Reliability and service were included in the concept of fair and just treatment and were more specifically called out in the definitions of home energy security and grid equity. The definition of energy equity could be kept more broad and less specific since these other definitions are more specific.

“It ensures that individuals and communities can benefit economically from the clean energy transition and have a voice in decisions about energy resources.”

The concept of meaningful participation, like the definition of meaningful involvement, is inclusive of having a voice in decisions. Economic benefit is something we have not deeply explored as a subcommittee and would need more thought and discussion. It could be included in the concept of opportunities.

⁶¹ Definitions meeting recording, November 20, 2024

<https://www.michigan.gov/mpsc/commission/workgroups/energy-affordability-and-accessibility-collaborative/definitions>

⁶² Definitions Slide Deck, November 20, 2024 slide 22

<https://www.michigan.gov/mpsc/commission/workgroups/energy-affordability-and-accessibility-collaborative/definitions>

Survey respondents and meeting participants provided no suggested changes to the second sentence. There were several changes added to the draft of the third sentence, which included:

Impacts and disparities were qualified as ‘historic and present.’

Specific disparities such as race, class, and other demographic factors which may not be captured by geography were not added because it was felt that the definition of ‘overburdened communities’ encompasses these. The ‘overburdened communities’ definition allows for both consideration of demographic factors and the application of specific metrics.

It was added that energy equity may be improved through the just distribution of costs and benefits.

The clause, “that direct energy system decisions to address historic and present disparities,” was not included because the parameters for energy system decision making are directed by the legislature.⁶³

Two additional sentences were suggested in the survey response reflecting the collective voices of Soulardarity, We Want Green Too, and Urban Core Collective. The additional sentences read as follows:

“Achieving energy equity requires action within and beyond the energy sector, as decisions about housing, transportation, water, education, and other essential services or infrastructure fundamentally impact energy planning. Decision-makers in the energy sector must demonstrate commitment to equity to the fullest extent of their authority and encourage other decision-makers to do the same.”

The suggested language is provided here for reference but not included in the proposed definition. Staff will engage the Commission to frame the scope and importance of the commitment to energy equity.

Meeting participants responded to a poll asking, “To what extent do you agree with this definition of energy equity?” The results indicated an average score of 4.1 out of 5 stars, with 17 of the 27 attendees responding. Of those respondents, five gave the definition 5 stars, ten selected 4 stars, one selected 3 stars, and one selected 2 stars. No participants selected only one star.

Grid Equity

Through the survey, several changes were suggested to the definition of ‘Grid Equity.’ Additional language stating that “Grid Equity is the application of Energy Equity to the particular issues of the energy grid” was not included due to a preference for the more concise language the subcommittee had been working with over the past year.

⁶³ Definitions Slide Deck, November 20, 2024, Slide 25
<https://www.michigan.gov/mpsc/commission/workgroups/energy-affordability-and-accessibility-collaborative/definitions>

'Fair' was preferred over 'equitable' so as not to define a concept with the same term, and 'Modernization' was retained per previous meeting discussions.

It was suggested at the September meeting that the definition of 'grid equity' include considerations of affordability due to grid investment being a driver of rate increases. Staff responded to the subcommittee by acknowledging that utility service costs are allocated to rates based on cost-of-service principles where each customer class is responsible for the costs the utilities incur to serve them. Under current law, affordability is not a consideration in rate setting. Adding 'affordability' to the definition of 'Grid Equity' brings in issues that cannot be considered under the current legal construct and results in a definition that is likely to be either rejected or, if adopted, unable to be achieved. The subcommittee expressed the need for the definition to be something that is accepted by the Commission and is usable and applicable. Therefore, Staff is recommending that affordability not be explicitly included in this definition.

Strategies to improve grid equity received several comments. The first was to consider qualifying strategies with the word 'some.' It was noted that, "This is important as strategies may change, or new strategies may be developed. If we add the term 'some' now, it may extend the life of the definition." Since the subcommittee leaders felt that the definition was as flexible without the word 'some,' meeting participants were polled for their opinion. Of the 13 respondents to the poll, 77% preferred the sentence without the word 'some.' Three additional modifications were made to strategies to improve the definition of 'Grid Equity': 1) 'with just distribution of costs and benefits', 2) 'Increasing meaningful participation, consideration of historic and present disparities, and grid metrics,' and 3) 'Community Lifelines' was replaced with the emerging industry language, 'critical and priority facilities.'

Additional language was also suggested for this definition by advocates responding to the survey. The suggestions were as follows:

Add "Solutions to achieve grid equity must consider historic and present disparities associated with grid service when determining how solutions will be implemented. This includes ensuring that communities have the opportunity to gain economic benefits from grid upgrades and to participate in decision-making that shapes grid performance."

In response, the concepts of historic and present were woven into the definition in a different sentence. As stated regarding comments to the definition of "Energy Equity," Staff will engage the Commission to further frame the scope and impact of grid equity solutions.⁶⁴

⁶⁴ Definitions Slide Deck, November 20, 2024, Slides 31-32
<https://www.michigan.gov/mpsc/commission/workgroups/energy-affordability-and-accessibility-collaborative/definitions>

During the subcommittee meeting on November 20, 2024, an instant poll was launched and 100% of those responding supported the revised and proposed definition of “Grid Equity” included in this report.

Energy Justice

The concept of ‘Energy Justice’ was introduced at the November 20, 2024, meeting. The proposed definition mirrored the definition in use by the U.S. Department of Energy (DOE), the National Association of Regulatory Utilities Commissioners (NARUC), the National Association of State Energy Officials (NASEO), the National Governors Association (NGA), and others⁶⁵ for purposes of consistency. During the meeting, an instant poll was launched and of the 15 who responded, 100% supported the adoption of the definition being proposed.

The Definitions Subcommittee co-leaders concluded the series of meetings by thanking participants for their contributions to the work.

Recommendations to the Commission

Recommendation 2.1 – Adopt the proposed lexicon of definitions related to energy equity.

Staff recommends that the Commission consider adopting a set of definitions to be contemplated alongside one another. Some of these definitions are similar and their meanings can be nuanced, so it is helpful to understand each of these terms in the context of the others. Attached as Appendix M is a document entitled, “Proposed Lexicon of Definitions including ‘Energy Equity,’” which also includes 12 additional terms specifically related to ‘Energy Equity.’ Three of these terms, ‘Overburdened Communities,’ ‘Reliability,’ and ‘Resilience,’ are already in use by the Commission in its regulatory scope. Six terms are recommended for adoption based on their use by with in Michigan or by federal entities. Four of these terms on the list were developed through the collaborative process of the Definitions Subcommittee. One of these terms, ‘Energy Affordability,’ has already been approved by the Commission, and the remaining three, ‘Home Energy Security,’ ‘Energy Equity,’ and ‘Grid Equity,’ have been recommended for approved use. They read as follows:

Home Energy Security:

Home Energy Security is the reliable access to and availability of energy for meeting diverse and varied household needs. Home energy security is driven by several factors including but not limited to energy infrastructure, energy efficiency of housing stock, predictability and fairness of charges, and energy affordability. It can be improved through measures to address system reliability, home weatherization, energy education, consumer protection plans, and affordability strategies.

⁶⁵ Definitions Slide Deck, November 20, 2024, Slides 34-39
<https://www.michigan.gov/mpsc/commission/workgroups/energy-affordability-and-accessibility-collaborative/definitions>

Energy Equity:

Energy Equity is the goal of achieving fair and just treatment, meaningful participation, and opportunities in the energy system for all while building better outcomes for overburdened communities. An equitable energy system is one in which technologies and investments promote and, together with other essential systems, achieve energy security, affordable and clean - energy, participation, and reasonable choice for all. Energy equity may be improved through the consistent and transparent application of equity metrics, through prioritizing and monitoring historic and present impacts and disparities to overburdened communities, and through equitable planning approaches and just distribution of costs and benefits.

Grid Equity:

Grid Equity is the goal of achieving fair distribution, grid access, modernization, and performance, including system reliability and resilience, for all while building better outcomes for overburdened communities. Strategies to improve grid equity with just distribution of costs and benefits may include increasing meaningful participation, consideration of historic and present disparities, grid metrics for communities with similar densities as well as critical and priority facilities, and optimization of response and remediation.

[Recommendation 2.2 - Continue to increase understanding of the impacts of energy equity, energy justice, and related concepts and confirm definitions with overburdened communities and those with lived experience through listening in various forms.](#)

Since the Definitions Subcommittee began its journey more than three years ago to define the terms it was charged with from the Commission Order in Case No. U-20757⁶⁶, knowledge has increased regarding how these terms are understood. Through discussion, participants have highlighted some of their priorities and concerns, and definitions have been compared and contrasted. However, we have hardly begun to comprehend the experiences and impacts felt by families and communities resulting from energy inequities, energy injustices, and the lack of affordability and energy insecurity, much less the generational impacts of these experiences. A goal of energy equity has been expressed by some as a desire to avoid recreating or exacerbating past harms and a goal of energy justice is to remediate them. This is difficult to do if we lack a clear and comprehensive understanding of those impacts and are not adequately listening to those voices.

As part of its process, the subcommittee brainstormed questions which can best be answered by those with lived experience.⁶⁷ These questions may be utilized in confirming and elucidating the recommended definitions in dialogue with those who

⁶⁶ [Case No. U-20757 February 18, 2021, Order](#) pg. 16

⁶⁷ See Appendix N- Definitions Questions for Those with Lived Experience

have lived experience of unaffordable energy, energy insecurity, energy inequities, and energy injustices.

Early in its process of pursuing its revised charge, the subcommittee explored how the voices of those who are impacted by these concepts may help to co-create definitions. The subcommittee struggled with both developing a consensus on a methodological approach and with identifying adequate and appropriate resources to carry out some of the ideas. These ideas are catalogued in Appendix O - Catalog of Procedural Justice Ideas, for reference.

EAAC Customer Focused Data and Metrics (CFDM)

Committee Process

The directive of the Commission in the Case No. U-20757 Order⁶⁸ to draft suggested requirements for consistent energy affordability-related and equity-related information was originally assigned to the Definitions Subcommittee. It was believed that data and metrics would ensue from the definitions that were being developed and that discussions around these definitions would inform the selection of data and metrics. While this is still be the case, the time it took to make a careful and critical examination of energy equity related definitions and concepts necessitated interim action. Therefore, the Customer Focused Data and Metrics (CFDM) workgroup was established as an MPSC internal workgroup to develop straw proposals for various directives from the Commission.

Directives – Develop Straw Proposals

The directives tasked to the workgroup were issued in several proceedings:

Case No. U-20757– Examine the long-term data collection strategy of the Commission that includes capturing specific demographic information and energy burdens of customers in coordination with the consideration of recommendations from the Commission’s DEI initiative.

Draft suggested requirements for consistent energy affordability-related and equity-related information for utilities to submit to appropriate dockets: rate cases, IRPs, and EWR cases.

Case No. U-20836⁶⁹ – Define equity and related terms and establish metrics for the energy infrastructure it regulates so all interested parties have a common understanding.

Case No. U-21389⁷⁰ – Develop a straw proposal on affordability metrics for the Commission to consider, share that straw proposal with interested persons for review and feedback, and incorporate those results into the EAAC’s report due by year end for consideration by the Commission.

Goals

Staff agreed upon several goals to guide the work.

- To establish consistent data collection guidelines around energy affordability and energy equity based on Commission adopted definitions of energy affordability and energy equity for utilities to submit in appropriate documents for recommendation to the Commission.

⁶⁸ [Case No. U-20757 February 18, 2021, Order](#) pg. 18

⁶⁹ [Case No. U-20836 November 18, 2022, Order](#) pg. 461-463

⁷⁰ [Case No. 21389, March 1, 2024, Order](#) pg. 290

- To develop a recommendation for a long-term data collection strategy that allows for energy equity, energy affordability and associated metrics to be tracked over time.
- To develop recommendations for metrics measuring equity in areas directed by the Commission.

Participation

The CFDM workgroup was comprised of representation from areas of the Commission that could interface with customer focused data, metrics and directives tasked to the workgroup. These areas included Compliance and Investigation; Data Access, Privacy, and IT; Energy Optimization; Distribution Planning; Renewable Energy; Energy Operations; Resource Optimization and Certification; Rates and Tariffs; Telecommunications; Diversity Equity, and Inclusion; Low-Income Energy Policy; and Electric Vehicles.

Action Steps

The workgroup met in April and May of 2023 to discuss the charge, agree upon goals, and establish foundational information for a common understanding of work across the many perspectives represented at the Commission.

It became clear that the directives would be difficult to accomplish without a set of equity-related definitions as the basis of the work and without an understanding of the data currently being collected by the Commission. Concurrently, the Data Access Privacy and IT (DAPIT) section initiated an inventory of the customer focused data currently being collected by the Commission, and the EAAC Definitions Subcommittee continued work on the definitions of equity and related terms.

The group decided to suspend its work to await the completion of the customer focused data inventory and recommended definitions of equity and related terms.

Between May and October, DAPIT completed a participant survey and met with group members to discuss the specific customer focused data that was collected related to each member's particular focus.

The workgroup reconvened In October with DAPIT presenting the customer focused data inventory.⁷¹ A definition of customer focused data was proposed. After robust discussion, the group adopted this definition as meeting the goals of the workgroup:

Customer Focused Data consists of data pertaining to the identification of need, usage and availability of energy for customers. This can include reliability metrics, distribution investments, emergency response, sustainability, resiliency, EWR/weatherization services, demographic data, advanced energy technology availability, customer service metrics, customer

⁷¹ See Appendix Q - CFDM Data Inventory Presentation 10/16/23

payment performance, energy assistance, participation in decision making processes, and complaints and their resolution.

In March 2024, in Case No. U-21389, the Commission directed Staff to draft a straw proposal for affordability metrics, review with interested parties and the EAAC, and submit it to the Commission for review in the Case No. U-20757 final report.

As the CFDM workgroup was dormant pending completion of the definitions of equity and related terms, this charge was also deferred to allow for the development of the metrics in tandem with the findings of the EAAC's Affordability, Alignment, and Accessibility (AAA) Subcommittee in their review of the Percentage of Income Payment Program (PIPP) pilots, the Michigan Energy Assistance Program Affordable Payment Plans (MEAP APPs), the Low-Income Assistance Credit (LIAC), and the Residential Assistance Credits (RIA credits). In addition, the Michigan Legislature is contemplating energy assistance reform which could impact the development of affordability metrics.

The task of examining the Commission's long-term data collection strategy was also put on hold to await the data collection work of the Financial Incentives and Disincentives workgroup, and to allow for the consideration of data that may be necessary for the affordability metrics as directed in Case No. U-21389, and the energy infrastructure metrics as directed in Case No. U-20836.

Recommendations to the Commission

The recommendations from the Customer Focused Data and Metrics internal workgroup are closely associated with the work of the Definitions and AAA Subcommittees of the EAAC and the Commission's equity work in general. The CFDM endeavored to balance timeliness in completing the directives of the Commission and alignment with the completion of the directives with parallel and complementary tasks underway in other areas of the Commission.

Recommendation 3.1 - Direct Staff to complete affordability metrics in collaboration with the EAAC's Affordability, Alignment, and Assistance Subcommittee (AAA) and complementary to the AAA's analysis of affordability programs.

In 2025 the EAAC's AAA Subcommittee will be analyzing assistance programs including Percentage of Income Payment Plan pilots (PIPPs),⁷² Affordable Payment Plans (APPs) funded by the Michigan Energy Assistance Program (MEAP),⁷³ and rate-based credits⁷⁴ to make recommendations to promote energy affordability and home

⁷² PIPPs were initiated based on Provision 19 in Consumers Energy Settlement Agreement in Case No. U-20650 and DTE Energy Case No. U-20561 Order and approval of the Case No. U-20929 ex-parte filing.

⁷³ [Michigan Energy Assistance Program](#)

⁷⁴ [MCL - Section 460.10t - Michigan Legislature](#)

energy security for Michigan Customers. This analysis will inform affordability metrics and is appropriate to the work of this EAAC Subcommittee.

Recommendation 3.2 - Direct managers of pertinent divisions and sections of the Commission to work with their teams to: a) Determine and cite per regulatory statute the applicability of select definitions in the Energy Equity Lexicon, including challenges and opportunities with applying the definitions within their regulatory context; and b) Operationalize applicable definitions for consideration by the Commission by identifying metrics and the data sources informing those metrics that could be applied by their respective sections or divisions.

Because managers and their teams are the experts in the regulatory context within which they work, as well as the responsibilities and consequences of the focus of their work, they are uniquely positioned to evaluate the applicability, challenges, and opportunities of applying select definitions from the proposed Energy Equity Lexicon to the daily context in which they work. Additionally, they are likely to be most familiar with available metrics and can most readily assess not only their applicability but their feasibility and practicality.

Recommendation 3.3 - Direct staff to review energy equity related metrics identified by divisions and sections of the Commission to synthesize and streamline reporting across the Commission and seek comment from interested parties on the compiled data strategy related to the Energy Equity Lexicon.

To ensure consistency and efficiencies, evaluate the metrics recommended by each division or section of the Commission to streamline requests to utilities and the cadence of data pulling from other relevant sources. Comments from interested parties may provide further opportunities for efficiencies or applicability of the data within the strategy.

Recommendation 3.4 - Direct staff to work with the Financial Incentives and Disincentives (FID) workgroup to collaboratively examine the Commission's long term data collection strategy and propose recommendations that streamline reporting and that incorporate data required for affordability and energy infrastructure metrics.

Affordability and reliability are both concepts that inform the home energy security of Michigan residents. Capturing metrics around both affordability and energy infrastructure is important to the mission of the Commission. Streamlining reporting mechanisms can enhance efficiencies thereby saving costs to utility ratepayers and can contribute to the accessibility of data.

Conclusion

Following the education and participation of a broad base of interested and invested parties including those with lived experience, human service agencies, advocacy and environmental groups, members of impacted communities, utilities, as well as state policy experts on housing, social determinants of health, treasury and climate, Staff is pleased to share these tangible outcomes and recommendations as a foundation to the future work of the Commission. Data collection, reporting and metrics, customer protection rules, and equity-related definitions provide an underpinning to further explore and address energy affordability, accessibility and equity in the regulatory environment. Through collaborative workgroup processes, Staff has endeavored to enhance an understanding of the stressors, challenges, and needs of vulnerable customers and overburdened communities while recognizing the importance of continued and deepening learning and insight for mediating these challenges with the ultimate goal of developing solutions.

The leadership and participation of those with lived experience and those who advocated on their behalf has been invaluable in this process. Staff thanks the Commission for its commitment and attention to the voices of those impacted at the most basic level by energy policy. The work completed and the work still in progress through the EAAC will further the efforts of the Commission to ensure safe, reliable, and accessible energy services at reasonable rates for all Michigianians.

Appendices

Appendix A – DARR Merged Quarterly Report Template



MPSC - Reporting Requirements Combined

Utility:		Reporting Month:	January 2025	February 2024	March 2024	Total	Comments
Customer Service							
A.	Total customer contacts - All						
B.	Total customer complaints - All						
	a. Billing						
	b. Service						
	c. Credit and Collection						
	d. Other						
	Freeform area, if complaint is not listed above, provide general description						
C.	Average customer call answer time (seconds) - Electric Only						
D.	Percentage of the call blockage factor - Electric Only						
E.	Percentage of the complaint response factor - Electric Only						
	Informal Hearings - All						
F.	Number of hearings requested						
G.	Number of hearings scheduled						
H.	Total number of hearing determinations issued						
	a. Hearings resolved in favor of customer						
	b. Hearings resolved in favor of company						
	c. Hearings resolved in compromise						
I.	Reasons for the hearings						
	Customer Payment Performance - All						
J.	Number of customers paid by the due date						
	a. Non-residential						
	b. Residential						
K.	Number of customers in each category below						

The following information, as part of the reporting template, is also required by month with a total for the quarter and a column for comments.

Customer Payment Performance - All	
J.	Number of customers paid by the due date
	a. Non-residential
	b. Residential
K.	Number of customers in each category below
	1. Number of customers delinquent 6 - 30 days overall
	a. Non-residential
	b. Residential
	1b-a. Senior / Low-income
	1b-b. Non-Low-income
	2. Number of customers delinquent 31 - 60 days overall
	a. Non-residential
	b. Residential
	2b-a. Senior / Low-income
	2b-b. Non-Low-income
	3. Number of customers delinquent 61 - 90 days overall
	a. Non-residential
	b. Residential
	3b-a. Senior / Low-income
	3b-b. Non-Low-income
	4. Number of customers delinquent 91 days or more
	a. Non-residential
	b. Residential
	4b-a. Senior / Low-income
	4b-b. Non-Low-income
	5. Number of customers delinquent has been written off
	a. Non-residential
	b. Residential
	5b-a. Senior / Low-income
	5b-b. Non-Low-income
L.	Total dollar amount in each category below

L.	Total dollar amount in each category below
	1. Dollar amount for customers delinquent 6 - 30 days overall
	a. Amount of arrears Non-residential
	b. Amount of arrears Residential
	1b-a. Amount of arrears Senior / Low-income
	1b-b. Amount of arrears Non-Low-income
	2. Dollar amount for customers delinquent 31 - 60 days overall
	a. Amount of arrears Non-residential
	b. Amount of arrears Residential
	2b-a. Amount of arrears Senior / Low-income
	2b-b. Amount of arrears Non-Low-income
	3. Dollar amount for customers delinquent 61 - 90 days overall
	a. Amount of arrears Non-residential
	b. Amount of arrears Residential
	3b-a. Amount of arrears Senior / Low-income
	3b-b. Amount of arrears Non-Low-income
	4. Dollar amount for customers delinquent 91 days or more
	a. Amount of arrears Non-residential
	b. Amount of arrears Residential
	4b-a. Amount of arrears Senior / Low-income
	4b-b. Amount of arrears Non-Low-income
	5. Dollar amount for customers delinquent has been written off
	a. Non-residential
	b. Residential
	5b-a. Senior / Low-income
	5b-b. Non-Low-income
Settlements & Payment Plans - All	

Settlements & Payment Plans - All	
M.	Number of written settlement agreements
	a. Non-residential
	b. Residential
N.	Number of payment plan arrangements issued
	a. Non-residential
	b. Residential
O.	Total dollar amount enrolled in a plan
	a. Non-residential
	b. Residential
Winter Protection Plan (WPP) - Res Only	
P.	Total enrolled in program at the end of the month overall
	a. Number of low-income customers enrolled at end of month
	b. Number of seniors enrolled at end of month
Q.	Number of defaults at end of month overall
	a. Senior / Low-income
Alternative Shutoff Protection Plan - Res Only	
R.	Total enrolled in program at end of month overall
	a. Number of low-income customers enrolled at end of month
	b. Number of seniors enrolled at end of month
S.	Number of defaults at end of month overall
	a. Senior / Low-income
Shutoff Information - All	

Shutoff Information - All	
T.	Total discontinuation notices issued at end of month
	a. Non-residential
	a1. Electric
	a2. Natural Gas
	a3. Combination
	b. Residential
	b1. Electric overall
	b1-a. Senior / Low-income
	b1-b. Non-Low-income
	b2. Natural Gas overall
	b2-a. Senior / Low-income
	b2-b. Non-Low-income
	b3. Combination overall
	b3-a. Senior / Low-income
	b3-b. Non-Low-income
U.	Total of customers physically discontinued due to non-payment
	a. Non-residential
	a1. Electric
	a2. Natural Gas
	a3. Combination
	b. Residential
	b1. Electric overall
	b1-a. Low-income
	b1-b. Non-Low-income
	b1-c. Senior Non-Low-income
	b2. Natural Gas overall
	b2-a. Low-income
	b2-b. Non-Low-income
	b2-c. Senior Non-Low-income
	b3. Combination overall
	b3-a. Low-income
	b3-b. Non-Low-income
	b3-c. Senior Non-Low-income
V.	Total of customers physically discontinued due to unauthorized use
	a. Non-residential
	a1. Electric
	a2. Natural Gas
	a3. Combination
	b. Residential
	b1. Electric
	b2. Natural Gas
	b3. Combination
W.	Total of customers physically discontinued due to safety
	a. Non-residential

	a1. Electric
	a2. Natural Gas
	a3. Combination
	b. Residential
	b1. Electric
	b2. Natural Gas
	b3. Combination
X.	Total of customers physically discontinued due to access
	a. Non-residential
	a1. Electric
	a2. Natural Gas
	a3. Combination
	b. Residential
	b1. Electric
	b2. Natural Gas
	b3. Combination
Y.	Total of customers physically discontinued due to "other"
	a. Non-residential
	a1. Electric
	a2. Natural Gas
	a3. Combination
	b. Residential
	b1. Electric
	b2. Natural Gas
	b3. Combination
Z.	Number of medical emergency customers in each category below - Res
	a. Discontinuations prevented or restored due to "medical emergency" overall
	a1. Senior / Low-income
	a2. Non-Low-income
	b. Total number of medical emergencies denied
	b1. Senior / Low-income
	b2. Non-Low-income
AA.	Number of critical care customers in each category below - Res
	a. Discontinuations prevented or restored due to "critical care" overall - Res
	a1. Senior / Low-income
	a2. Non-Low-income
	b. Total number of critical care denied
	b1. Senior / Low-income
	b2. Non-Low-income
BB.	Total number of seniors identified - Res

Destination Information

Restoration Information	
CC.	Total number of customers restored - All
	a. Non-residential
	a1. Electric
	a2. Natural Gas
	a3. Combination
	b. Residential
	b1. Electric overall
	b1-a. Senior / Low-income
	b1-b. Non-Low-income
	b-2. Natural Gas overall
	b2-a. Senior / Low-income
	b2-b. Non-Low-income
	b3. Combination overall
	b3-a. Senior / Low-income
	b3-b. Non-Low-income
DD.	Total restored within five days (5) of disconnection: Non-Payment
	a. Non-residential
	a1. Electric
	a2. Natural Gas
	a3. Combination
	b. Residential
	b1. Electric overall
	b1-a. Senior / Low-income
	b1-b. Non-Low-income
	b-2. Natural Gas overall
	b2-a. Senior / Low-income
	b2-b. Non-Low-income
	b3. Combination overall
	b3-a. Senior / Low-income
	b3-b. Non-Low-income
EE.	Total restored due to receiving assistance - Res
	Electric overall
	b. Non-Low-income
	Natural Gas overall
	a. Senior / Low-income
	b. Non-Low-income
	Combination overall
	a. Senior / Low-income
	b. Non-Low-income

MPSC - Reporting Requirements Combined - Clarification		
<p>Timing: R 460.151 Reporting requirements. Rule 51. (1) A utility shall file with the commission quarterly reports that disclose all of the following.</p> <p>Data is for all customer types unless specified.</p> <p>Submission is required 45 days following the end of the identified quarter. The filing will encompass the previous quarter's information. If the 45th day falls on a weekend or a holiday, then the completed template shall be filed on the first business day following the weekend or holiday.</p> <p>The template should also be filed to case U-18120 as a PDF through the MPSC eDocket system.</p> <p>Utility: Add data to appropriate month</p>		
Customer Service		Data Representation
<p>Rule 51. (1) A utility shall file with the commission quarterly reports that disclose all of the following: (b) The number and general description of all complaints registered with the utility.</p>		
A.	The number of contacts the company receives from customers about their utility service. Contacts can come in any form. Contacts would include all complaints and inquiries.	Total for month All
B.	A complaint means a customer driven contact where corrective action occurs to resolve the matter. - The Commission does not deem requests for information, service, routine information or explanation as a complaint. - The Commission is aware that a customer may not be satisfied but accepts the utility information, explanation or verification. - A complaint can be resolved on the first call.	Total for month All
	a. Corrective action that relates directly to a customer billing dispute.	Total for month All
	b. Corrective action that relates directly to a customer "service" dispute.	Total for month All
	c. Corrective action that relates directly to a customer credit or collections of the account.	Total for month All
	d. Corrective action that relates to other areas of concern not listed above.	Total for month All
	e. Provide a description of "other" areas of concern.	Total for month All
<p>Rule 51. (2) An electric utility shall have an average customer call answer time of less than 90 seconds. An acknowledgement that the customer is waiting on the line does not constitute an answer. (a) An electric utility shall have a call blockage factor of 5% or less. The call blockage factor is calculated by multiplying the remainder obtained by subtracting the number of answers from the number of calls, multiplying by 100, and then dividing that value by the total number of calls. (b) An electric utility shall have a complaint response factor of 90% or more within 3 business days.</p>		
C.	The average customer call answer time that a utility representative, voice response unit, or automated operator system is ready to render assistance or ready to accept information necessary to process the call (R 460.102(c), (h)).	Average for the month Electric Only
D.	The call blockage factor: the percentage of calls that do not get answered. The call blockage factor is calculated by multiplying the remainder obtained by subtracting the number of answers from the number of calls, multiplying by 100, and then dividing that value by the total number of calls (R 460.102(i)).	Percentage for the month Electric Only
E.	The percentage of the complaint response factor that are forwarded to a utility by the commission that are responded to within the time period prescribed by the rules (R 460.102(m)).	Percentage for the month Electric Only

Informal Hearings		Data Representation
Rule 51. (1) A utility shall file with the commission quarterly reports that disclose all of the following: (d) The number of hearings held by the utility, the types of disputes involved, and the number of complaint determinations issued.		
F.	The number of customer hearings requested on a hearing on a disputed matter before a hearing officer that a utility offers to a customer under the provisions of R 460.155. (R 460.102(p))	Total for month All
G.	The number of customer hearings scheduled on a hearing on a disputed matter before a hearing officer that a utility offers to a customer under the provisions of R 460.155. (R 460.102(p))	Total for month All
H.	The number of written decisions of a hearing officer after a customer hearing. (R 460.102(k))	Total for month All
	a. The number of final determinations in favor of the customer.	Total for month All
	b. The number of final determinations in favor of the company.	Total for month All
	c. Hearings resolved in compromise	Total for month All
I.	Briefly list reasons for any customer hearing (i.e. billing error, high bill, shutoff, deposit, e	Total for month All
Customer Payment Performance		Data Representation
Rule 51. (1) A utility shall file with the commission quarterly reports that disclose all of the following: (a) The payment performance of its customers in relation to established due and payable periods - Data reflects all customer types. - Day range reflects the true number (ex: Customer is in arrears on day 60, on the last day of the month, the customer would be placed within the 31-60 bucket). - Report arrearage data in the actual bucket that the balance accrued (ie: a customer can have arrearages in multiple buckets).		
J.	The total number of customers who paid the amount owed by their scheduled due date.	Total for month Res & NR
K.	An account with charges for utility service that remains unpaid 6 - 30 days after the due date. (R 460.102 (r))	As of the last day of that month Res & NR
	An account with charges for utility service that remains unpaid 31 -60 days after the due date. (R 460.102 (r))	As of the last day of that month Res & NR
	An account with charges for utility service that remains unpaid 61 - 90 days after the due date. (R 460.102 (r))	As of the last day of that month Res & NR
	An account with charges for utility service that remains unpaid 91 days or more after the due date. (R 460.102 (r))	As of the last day of that month Res & NR
	An account with charges for utility service that remains unpaid where the company has written off. (R 460.102 (r)). "Written off" varies and is determined by each IOUs policy.	As of the last day of that month Res & NR
L.	The total dollar amount on an account with charges for utility service that remains unpaid 6 - 30 days after the due date. (R 460.102 (r))	As of the last day of that month Res & NR

	The total dollar amount on an account with charges for utility service that remains unpaid 31 -60 days after the due date. (R 460.102 (r))	As of the last day of that month Res & NR
	The total dollar amount on an account with charges for utility service that remains unpaid 61 - 90 days after the due date. (R 460.102 (r))	As of the last day of that month Res & NR
	The total dollar amount on an account with charges for utility service that remains unpaid 91 days or more after the due date. (R 460.102 (r))	As of the last day of that month Res & NR
	An account with charges for utility service that remains unpaid where the company has written off. (R 460.102 (r)). "Written off" varies and is determined by each IOUs policy.	As of the last day of that month Res & NR
Settlements & Payment Plans		Data Representation
Rule 51. (1) A utility shall file with the commission quarterly reports that disclose all of the following: (e) The number of written settlement agreements entered into by the utility.		
M.	The number of customers who have entered into a <u>written</u> agreement to settle a dispute and may include to pay back on a unpaid balance over a duration of time. (R 460.158)	Total for month Res & NR
N.	The number of customers who have entered into an agreement to pay back an unpaid balance over a duration of time. Arrangements can be verbal. (R 460.146)	Total for month Res & NR
O.	The total dollar amount for all customers who have entered into an agreement to pay back an unpaid balance.	As of the last day of that month Res & NR
Winter Protection Plan (WPP)		Data Representation
P.	The number of customers who are classified under Winter Protection Plan. (R 460.131)	Total for month Res
Q.	The number of customers who defaulted on the program. (R 460.131)	Total for month Res
Alternative Shutoff Protection Plan		Data Representation
R.	The total number of customers who are classified under Shutoff Protection Plan (R 460.131(10))	Total for month Res
S.	The number of customers who defaulted on the program. (R 460.131(10))	Total for month Res
Shutoff Information		Data Representation
Rule 51. (1) A utility shall file with the commission quarterly reports that disclose all of the following: (c) The number of shut off notices issued by the utility and the reasons for the notices. (f) The number of shut offs of service and the number of reconnections. (g) Any other customer service quality information requested by the commission staff. Note: Shutoff of service (R 460.102b(h)) means a discontinuance of utility service that is NOT requested by the customer.		
T.	The total number of notices sent to customers. (R 460.136; R 460.139; R460.143(1))	Total for month Res & NR
U.	The total number disconnected due to non-payment for electric or natural gas. (R 460.137(1)(a), (b), (f); (2)(b)(i)(ii); (3)(a)(b))	Total for month Res & NR
V.	The total number disconnect due to unauthorized use for electric or natural gas. (R 460.102b(l); R 460.136, R 460.137(1)(c)(e); R 460.137(2)(a))	Total for month Res & NR
W.	The total number disconnected due to safety for electric or natural gas. (R 460.136)	Total for month Res & NR
X.	The total number disconnected due to access for electric or natural gas. (R 460.137(1)(d))	Total for month Res & NR

Y.	The total number disconnected that does not fall into the above categories for electric or natural gas. (i.e. prepaid, pilots, etc.) (R 460.137 or program terms and conditions)	Total for month Res & NR
Z.	The number of customers or member of the customer's household who have an existing medical condition as defined and certified by a physician or public health official on a commission-approved medical certification form, that will be aggravated by the lack of utility service. (R 460.102a(i); R 460.130)	Total for month Res
AA.	The number of customers or member of the customer's household who require, home medical equipment or a life support system, and who, on an annual basis, provides a commission-approved medical certification form from a physician or medical facility to the utility identifying the medical equipment or life support system and certifying that an interruption of service would be immediately life-threatening. (R 460.102(n); R 460.130a)	Total for month Res
BB.	The total number of seniors coded (prevention and restoration) at the end of the report month. (R 460.102(u); R 460.132)	Total for month Res
Restoration Information		Data Representation
CC.	The number of customers restored due to the customer request when the cause has been cured or credit arrangements satisfactory to the utility (R 460.144 or participating in a winter protection plan (R 460.131 or R 460.132(2))).	Total for month Res & NR
DD.	The total number of customers restored within five days of disconnection for non-payment.	Total for month Res & NR
EE.	Total restored due to receiving assistance	Total for month Res
Definitions		
	All - Customers classified as residential and non-residential.	
	Delinquent account - an account with charges for utility service that remains unpaid 5 days or more after the due date. (R 460.102 (r))	
	Low-income customer – A utility customer whose household income does not exceed 150% of the federal poverty guidelines as published by the United States department of health and human services or who receives any of the following: (1) Supplemental security income or low-income assistance through the department of human services or successor agency. (ii) Food Stamps. (iii) Medicaid. Also include, if a utility has other policies that expand the baseline for these protections (ex: 200% of poverty level) (R 460.102 (n))	
	Non-Low-income customers - Someone that is NOT designated as low-income within the utility system.	
	NR = Non-Residential - A customer who uses electric or natural gas for commercial premises.	
	Res = Residential - A customer who uses electricity or natural gas for residential purposes.	
	Senior customers – A utility customer who meets both of the following criteria: (1) Is 65 years of age or older. (ii) Advises the utility of his or her eligibility. Please include, if a utility has other policies that expand the baseline for these protections (ex: age 62). (R 460.102 (p))	

Appendix B – CCC Critical Care Shut Off Protection Invited Participants

INVITED PARTICIPANTS		
Aaron Ferguson	Andrew Williamson	Brad Banks
Aaron Walden	Andy	Brad Bartholomew
Aileen Gow	Angela Marez	Brad Klein
Aimee Gendusa-English	Angela Sterner	Branden Recker
Alexandria Mehls	Anne Armstrong	Brandon Kawalec
Alexis Blizman	Anne Marie Hertl	Brandy Clarks
Alger Marquette CAA	Annick Anctil	Brandy Quinn
Alicia Miller	Annika Brindel	Brandyn Deckinga
Alicia Ramon	Antoinae Lewis	Brenda Molendyk
Alison Lindburg Good	Ariana Gonzalez	Brian Lambert
Alison Sutter	Ashely Zuverink	Brian McGrain
Allison Harris	Ather	Briana DuBose
Alyssa Stewart	Aubrey Agee	Briana Parker
Amalia Hicks	Baraga Houghton Keweenaw	Brittany Klocke
Amanda Pawloski	Barry Rutherford	Brittany Turner
Amelia Ackley	Ben Cabanaw	Brooke Kersten
Amy Bandyk	Ben Dueweke	Bryan Owens
Amy Yost	Ben Stacey	CAA Oakland Livingston Comm
Andrea Anders	Benjamin Gulker	Candy Riem
Andrea Maloy	Beth Newman	Capital Area Community Services
Andrea Pierce	Bethany Stutzman	
Andrea Salazar	Beverly Cassidy	Cara Freitag
Andrew McNeally	Bob Granger	Carin Speidel
Andrew Mielcarek	Bob Liss	Carina Gronlund
Andrew Reynolds	Boratha Tan	Carl Lindquist
Andrew Sarpolis		

INVITED PARTICIPANTS

Carla Walker Miller	Dallas Braun	Elizabeth Wallace
Carlee Knott	Dan Blair	Emily
Carmen Welch	Dan Dundas	Eric Brown
Carol Glanville	Dana McDade	Eric Schrader
Carol Smith	Dana Parker	Eric Schraeder
Cartyea Mathies	Darien Pipkin	Erica Bouldin
Catherine Lee	Darlene Kramp	Erica Larsen
Chanell Contreras	Darrell Oakley	Erica Richard
Charlotte Jameson	David Baron	Erik Schreur
Charyl Kirkland	David Becker	Erika Dominick
Cherrie Benchley	David Gard	Erin Banchoff
Chris Forist	David Isakson	ezwiebach
Chris McTaggart	David Soule	Farah Khayat
Chris Munn	Deanna Sparks	Fran Dalton
Chris Neme	Debbie Fisher	Freya Kennedy
Chris Praedel	Derrell Slaughter	Gary Ringer
Chris Ross	Derrick Meeking	Geoff Bierbower
Christopher Elliott	Diane McCloskey	Gloria Jean Lowe
Clarence Stokely	Diane Mier	Grace Michienzi
Corri Sandwick	Douglas Chapel	Greg Ehrendreich
Cory Connolly	Douglas Jester	Greg Walker
Courtney Doyle	Dr Mary Smyth	Hassan Hammoud
Courtney Wisinski	Drew Simon	Hayley Sakwa
Crystal Bernard	Dwayne Goldsmith	Heather Kapustka
Dain Gates	Elaina Braunschweig	Heather Riggle
Dale Freeman	Elena Saxonhouse	Heather Zygmuntowicz

INVITED PARTICIPANTS

Heidi Johnson	Jennifer Schmidt	Joseph Cooke
Henry Love	Jennifer Shutts	Joshua Reetz
Heyde Mitchell	Jeremy Biddle	Juan Jhong Chong
India Solomon	Jeremy Forr	Julia Field
Iselda Esquivel	Jeremy Williams	Julie Baldwin
Ity Program	Jerome Drain	Julie Cassidy
Jaccie Smith	Jesse Deer In Water	Julie McLaughlin
Jackson Koeppel	Jessica Gouveia	Julie Staveland
Jaclyn Hulst	Jessica Minor-Baetens	Justin Miller
Jacob Hardy	Jessie Dwannvor	Kamilah Outlaw
Jake Thelen	Jill Steiner	Karen Gould
Jalen Ray	Jim Tischler	Karen MacDonald
James Gignac	Jim Van Sickle	Kari Ross
Jamie Curtis	Jodi Formolo	Kari Sherman
Jamie McCarthy	Joe Forcillo	Karina Roberts
Jamie Simmons	Joel Howrani Heeres	Karl Hoesch
Jamison Lenz	Joel King	Karsten Szajner
Jason Cole	Joel Ruitter	Kasey Grieco
Jason Kupser	John Carmody	Kathie Flanery
Jeff Koch	John Kinch	Kathryn
Jeff LeBrun	John Van Nieuwenhuyzen	Kathryn (Katie) Wood
Jen Dennis	Jon Walter	Katie Smith
Jennie Pollak	Jonathan Clark	Kayla Gibbs
Jennifer Bowman	Jordan B. Walker	Kaylen Humes
Jennifer Flynn	Jose Goncalves	Kelly Salaam
Jennifer Graham	Jose Reyna	Kelsey Bissett

INVITED PARTICIPANTS

Kendal Kuneman	Lisa Thomas	Merideth Hadala
Kent Schulze	Liz Jacob	Mia Harnos
Kevin Bilyeu	Lorraine Cameron	Michael Black
Kevin Chan	Lucy Clay	Michael McKnight
Kierra Riser	Luis Salas	Michael Moody
Kimberly White	Lyke Thompson	Michelca Scruggs
Kirkland Harrington	Lynne McCollum	Michelle Wilson-Merriwe
Kris Schoenow	Maddy Kamalay	Mid-Michigan CAA
Kristen Bolds	Mae Winters	Mike Berkowitz
Kristen Cetin	Maria Christian	Molly Welch Marahar
Lani Forbes	Maria Galarza	Monica Martinez
Larysa Blyzniuk	Marissa Boerman	Monroe County Opportunity
Laura Drayton	Marissa Martz	munity Services
Laura Goldberg	Mark Garcia	Nancy Lindman
Laura Lam	Mark Kraus	Naomi Simpson
Laura Sherman	Martin Kushler	Natalie Newman
Lauren Fromm	Mary Wilkins	Nathaniel Zorach
Laurie Owens	Matt Bergeon	Nicholas Cross
Leslie Zarker	Matt Menze	Nicholas Leonard
Linda Azar	Meagan Emmons	Nicholas Revere
Lindsey Clements	Megan Kolioupoulos	Nick Dobkowski
Lindsey Vaclav	Megan Pratt	Nick Elkins
Lisa Motz	Meghan Tarver	Nick Sakon
Lisa Pape	Melanie Smith	Nicole Hill
Lisa Pucelik	Melissa Seifert	Niki Fanjoy
Lisa Ritter	Melodie Valvano	

INVITED PARTICIPANTS

Nina Baldassare	Regina Strong	Sandra Turner Handy
Ninah Sasy	Renee Kent	Sarah Jorgensen
Noah Purcell	Rev. Edward Pinkney	Sarah Kile
Northeast Michigan Com Northwest Michigan	Rhonda Anderson	Sarah Lafrance
Olivia Li Szilagyi	Rhonda Jones	Sarah Mullkoff
Pam McCain	Richard Gadacz	Sarah Perhach
Pamela Maddox	Richard Stasik	Sarah Rainero
Parth Vaishnav	Rick Bunch	Sarna Salzman
Pat O'Boyle	Rob Kelter	Saunteel Jenkins
Patrice McFarlin	Rob Oakleaf	Scott Darragh
Patrick Devon	Robert Nelson	Scott Davis
Patrick Leahy	Robin Jennings	Sean Reed
Patrick Schillinger	Robin Lisowski	Sean Scane
Patrick Walters	Ronald Jimmerson	Sereen Dababneh
Paul Miyamoto	Roslyn Ogburn	Sergio Cira-Reyes
Paula Kaiser Van Dam	Ryan Cook	Seth Shpargel
Peg Mathis	Ryan Gaffney	Shama Mounzer
Phyllis Eckles	Ryan Houck	Shannon Burzycki
Rachael Norman	Ryan Keilen	Shatina Jones
Rachel Krogman	Ryan Oswald	Shaun Wright
Rafael Mojica	S Gomborg	Shawn Starkweather
Ramsay Ritchie	Saginaw County CA Committee	Shimekia
Raomel Morrison	Sakinah Howard	Sonya Frick
Rebeca Barrios-Hurst	Sam Whillans	Stephanie Oles
Regina Sistevaris	Sandra Pearson	Stephanie Osterland
		Steve Christensen

INVITED PARTICIPANTS

Steve McLean	Tonya Young
Susan Lindson	Triva Coleman
Sylvia Orduno	Ty Liggons
Synia Gant-Jordan	Unity Services Agency
Tammy Squires	Vabla
Tanisha Rawls	Wanda Clavon Jones
Tanya Paslawski	Wayne Metropolitan CAA
Taylor Stawecki	Wende Randall
Ted Ykimoff	Will Gallmeyer
Teresa McKay	Yolanda Wilson
Terri O'Neal	Yvonne Lewis
Thac Nguyen	
Theo Okiro	
Theresa Landrum	
Thom Knoll	
Thomas Mann	
Tiffany Vantino	
Tim Skrotzki	
Tina Wahl	
Toby Lewis	
Todd O'Grady	
Tom Page	
Tom Ralston	
Tony Reames	
Tony Walker	
Tonya Swenor	

Appendix C – CCC Results from Survey One

1. Do you think there are any issues with the Critical Care Protection? *

Yes

I

No

2. Please share your thoughts about issues with the Critical Care Protection:

Enter your answer

3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? *

Yes

No

4. Please share your thoughts about requiring customers to apply for assistance:

Enter your answer

5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? *

Yes

No

6. Comments regarding a requirement to pay off a portion of an outstanding balance:

Enter your answer

7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection?

Yes

No

8. Share any comments about a requirement to enroll in a payment plan:

Enter your answer

9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available?

Yes

No

10. Comment about requiring utilities to keep critical customers aware of available assistance:

Enter your answer

11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

Enter your answer

1. Do you think there are any issues with the Critical Care Protection?

[More Details](#)

- Yes 18
- No



3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point?

[More Details](#)

- Yes 14
- No 5



I

5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point?

[More Details](#)

- Yes 9
- No 10



7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection?

[More Details](#)

- Yes 11
- No 8



9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available?

[More Details](#)

- Yes 15
- No 4



Survey One Results – Response 1

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection:
I think that there are customers that could pay but choose not to because of the protection. This is not fair to the customers that do pay their bill.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point?
Yes
4. Please share your thoughts about requiring customers to apply for assistance: All forms of assistance should be exhausted.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point?
Yes
6. Comments regarding a requirement to pay off a portion of an outstanding balance:
It shows a good faith effort to take care of their own expenses.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection?
Yes
8. Share any comments about a requirement to enroll in a payment plan:
If there is any ability to pay any portion, the customer should make an effort.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available?
No
10. Comment about requiring utilities to keep critical customers aware of available assistance:
The utilities already do enough. The customers should want to pay their fair share. They can seek out assistance on their own.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

Survey One Results – Response 2

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: Administrative burden for energy provider and especially customers. For customers at an extremely burdensome to provide verification and there is Little to no support to aid in that process. Lack of awareness, that program exist and additional assistance that may be available to support crisis aversion.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point?
No
4. Please share your thoughts about requiring customers to apply for assistance: Customer should be provided a navigator to support their enrollment and assistance program, but it should not be required as that is an additional barrier to them getting the support that they need.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point?
No
6. Comments regarding a requirement to pay off a portion of an outstanding balance: Depending on the income of the resident impacted, then they should be determined. Overall, if there's a need and the family or resident is low income, then they shouldn't be required to pay a portion. They should be a sliding fees scale to remain on the program.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection?
No
8. Share any comments about a requirement to enroll in a payment plan:
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available?
Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance:
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

Survey One Results – Response 3

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection:
The program should not offer NO SHUT off without any type of payment. If the customer was paying prior to the critical care issues, there should be an assumption that payments would continue. ONLY customers who are on EA should be in a no shut off protection plan. It would also be good to know as a team what the additional cost of medical equipment usage adds to a customer bill. Could that portion be deferred in lieu of all usage?
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? Yes
4. Please share your thoughts about requiring customers to apply for assistance:
if the customer falls in the perimeters of the EA program they should be required to apply
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? Yes
6. Comments regarding a requirement to pay off a portion of an outstanding balance:
if customer was making payments prior to CC there should be a continuance. If customer is using EA that also should be considered.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? Yes
8. Share any comments about a requirement to enroll in a payment plan:
If the customer qualifies for the EA program that should be the first step to ensure that previous balances are reduced or eliminated the stress of needing CC is also demanding, so could CE roll this all into one application? Are there other resources for braiding funds with CC?
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance:
this will keep CE in the loop and be an advocate for the customer in lieu of walking from them. The feeling of "count on us" could stand as we work as a team.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection: again, it would be good to see what the increase in bill would be with CC. Having a liaison that could work with the customer on next steps and payment program - keeping CE at the forefront as an ambassador to the customer with other groups that maybe could assist.
Involve the insurance companies as this is a direct cost associated with the CC - like meds etc. and advocate this across the state - be the change!

Survey One Results – Response 4

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: I personally think that the Critical Care Protection is being "abused" or used for the wrong reasons by customers. I don't think it is being used as it should be when the customer/patient is experiencing a medical crisis. I think some people are using it as a way to have their account protected and avoid making regular payments.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? Yes
4. Please share your thoughts about requiring customers to apply for assistance:
I think the customer should do anything they can to reach out and apply for assistance or any sort of help before turning to the Critical Care Protection. Applying for any and all available assistance opportunities would benefit the customer in potentially getting help with paying balances and arrears and set the customer up for success going forward. The responsibility should be on the customer to seek assistance and should be a requirement before turning to Critical Care Protection in most cases.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? Yes
6. Comments regarding a requirement to pay off a portion of an outstanding balance: I think requiring customers to pay off a portion of any outstanding balances before being able to enroll in Critical Care Protection would be a great idea. It would help reduce the arrears by some amount and show the customer is willing and, in a way, trying to take care of their arrears amount. It holds the customer responsible and is showing critical care is not just a "free" hold/protection on the account to avoid making payments.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? No
8. Share any comments about a requirement to enroll in a payment plan: I don't think it should be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection. If the customer can't keep up with the monthly amount of the payment plan and default off the plan, they would just end up right back where they started with an outstanding balance and maybe even a larger amount than before.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? No
10. Comment about requiring utilities to keep critical customers aware of available assistance: I don't think it should be a requirement for the utilities to keep critical customers aware of available assistance. It should be the customers responsibility to reach out and seek assistance when they need it. In my personal experience, reaching out to medical/ critical care customers to tell them directly there is assistance available did not have a great outcome. Very few customers, roughly less than 5-10% took advantage of the assistance opportunity.

11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

1.) Have a specific list of equipment/ conditions for what is approved and what is not approved for critical care would be extremely helpful and beneficial to the utility companies processing these forms on a daily basis. It makes it uniform across the board for all utilities on what is typically approved or denied for Critical Care. I think it would be helpful to have a list for medical emergency as well.

2.) Have a clear definition on the medical certification form defining what a public health official means. The form itself says under the section where the physician or public health official signs the form, "I certify that the patient identified on this form has been examined by me and to the best of my knowledge, etc.." Not all public health officials can examine patients. So, to have a clear definition or list of which physicians and public health officials are authorized to complete and sign the medical certification form would be very beneficial.

3.) Update the layout of the medical certification form to make the lines/boxes for medical emergency and critical care the exact same. This could cause less confusion for physicians completing the forms. Medical emergency has a spot for condition and equipment while critical care only has a spot for equipment. In my experience this leads to the physician selecting and writing in both medical and critical care since there was not the condition lines under critical care.

4.) Have a guideline or list of reasons a medical certification form may be denied would be a good steppingstone.

5.) Update the billing rules to be more specific, detailed and clear or "spelled out" regarding the medical and critical care process.

Survey One Results – Response 5

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: Any program has its challenges.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? Yes
4. Please share your thoughts about requiring customers to apply for assistance: Likely, but it should not hold up the process
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? No
6. Comments regarding a requirement to pay off a portion of an outstanding balance: Not as long as you are up to date on payments
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? No
8. Share any comments about a requirement to enroll in a payment plan: Not as long as they are up to date on payments
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance: Yes, if they are willing.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:
Thank you

Survey One Results – Response 6

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection:
Unscheduled outages. We have now been without power for 24 hours.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? No
4. Please share your thoughts about requiring customers to apply for assistance: The assistance process is very time consuming and some of the information required may take time to gather. Separate is better s combination programs.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? No
6. Comments regarding a requirement to pay off a portion of an outstanding balance: If you have a medical emergency chances are stress is high. Adding to the already high stress does no customer any good.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? Yes
8. Share any comments about a requirement to enroll in a payment plan: Nothing wrong with a payment plan.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? No
10. Comment about requiring utilities to keep critical customers aware of available assistance:
Shouldn't be the utilities place. Maybe doctors? Maybe the utility could have a repository to direct customers that would have details.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:
Power outages are a huge problem! Are the per hour/ per outage tracked for critical care recipients?

Survey One Results – Response 7

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: There should be requirements for enrolling in the Critical Care Protection Plan, required minimum payment (maybe based on household income), if payment is missed, follow ups regarding why, referrals to agencies for assistance, maybe a portion of past due balance paid to enroll, etc. Too many are enrolled and don't make any payments which cause their accounts to increase significantly to the point where no outside agencies can assist as the account balance is too high.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? Yes
4. Please share your thoughts about requiring customers to apply for assistance: They should show that they are seeking assistance and utilizing resources to lower their balance before entering the program. This could help lower their account balance before entering the program, so that they don't become too far behind that other agencies are unable to assist.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? Yes
6. Comments regarding a requirement to pay off a portion of an outstanding balance: Since most of the households that are put on this program end up with large account balances, paying off a portion prior to enrolling shows their willingness to work with the program and efforts to become self-sufficient in continuation of their payments later.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? Yes
8. Share any comments about a requirement to enroll in a payment plan:
A minimum required payment should be established based on the household's income to show good faith and effort in working towards lowering their account balance. If this is not established, the client may not make any payments as some haven't and end up with large account balances in which no outside agencies can assist.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance: This is a yes and no. Providers should assist the client in any way possible so that their account balance does not become too high or outstanding. This is just common practice that should be taken to assist them in lowering their balance.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection: None other than those indicated above.

Survey One Results – Response 8

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: Protection options are not always known to those in need. It isn't easy to ensure that those in need know that help is available and how to access it.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? No
4. Please share your thoughts about requiring customers to apply for assistance: Many in need do not want to go through the MDHHS certification process, or may lack a piece of information that is required through that process.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? Yes
6. Comments regarding a requirement to pay off a portion of an outstanding balance: A reasonable amount (with consideration of income) to pay towards any arrears should be considered.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? Yes
8. Share any comments about a requirement to enroll in a payment plan:
This is a good way to create a healthy transition for that customer to get back on track.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance: Utilities have a duty to communicate available assistance options, and it is in their best interest to avoid past due situations.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

Survey One Results – Response 9

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: I'd like to reframe the focus of this effort to actual protection of customers who are critically ill. Focusing on simply on major energy providers collecting debt from customers who may be having extreme health issues and difficulty paying may be perceived negatively. Perhaps reframe the focus to proactively protecting the customer for when their critical care protection ends.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? Yes
4. Please share your thoughts about requiring customers to apply for assistance: I think it should be built into the critical care procedure.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? No
6. Comments regarding a requirement to pay off a portion of an outstanding balance: Only if there are community, grant and/or philanthropic funds available to support a payment.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? No
8. Share any comments about a requirement to enroll in a payment plan: -Customers who are on "critical care" should be given a set affordable rate to pay based on income and expenses. Most times they do not qualify for low payment plans due to their usage. I feel like they are being punished due to their health issues, and it is unfair and inhumane.
-Customers are deciding not to use oxygen tanks. etc. because they do not want their power to get shut off. We should not want our customers to choose between their health and utilities needed to maintain life. -Payments should be income based – not based on usage since these customers will most likely have high usage.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance: Utilities should work with MEAP grantees to share data on critical care customers. MDHHS should make adjustments to consider critical care customers as "crisis" customers and allow a maximum amount to be paid towards arrears. Also, MDHHS/MPSC should consider allowing the MEAP cap to be waived for critical care customers.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection: Utilities provide some MEAP grantees millions of dollars in donation funding. Why aren't those dollars being used to support critical care customers?

Survey One Results – Response 10

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: The bills get too large for SER and MEAP to be able to assist.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point?
Yes
4. Please share your thoughts about requiring customers to apply for assistance: I do think clients should apply for assistance, if they are eligible, and reapply each grant term, however, all customers will not be eligible due to their FPL or AMI.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point?
No
6. Comments regarding a requirement to pay off a portion of an outstanding balance: That may not be possible and that could be another roadblock for a household in crisis.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection?
Yes
8. Share any comments about a requirement to enroll in a payment plan: I think all customers should be enrolled in a payment plan with the utility right from the beginning.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available?
Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance:
It could be a part of the agreement with the utility that the income-eligible household should apply to SER and MEAP to make their payments manageable.

The household could be placed on a payment plan with the utility regardless of SER and MEAP eligibility.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

Survey One Results – Response 11

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: Critical Care protection not requiring a payment or assistance application puts remaining household members at risk when they lose the protection. For utilities, it puts an undue burden creating high arrears while the protection without payment is allowed for even non-low-income customers.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point?
Yes
4. Please share your thoughts about requiring customers to apply for assistance: As part of the enrollment, an SER/MEAP application should be required and a strong suggestion of enrollment in an APP should be encouraged which requires a subsidized monthly payment. Thoughts on application when funding isn't available will need to be considered.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point?
No
6. Comments regarding a requirement to pay off a portion of an outstanding balance:
I would be concerned about a customer's ability to pay a downpayment unless receiving SER/MEAP assistance. I would focus on monthly payments after enrollment.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection?
Yes
8. Share any comments about a requirement to enroll in a payment plan: Monthly payments of all customers should be encouraged in any circumstance.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available?
Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance:
It is in the customers and the utilities best interest to educate about assistance.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

Survey One Results – Response 12

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: Challenges faced with increasing arrears and no plans to require steps to reduce balance owed or prevent in the future; limited access to assistance/support once balances grow beyond assistance caps.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? Yes
4. Please share your thoughts about requiring customers to apply for assistance: Eligible customers can avoid accruing large arrears if they can receive assistance throughout the year. This will support their ability to manage their balance responsibilities, if/when they are no longer protected under critical care.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? No
6. Comments regarding a requirement to pay off a portion of an outstanding balance: Payment towards outstanding balance should be encouraged but not required given the need to understand and remain flexible for each case. Requiring steps toward applying for assistance may increase success and avoid further hardship.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? Yes
8. Share any comments about a requirement to enroll in a payment plan: Payment plans terms would need to be further discussed. Given the severity and potential impact we would need flexibility, but should be doing something to continue to encourage payment activity. Further, requiring steps toward applying for assistance may increase success and avoid further hardship.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance: All inquiries for critical care should be responded with information on available assistance for the customer. If it is determined that applying for assistance at the time of the critical care inquiry process is required, then this communication would support the requirement.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

Survey One Results – Response 13

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: The amount customers owe keep building without some way for them to be paid down.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point?
Yes
4. Please share your thoughts about requiring customers to apply for assistance:
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point?
No
6. Comments regarding a requirement to pay off a portion of an outstanding balance:
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection?
No
8. Share any comments about a requirement to enroll in a payment plan:
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available?
Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance:
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:
I think they should look into somehow getting medical insurance to cover some of that cost.

Survey One Results – Response 14

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: The thought behind the critical care protection is wonderful. The protection is allowing customers to go extended periods of time without making any payments on their accounts. This is HURTING our customers, allowing them to build up arrears that they could never actually pay. In addition, the arrears are often too high for them to even be able to seek assistance.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? Yes
4. Please share your thoughts about requiring customers to apply for assistance: I love the idea of having a customer apply for assistance. We have heard from many agencies that they would happily help customers in a medical/critical care situation. Applying early will definitely help!
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? Yes
6. Comments regarding a requirement to pay off a portion of an outstanding balance: Yes, I am all for requiring SOME sort of payment from customers.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? Yes
8. Share any comments about a requirement to enroll in a payment plan: Again, all for it. Customers need to continue to pay on their accounts instead of going 365+ days without a payment while accruing balances.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available?
10. Comment about requiring utilities to keep critical customers aware of available assistance: Our company constantly communicates assistance options to our customers.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:
 - MPSC provide utilities a list of medical/critical care equipment/conditions that should fall into each category
 - Usage limitations or thresholds for usage, residential rate only.
 - Set up like other plans, where they are required to make a certain payment every month. Set \$, or % of usage
 - Income verification or payment plan while on the program.
 - Form states a valid ID must be provided - who's ID is required? Customer or patient?
 - Does account type matter - gas only, electric only or combo? (If it's a gas only account, their equipment isn't being impacted since we aren't providing electricity.)

Survey One Results – Response 15

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: During the meeting, it was noted how much people can quickly owe. I think that if someone is in need of assistance, it shouldn't be delayed until they are in a big hole of debt to the extent possible.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point?
Yes
4. Please share your thoughts about requiring customers to apply for assistance: In effort to assure people receiving assistance need and then still need assistance, an application should be filled out. It may be necessary to provide the customer with assistance in filling out the application.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? No
6. Comments regarding a requirement to pay off a portion of an outstanding balance: I answered "No" because I assume that assistance is needed thus the ability to pay a portion of the balance is limited. Now if there are tiers of assistance based on income and debt them maybe paying a portion makes sense.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection?
Yes
8. Share any comments about a requirement to enroll in a payment plan:
If this was done similar to medical bills such that the payment is based upon the ability to pay and may be as low as \$5 then yes.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance:
This is important because it helps to break the cycle.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

Survey One Results – Response 16

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection:
 - It should be a requirement that customers continue to make payments on their accounts. A special payment plan to help keep arrears down. This will also help with the agencies to provide payment assistance.
 - The certification form states valid ID must be provided - who's ID is required? Customer or patient? The customer of record and who the critical care is for ID should be provided.
 - If the medical form is for a minor, there should be some validation the customer of record is the legal guardian
 - Does the account type matter for critical care if it's gas only account, their medical equipment isn't being impacted.
 - Can a list of life treating medical equipment be provided?
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? Yes
4. Please share your thoughts about requiring customers to apply for assistance:
 - If the customer falls within the income guidelines, they should be led down the path to seek energy assistance. If the customer is recertifying for critical care, they should be required to seek energy assistance.
 - If a customer is not required to seek energy assistance, it can eliminate or reduce the customer's opportunity to seek energy assistance if they are allowed to keep building arrears over the agency's threshold.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? Yes
6. Comments regarding a requirement to pay off a portion of an outstanding balance: Customers recertifying for critical care should pay at least 20% - 30% of their balance if they are above the income guidelines to seek energy assistance.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? No
8. Share any comments about a requirement to enroll in a payment plan: Enroll the customer on a plan like LSP, where they are required to make a certain payment every month. Set a dollar amount, or % of based of their usage.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance: Critical care customers can have a dedicated representative to contact them monthly, provide energy tips, payment plan options, and referred the customer to agencies for assistance.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

Survey One Results – Response 17

1. Do you think there are any issues with the Critical Care Protection? No
2. Please share your thoughts about issues with the Critical Care Protection:
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? No
4. Please share your thoughts about requiring customers to apply for assistance: I do see a having a requirement for enrolling, however, unless the policies and resources change, it seems like a waste of time to have them do this at recertification.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? Yes
6. Comments regarding a requirement to pay off a portion of an outstanding balance: Typically, in emergency services whether it's utilities, housing, and so on- there is a higher success rate if the clients/customers have some buy in. I would suggest it be only a 5-10% of the bill amount though. It should be something that is obtainable by most AND include a hardship application for those who absolutely are unable to pay.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? No
8. Share any comments about a requirement to enroll in a payment plan: Consumer's energy payment plans are one of the most difficult plans to stay on for low-income households. I would be interested to see what the actual success rate is of these as in my experience, people will agree and have no shot of sticking to it- making them ineligible for future payment plans.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance: This just seems like it would be the best way to keep clients' costs down and keep them from building a higher balance.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

Survey One Results – Response 18

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection: not having any required payments creates unsustainable energy burdens for households. Customers need to be required to contribute something to their account in order to qualify and remain on Critical Care Protection.
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point? Yes
4. Please share your thoughts about requiring customers to apply for assistance: customers should be required to attempt to get assistance to help decrease their balance prior to enrollment so the account doesn't reach an impossible balance that they are unable to pay or get assistance with paying.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? Yes
6. Comments regarding a requirement to pay off a portion of an outstanding balance: there should be a requirement for a customer payment, customers should have to contribute to their usage even if they need critical care protection. If bills go unpaid indefinitely this creates a bigger crisis eventually.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? Yes
8. Share any comments about a requirement to enroll in a payment plan: setting customer payments, even if income based or other, will help the customer to avert a bigger crisis in the end.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance: utilities should inform customers of all assistance options available in attempt to reduce the customer balance and payment burden.
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection: Require a certain form to be completed by a medical professional that only gives the protection to qualified/approved customers. Require certification more frequently.
Require minimum payment amounts or number of payments, either income based or other.

Survey One Results – Response 19

1. Do you think there are any issues with the Critical Care Protection? Yes
2. Please share your thoughts about issues with the Critical Care Protection:
 - Very low level of knowledge regarding the program
 - Hard to fill out and upload form to utility
 - Costs incurred with having to have a doctor's appointment in order to have the form signed
 - Form is confusing to customers
 - Unclear to customers what constitutes critical care versus medical emergency
3. Should there be a requirement for customers to apply for assistance prior to enrolling in the Critical Care Protection and again at the recertification point?
No
4. Please share your thoughts about requiring customers to apply for assistance: SER/MEAP programs often run out of funding earlier than the 12-month duration of these programs -- it would be deeply unfair to condition the Critical Care Protection on applying for programs that do not have sufficient funding to actually be accessible. Further, not all Critical Care Customers need assistance, some just want to fill out the documentation to have the protection in case they miss a payment due to a health crisis.
5. Should there be a requirement to pay off a portion of any outstanding balance prior to enrolling in the Critical Care Protection, and again at the recertification point? No
6. Comments regarding a requirement to pay off a portion of an outstanding balance: As Critical Care Customers are dealing with serious health issues; they may not have the ability to pay off a portion of their balance in order to participate. The goal of this program should be protecting the health and lives of customers and not exacerbating health issues by increasing the stress on a customer to enroll in the program.
7. Should there be a requirement that a customer enrolls in a payment plan if there is any outstanding balance prior to enrolling in the Critical Care Protection? No
8. Share any comments about a requirement to enroll in a payment plan: Currently utilities only offer very limited payment plans and many of these plans are not accessible or affordable for low-income customers. Unless and until utilities dedicate the staff time and resources necessary to crafting affordable and accessible payment plans, there should not be requirement to enroll in such a plan to access the Critical Care Program.
9. Should there be a requirement for utilities to keep critical care customers aware of any assistance that is available? Yes
10. Comment about requiring utilities to keep critical customers aware of available assistance:
11. Comment on any other ideas or suggestions regarding the current Critical Care Protection:

Appendix D – CCC Results from Survey Two

1. Should we change the definition of Critical Care to make "immediately" life threatening clearer? *

Q Yes

Q No

2. Should there be a list of medical devices acceptable for Critical Care customers? *

Q Yes

Q No

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice) *

No changes

Requiring some sort of Payment Plan option during the journey.

Requiring some sort of Assistance option during the journey, if income qualified.

Requiring both Payment Plan options and Assistance during the journey.

Special Medically Vulnerable Rates

1. Should we change the definition of Critical Care to make "immediately" life threatening clearer?

[More Details](#)

- e Yes 21
- No 9



2. Should there be a list of medical devices acceptable for Critical Care customers?

[More Details](#)

- Yes 20
- No 10



3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)

[More Details](#)



Survey Two Results – Response 1

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

No

2. Should there be a list of medical devices acceptable for Critical Care customers? No

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)

Requiring some sort of Assistance option during the journey, if income qualified. Requiring both Payment Plan options and Assistance during the journey.; No changes; Requiring some sort of Payment Plan option during the journey.; Special Medically Vulnerable Rates.

Survey Two Results – Response 2

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)

Requiring some sort of Payment Plan option during the journey.; Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; Special Medically Vulnerable Rates; No changes.

Survey Two Results – Response 3

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

No

2. Should there be a list of medical devices acceptable for Critical Care customers? No

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring some sort of Assistance option during the journey, if income qualified.;
Requiring both Payment Plan options and Assistance during the journey.;
Requiring some sort of Payment Plan option during the journey.; No changes;
Special Medically Vulnerable Rates

Survey Two Results – Response 4

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? No

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Special Medically Vulnerable Rates; Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; Requiring some sort of Payment Plan option during the journey.; No changes

Survey Two Results – Response 5

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)

Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Payment Plan option during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; No changes; Special Medically Vulnerable Rates

Survey Two Results – Response 6

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? No

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)

Requiring some sort of Assistance option during the journey, if income qualified.; Special Medically Vulnerable Rates; No changes; Requiring some sort of Payment Plan option during the journey.; Requiring both Payment Plan options and Assistance during the journey.

Survey Two Results –Response 7

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? No

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Special Medically Vulnerable Rates; Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Payment Plan option during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; No changes.

Survey Two Results – Response 8

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? No

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Special Medically Vulnerable Rates; Requiring some sort of Payment Plan option during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; Requiring both Payment Plan options and Assistance during the journey.; No changes

Survey Two Results – Response 9

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring both Payment Plan options and Assistance during the journey.;
Requiring some sort of Assistance option during the journey, if income qualified.;
Requiring some sort of Payment Plan option during the journey.;
No changes; Special Medically Vulnerable Rates.

Survey Two Results – Response 10

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring both Payment Plan options and Assistance during the journey.;
Requiring some sort of Assistance option during the journey, if income qualified.;
Requiring some sort of Payment Plan option during the journey.;
Special Medically Vulnerable Rates; No changes.

Survey Two Results – Response 11

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

No

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring both Payment Plan options and Assistance during the journey.;
Special Medically Vulnerable Rates; Requiring some sort of Payment Plan option during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; No changes.

Survey Two Results – Response 12

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

No

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring both Payment Plan options and Assistance during the journey.;
Requiring some sort of Assistance option during the journey, if income qualified.; Requiring some sort of Payment Plan option during the journey.;
Special Medically Vulnerable Rates; No changes.

Survey Two Results – Response 13

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

No

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring both Payment Plan options and Assistance during the journey.;
Requiring some sort of Assistance option during the journey, if income qualified.;
Requiring some sort of Payment Plan option during the journey.;
Special Medically Vulnerable Rates; No changes.

Survey Two Results – Response 14

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

No

2. Should there be a list of medical devices acceptable for Critical Care customers? No

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring both Payment Plan options and Assistance during the journey.;
Requiring some sort of Assistance option during the journey, if income qualified.;
Requiring some sort of Payment Plan option during the journey.;
Special Medically Vulnerable Rates; No changes.

Survey Two Results – Response 15

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Special Medically Vulnerable Rates; Requiring some sort of Assistance option during the journey, if income qualified.; Requiring both Payment Plan options and Assistance during the journey.; No changes; Requiring some sort of Payment Plan option during the journey.

Survey Two Results – Response 16

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring some sort of Payment Plan option during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; Requiring both Payment Plan options and Assistance during the journey.; No changes; Special Medically Vulnerable Rates.

Survey Two Results – Response 17

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

No

2. Should there be a list of medical devices acceptable for Critical Care customers? No

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Special Medically Vulnerable Rates; Requiring some sort of Assistance option during the journey, if income qualified.; No changes; Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Payment Plan option during the journey.

Survey Two Results – Response 18

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; Requiring some sort of Payment Plan option during the journey.; No changes; Special Medically Vulnerable Rates.

Survey Two Results – Response 19

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)

Requiring some sort of Payment Plan option during the journey.;
Requiring both Payment Plan options and Assistance during the journey.;
Requiring some sort of Assistance option during the journey, if income qualified.; Special Medically Vulnerable Rates; No changes.

Survey Two Results – Response 20

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

No

2. Should there be a list of medical devices acceptable for Critical Care customers? No

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)

Requiring both Payment Plan options and Assistance during the journey.;
Requiring some sort of Assistance option during the journey, if income qualified.; Requiring some sort of Payment Plan option during the journey.;
Special Medically Vulnerable Rates; No changes.

Survey Two Results – Response 21

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)

No changes; Special Medically Vulnerable Rates; Requiring some sort of Assistance option during the journey, if income qualified.; Requiring some sort of Payment Plan option during the journey.; Requiring both Payment Plan options and Assistance during the journey.

Survey Two Results – Response 22

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)

Requiring some sort of Assistance option during the journey, if income qualified.; Requiring both Payment Plan options and Assistance during the journey.; Special Medically Vulnerable Rates; Requiring some sort of Payment Plan option during the journey.; No changes.

Survey Two Results – Response 23

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring some sort of Assistance option during the journey, if income qualified.;
Requiring some sort of Payment Plan option during the journey.
; Requiring both Payment Plan options and Assistance during the journey.;
Special Medically Vulnerable Rates; No changes.

Survey Two Results – Response 24

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring some sort of Assistance option during the journey, if income qualified.; Special Medically Vulnerable Rates; Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Payment Plan option during the journey.; No changes.

Survey Two Results – Response 25

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring both Payment Plan options and Assistance during the journey.;
Requiring some sort of Payment Plan option during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; No changes; Special Medically Vulnerable Rates.

Survey Two Results – Response 26

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

No

2. Should there be a list of medical devices acceptable for Critical Care customers? No

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
No changes; Requiring some sort of Assistance option during the journey, if income qualified.; Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Payment Plan option during the journey.; Special Medically Vulnerable Rates.

Survey Two Results – Response 27

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Special Medically Vulnerable Rates; Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; Requiring some sort of Payment Plan option during the journey.; No changes.

Survey Two Results – Response 28

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Payment Plan option during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; No changes; Special Medically Vulnerable Rates.

Survey Two Results – Response 29

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Payment Plan option during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; No changes; Special Medically Vulnerable Rates.

Survey Two Results – Response 30

1. Should we change the definition of Critical Care to make “immediately” life threatening clearer?

Yes

2. Should there be a list of medical devices acceptable for Critical Care customers? Yes

3. Please rank these possible solutions for the Critical Care Protection (1 being your first choice, 5 being your last choice)
Special Medically Vulnerable Rates; Requiring both Payment Plan options and Assistance during the journey.; Requiring some sort of Assistance option during the journey, if income qualified.; Requiring some sort of Payment Plan option during the journey.; No changes.

Appendix E – CCC Discussion Notes 06/20/24

Open Forum Discussion Attendance: 86

- I would expect that when an individual or household is having a medical emergency or critical care crisis, they often would not be in a position - either physically or financially to pay their utility bills. In fact, that would probably be the norm. There should be a state fund to address utility payments in these circumstances, rather than letting these amounts accumulate and create havoc for the customer or the customer's family once the medical crisis is over. Looking to the family or the individual to cover these costs at the end of the illness is just a recipe for disaster.
- We could explore raising the MEAP cap for critical care customers. And having MEAP grantees reach out to these customers based on energy providers sharing data for these customers.
- CMS has granted waivers to several states to allow a portion of Medicare funding to be used for social determinant needs. I'm not sure what MDHHS is doing related to waivers, but this could be a mechanism to bring additional dollars into the mix of options to address arrearages for critical care customers.
- Love the list of qualified devices! This would be SO helpful for Medical & Critical Care!
- Do you have info on how much the min. payments are for CC customers to avoid disconnections? Or what percentage of income the payment is based on?
- California doesn't have an income-based rate structure, yet at least. They have been trying to pass something within their state assembly since 2022 I believe. There have been various versions proposed during that time.
- While medical conditions among CCCs may be similar, their income differences will likely impact which customers are receiving the disconnection notices/actions. Low- income HHs are likely experiencing that more than higher income ones.
- UPPCO has gotten many signed by nurse practitioner or physician assistant.
- The nature of how it is communicated can be overwhelming. Would like to see is to see while engaging in dialogue built in compassion when talking with the customer. Communicating to customer a sense of sensitivity not just trying to get a payment. Bring in a Communication Expert to describe empathy.
- Communication and Education in communities is important. Not put responsible for SOM of IOUs but serious consideration the different communication channels. No universal language. Policies and not necessarily to who is responsible for communicating out in the customer base. Believe the MPSC has the ability to put requirements on utilities themselves, legislatures put stuff on MPSC – public meetings are held. Create policies on for SOM and utilities to communicate.
- I really like the idea of engaging Health Insurance in the conversation. I would like to see us explore that option for income-qualified households.
- Reaching and protecting the people that are most needed. Don't want to validate the program based on just the financial data.
 - Seen a way from other states – the programs like this are really protecting customers who really need it.
 - Once the customer is on the program are they keeping up with their bills
- Thanks for keeping the customer involved. Are customers being able to get access to it, get approved. If changes are made, is it going to make it worse.
- The metrics moving forward will show the number of denials. It isn't not fixing the program that need the program and not enrollment. Agree don't let one dataset guide

the conversation. How to juggle the need?

- Maybe what needs to be considered is how is the state going to empower communities with resources (money, data, technology, etc.) that they need to protect people that they understand the best out of everyone in government.
- [10:51 AM] (Unverified)
- So, in addition to Health Insurance being involved from a payment standpoint, we should be engaging Community Health Workers and Health Systems from the standpoint of outreach -- making sure people who are in this situation are aware that the protections exist and helping them apply for protections.
- If health insurances get involved with these discussions, they could pinpoint those with critical care needs and send them referrals/information about the hold program to get those that NEED this the help.
- Likes to have a list of what qualifies and don't qualify. Great definitions but they do talk with the doctors to make sure understanding. The end of the program – they are stuck with these large balances.
- Challenges customer ran out; State Assistance Relief – assistance ran out and not be renewed until 10/1/24 – no programs available; inflation to make ends meet; The form – confusing the difference between the two. To get into the dr. office takes more than 3 days, have an online form because they don't have printers. Some don't have transit. Reduce barriers for customers. How are utilities using the data. Critical care is priority.
- I think there are Energy Accessibility and Affordability workgroups that are also looking at the customer journey and how to improve engagement to prevent customers ending up in shutoffs. I can't recall how or what they suggested for areas of improvement or if they are still evaluating? The most one stop shop sources of data for ... by
- The most one stop shop sources of data for information like that are the hospitals, and I'm not sure they are going to provide that information so willingly. What we are left with is the more challenging, but worth it in my opinion, to reach out to individuals, such as customers, doctors, local govt officials, etc.
- I agree with the need for the list distinguishing medical vs critical care devices.
- There are also existing sources of data that could help with understanding the bigger picture that could lead to more informed questions/directions such as equity studies on community health impacts. UofM does this.
https://mleead.umich.edu/files/SLIDES_20210309_HealthImpactAssessmentsAsAToolForEnergyAndPublicPlanning.pdf
- Agree with the need for the list distinguishing medical vs critical care devices. A list would be helpful.
- ♥ 1 Heart reaction.1 I agree that clarifying qualifiers for Crit... by (Unverified)
- I agree that clarifying qualifiers for Critical Care and Medical Emergency could be valuable to best serve medically vulnerable households, as well as reserving the protections for those who truly need them, and I also fear that the same specific qualifiers could become limiting.
- Adding on what is going water affordable in Legislation to include in public health. Look at how debt accrues for other industries.

Legislation for water affordability program (SB 551): Sec. 3. As used in this act:

- (a) "Critical care customer" means a residential customer who requires, or has a household member who requires, water or sanitation for home medical equipment, a life-support

system, or treatment or therapy to reduce a public health risk, or has a communicable disease, and provides appropriate documentation to a provider from a physician or medical facility that identifies the medical equipment, life-support system, treatment, or therapy and certifies that an interruption of service would be immediately life-threatening or cause harmful health consequences.

- Evaporated the customer that was previously discussed. On a positive note, have minimum two on APP – got some exceptions; they graduate the program paid monthly, got monthly help from assistance. High arrears have to come up with some co-pay. A negative note, one critical care customer passed left the surviving spouse with 10k to avoid disconnect. Just because they are Critical Care – get enrolled doesn't have to be low-income. Support to have the customer apply assistance, monthly payment comments. UPPCO will work with communicate with them. Their customers are being seen more often.

Appendix F – CCC Discussion Notes 08/14/24

Critical Care Meeting 8/14/24 (U-20757)

History- CC began because of 2 cases:

- U-18098 Commission staff were directed establish a study for medical hold guidelines, and best practices
- U-18099 medically vulnerable customers were shutoff due to nonpayment. Both customers were on a ventilation system

• [REDACTED] - Suggests providing what pieces of equipment would qualify for the medical hold

• [REDACTED] provided 2 examples of customers w/ outstanding balances who were approved for medical holds but also ended up receiving additional assistance because they were encouraged to apply to agencies for assistance.

DARR 2022 Recommendations:

1. Keep Customers Engaged (payment plans, Assistance, Special rates)
2. Seek Assistance
3. Prorated payments

• [REDACTED] - any information on how to get customers engaged?

• [REDACTED] - be mindful that CC requires protected medical information. We must be careful about what information is communicated. (PII & HIPAA)

Is the definition of CC clear?

- Current definition: A “critical care customer” means any customer who requires, or has a household member who requires, home medical equipment or a life support system, and who, on an annual basis, provides a commission approved medical certification form from a physician or medical facility to the utility identifying the medical equipment or life support system and certifying that an interruption of service would be immediately life threatening.
- Qualifying Medical equipment. Do we need a list?
-

• [REDACTED] - What is a Medical Hold?

• [REDACTED] - Is there some way to have a basic list with at least some machines would qualify. If a medical professional deems it necessary, it could be added to the list.

When defining what equipment qualifies for CC, we should ensure that the list aligns with the definition of CC (would the disconnection of the device be life threatening). He used his late diagnosis of sleep apnea as an example. Not having his sleep apnea machine would not be life threatening. He went 40 years without a diagnosis.

• [REDACTED] - She believes the definition is good. However, we should be nimble/flexible with qualifications because new medical issues are being discovered every day. She used an example of a client who uses a machine that is for an issue that she has never heard of before. But the machine is life sustaining for the customer.

- [REDACTED] - We need a road map. Do we update the list every year? Do we have a Yes and No list like Oklahoma?
- [REDACTED] - Benefits of the List. We will never be at 100%. However, it will relieve some of the difficulties for the utilities when making a determination. Having a list with the most consensus would be helpful for everyone.

[REDACTED]
When creating a clear definition or a flexible list based on the need for medical knowledge, is Michigan's Chief Medical Executive included in consultation?

Payment plans ideas:

- 6-12 months with no payment however, for renewal, payment of 1/12 of the outstanding bill would be required at renewal. The customer will be removed from the plan if the payment is not paid.
 - 1 year protection. The customer would be required to enter in a payment plan for a percentage of the household's annual usage. If no payment is made the customer is removed.
 - The customer is required to pay up to 10% of the delinquent balance upfront. The customer would then be protected for 1 year. They would be required to make payments (of a certain percentage of the arrange for each remaining month on the protection period. The protection will be discontinued.
- [REDACTED] - Has difficulty with the idea of disconnecting a customer who needs power to stay alive.
 - [REDACTED] - there is a connection between energy usage and medical devices. Medicare and other insurances can make payments to have alleviate a customer's financial situation. (Example: Medicare will provide financial assistance for transportation)
 - [REDACTED] - If it were her family member, she would not want them to be disconnected. That is also a difficult situation to put the utility in. She thinks that critically ill patients should have a special rate. (Used an example of a customer who was considering lessening the usage of her oxygen machine so that her bill would be lower)
 - [REDACTED] - Works with clients in metro Detroit. Her clients find the CC process stressful. They are juggling their medical condition and appointments. The customer should be able to focus on their health. They also need easier ways to access the Critical Care information. Some of her clients can't read.
 - [REDACTED] - Can a fund be created for those who cannot afford to make payments towards their bill due to a medical condition?

• [REDACTED] - A write off or recovery mechanism for CC would require regulatory changes.

- [REDACTED] - I'm beginning to wonder how many customers qualify for

Critical Care but don't qualify for EA programs. I have to imagine the margin is thin as customers that can manage the crisis typically wouldn't pursue Critical Care.

- [REDACTED] - If the goal is to improve the medical outcome of the customer, is there a different type of assistance (outside of financial) that may be helpful. Customer engagement requires the willingness of the customer to participate. Customer must be given a window to engage.

Rates for Medically Vulnerable:

- Establish a new policy requesting that all utilities have a medically vulnerable rate program. (Extreme Weather Condition Policy R 460.134)
- Medical Vulnerable rate structure for residential customers who have special needs due to qualifying medical conditions. There is no income requirement.
 - Discounted rate
 - Extra notification in advance of a utility shutoff
 - Identify qualifying medical device to treat ongoing medical conditions
- [REDACTED] - Is the assumption that the special rates would be temporary? Would there be a renewal?
- [REDACTED] - Is there a possibility to expand the RIA category in lieu of a new rate structure.
- [REDACTED] - Is struck about the conversation revolving around electricity. Are there cases where CC for gas service exists? Is there a legitimate CC condition that requires gas service?
 - [REDACTED] clarified that CC is for gas and electric. However, the different rate structure in California is specifically for electric.
- [REDACTED] They consider if there is a whole home generator. However, he isn't aware of any other devices they consider.
- [REDACTED] - If there is a tiered/discounted rate those accounts aren't eligible for RIA or TIA.
- [REDACTED] - The proposal to use credits instead of a new rate structure might be more practical.
- - If there is a discounted rate, doesn't it require legislative involvement to recover those funds?
- [REDACTED] - If they know the specific devices they can calculate the anticipated
- usage.

Appendix G – CCC Discussion Notes 08/29/24

Critical Care: Weighting Options & Seeking Solutions

August 29, 2024, Discussion Notes

Clearer Definition:

[REDACTED]
Inability to pay, the first portion of the rule, UPPCO questions themselves – does it mean if a customer can't pay the bill. UPPCO agrees and likes the "without which the patient will die."

[REDACTED]
The definition is not clear and the "without which will die" is in the wrong spot. The tagline needs to be added after patient equipment due to without is referring to.

[REDACTED] [REDACTED]
In ability to pay should reference can't pay. Agrees with [REDACTED] that w/o patient will die should reference equipment.

[REDACTED]
Agrees the definition is much clearer.

[REDACTED]
Definition is much clearer.

[REDACTED]
Agrees with [REDACTED] comment. He doesn't like the word "immediately." Immediately needs clarification and needs to be removed.

[REDACTED] – she doesn't need life threatening equipment, but she could get services turned off. If shutoff in cold, it would be a problem. Needs to add an and/or in rule.

[REDACTED] (read chat):

[REDACTED]
Did we consult on life threatening definition?

[REDACTED]
Freezing to death could also be considered immediately life-threatening.

[REDACTED]
I would change it to "would be life threatening or could cause death"

[REDACTED]

What about changing, "...and without which the patient will die", to something like, "...without which the patient is at imminent risk of permanent harm"?

[REDACTED]

Agrees with the last three comments – agree with how the definition might have other consequences. [REDACTED] is nebulizer might could cause misery. The quality of life that could do a change of problems. Objectives to be more inclusive or are we trying to do a health metric. Make sure a more inclusive way that they need it – look at what happened during COVID and working with the physician looking at longer quality of life issues – not having energy could cause more problems. Need to look at how to add to other health metrics.

[REDACTED]

The definition is a slippery slope, critical care would be machines in home keep the customer alive hard to move the power shut off would deem critical care. If not would be medical emergency. If mobile, could be moved to another home. If anything, else would need a generator.

[REDACTED]

[REDACTED] component; would want to hear from medical physician or facility. Agree [REDACTED] the statement if closer to the medical equipment piece. Hard to see what is happening outside the definition of what is happening.

[REDACTED]

People die quicker from heat stroke than cold.



2 Like reactions.2 but I would assume critical care of people ... by [REDACTED]

[REDACTED]

But I would assume critical care of people on breathing machines that can't be moved or are able to find for themselves I understand you have other provisions for ...

[REDACTED]

I understand you have other provisions for medical needs, but I don't believe the Commission, or a utility should have to take on the burden of defining life-threatening, or imminent danger, etc. You not only have to assess a life-threatening medical need, but also, how much time can that person be without power before they could die? I would say keep it more open, err on the side of just protecting the customer from illness or death regardless of the bad actors who might try to game the system. The alternative of letting someone fall through the cracks shouldn't be an option. Better safe than sorry is my opinion.

2 Like reactions.2 Consider the language "Dire consequences." by

) 10:00 AM

Consider the language "Dire consequences."

 2 Like reactions.2 People take advantage of the Winter Protect... by 



People take advantage of the Winter Protection Plan
"When we characterize something as dire, we..."



"When we characterize something as dire, we emphasize the severity and urgency of the matter, suggesting that immediate attention or action is necessary to prevent or mitigate a potential disaster or crisis. Dire situations can involve life-threatening dangers, extreme hardships, or critical shortages, and they typically evoke a sense of deep concern or alarm. Whether it's a dire financial situation, a dire medical prognosis, or a dire warning about the state of the environment, this adjective underscores the gravity and urgency of the issue at hand, highlighting the need for immediate and decisive action to address it." [Dire - Definition, Meaning, Synonyms & Etymology \(betterwordsonline.com\)](#)

[Dire- Definition, Meaning, Synonyms & Etymology](#)
[Extremely serious, urgent, and often characterized by grave consequences or severe hardships.](#)

www.betterwordsonline.com 
advantage of Critical... by 

2 Like reactions.2 Most likely would take




Most likely would take advantage of Critical Care if the scope of what was considered CC was expanded

 1 Like reaction.1has context menu



Stated as an advocate she understands that we would like zero shutoffs, but these protections is for the dire needs.



. Thanks,  . On targeting vulnerable people, I believe there needs to be more definitional appreciation and allowance for disparately impacted communities (particularly of color) who live a multitude of life-threatening exposures. 'Immediately life-threatening' should include medically recognized conditions of misery when energy is disconnected that can become life-threatening.

Qualifying Medical Equipment:

[REDACTED]

Per Option 5: In the absence of a national standard or policy, could Michigan reach out to other states like Colorado to coordinate on maintenance of list of qualifying equipment?

[REDACTED]

Option 1 & 3; How many pieces of equipment are both coming in 1) plug in and 2) one has a battery back-up. His C-pap machine never offered a battery back-up option but knows they exists.

[REDACTED]

– Agree [REDACTED] and prudent to give utilities ask them to give the to exercise judgment. Provide a list of medical necessities and allow judgment from other medical necessities. Provide a list of medical necessities and approach Option 1 – reservation things that is deemed not approve. The clarification is vague. Is it due to battery driven or sleep; maybe battery driven be omitted. The final paragraph.

[REDACTED]

Per Option 5: In the absence of a national standard or policy, could Michigan reach out to other states like Colorado to coordinate on maintenance of list of qualifying equipment?

[REDACTED]

Good point [REDACTED]

[REDACTED]

But even battery driven need to be charged...

[REDACTED]

Is the purpose of the list to provide guidance to medical staff when filing out the form?

[REDACTED]

People need to remember as well that there are also medical holds customers can submit for

[REDACTED]

Good reminder, [REDACTED]. That could use some improvements too. Here's DTE's form <https://newlook.dteenergy.com/wps/wcm/connect/fc0e641e-102a-48b3-bdf1-b25220f15512/Medical-emergency-hold-request.pdf?MOD=AJPERES>

Critical Care Process:

[REDACTED]

Shutoff protections need to be added to the form of notice.

[REDACTED]
60-days is what we are looking at but leaning to assistance folks.

[REDACTED]
(f) That the utility will postpone the shut off of service if a certified medical emergency exists at the customer's residence and the customer informs and provides documentation to the utility of that medical emergency.

[REDACTED] :
Confused on the temporary hold. On the utilities will remain in this status is due to inability to pay. Due to health insurance to pay for assistance. Opposing the journey, no response how to change.

[REDACTED]
Will have to change the inability to pay. The verbiage will need to change.

[REDACTED]
Current interruption – don't do face to face (do person to person).

Step 1: Assistance:
[REDACTED]
Require utilities to provide a list.

[REDACTED]
Describe the process as the 3-day grace period. 60-days is for the customer to seek assistance.

[REDACTED]
Agencies typically request a hold while reviewing application.

[REDACTED]
What is the difference between the 3-day and 60-day: to get the form in but needs to be removed.

[REDACTED]
Want to have a flow-chart. Identified in previous slide utilities need to identify within their system. Data system to remove the customer burden and not the people have to enroll, more auto eligibility determined and continue to go through the process because they are being income determined at DHHS.

Critical Care Process: Payment Plans:

Option 1: looking at the details of the arrearage

[REDACTED]
Is #3 a % of arrearage balance each month in addition to the current charges like a normal installment plan?

[REDACTED] :
I see two customers impact first time, and the current system.

[REDACTED]
Is the upfront payment to be the 10% or 1/12 of the outstanding bill?

[REDACTED]
Arrearages should be handled separately from new payment plans, i.e., put holds on arrearages so customers can manage and be successful with current payments. Plus, seek arrearage funding for forgiveness. I wonder: Refusal vs. fear-based reluctance because they know the arrearage burden is large. Critical Care payment in some form, at some time, in is important to consider.

[REDACTED] :
Want to encourage them to make a payment when they don't want to. Point 1:41, [REDACTED] agrees. Can't imagine a utility say you won't play ball so they will be removed from program; not shutoff when not playing ball.

[REDACTED]
We need to think about how we set up these payment plans; two different customer bases current and existing.

[REDACTED]
Critical Care conversation about the payment management, problem with water portion, talk about minimum payment of \$10.00 so arrearage is not building up and contribute to arrearage. Leads the mental health. What can the critical care customer do, show some effort? Look I cannot pay my bill but her is something. If doesn't what can we do vulnerable household on the costs and DHHS does it want to look at energy and water.

Default Process:

[REDACTED]
Wants to look at the holistic looking at a temporary need but long-term need. Maybe they are chronic and life of the customer. What does the utility require and what the household manages? What they did with water and thinking of the same problem. What happens next. Experience in 2007 when DHHS was working on implementation of welfare reform initiatives and how familiar needed to be

compliant to participate showing initiatives if not successfully loose benefits. DHHS had a triage process allowing the number of steps they needed to complete and look at the steps – childcare to watch to miss a appt. Water looking at it with water – not keeping up with payment, most likely everything. What other benefits can be giving the household. Figure out what the household needs and address them to get them stabilized. Senses of heling the household but not a punitive method.

[REDACTED]
In brief, if customer fails to comply with water program rules, a triage process will be established to provide wraparound services before program unenrollment.

[REDACTED] comment [REDACTED] earlier comment about compassion/avoiding shutoffs resonate with me

[REDACTED]
Comments 1) Energy Assistance – requiring makes sense issue is that the limited eligibility and parameters praying the legislature expand the FPL and access. Right now, assistance is struggled is major limits and expanding it will assist in the manner. 2) Discussion last meeting medical vulnerable rate – at the bottom of the list but really liked the idea. Were the results due advocates. Rates change due to legislature – industrial rates were put in place. Seem like wiggle room for special customer classes.

[REDACTED]
The survey is anonymous and sent it to 430 participants. Medical Vulnerable Rate was number 4, we were looking at narrowing the focus.

[REDACTED]
That's a small response rate. It'd be helpful to know perspectives by stakeholder type. Might you/MPSC consider sending it out again, following this convo, for more opportunities to think about what people have heard/learned? The additional feedback can be helpful for this significant human-need problem.

[REDACTED]
Staff is looking at different rates structures for affordability

[REDACTED]
Hard as a grantee when payments have cap limits and hope that things are changed within the legislation.

[REDACTED]
Wants all the options in survey. Want to be on a level playing field so we can stop managing arrearage. She rated the medical rates.

Appendix H – CCC Public Comments

[REDACTED]

Sent: Monday, July 1, 2024, 1:14 PM

To: Thelen, Jake (LARA) <thelenj7@michigan.gov>; Forist, Christina (LARA) <foristc@michigan.gov>

[REDACTED]

Subject: RE: Critical Care Collaborative

Information and Survey Link

Hi Jake and Chris,

I wanted to share some thoughts after the first meeting for this collaborative, and I thought an email would be the best format to do so.

First, as alluded to in the first meeting, it's important to remember that the Critical Care program is a literal lifeline for those who need electricity to survive. As a result, if there are any additional requirements or restrictions imposed on the program, an important question needs to be addressed: if the condition(s) is/are not met, will a utility be permitted to disconnect utility service to a household where at least one individual, as certified by a doctor or public official, needs electricity to survive? Or should any requirements be strongly recommended but not mandatory (i.e., could not result in shut-off)?

Second, if payment-related requirements are imposed, should they apply equally to all applicants or just those who have a history of account arrears? While I understand that some customers may have high arrears, it did not seem like this is a prevalent problem. Consequently, should a customer who has consistently paid their bills on-time be treated the same as those who have 6- months of arrears without any payments? Or is this problem exacerbated by just a few individuals, and no overall changes should be made?

Third, in keeping in mind my first point, if any requirements are imposed, what are the time and cost impacts on these customers? Again, this program is for those who need electricity to

survive. Some of these individuals may have aggressive illnesses or limitations, requiring constant medical care. If, for example, they must apply to at least one utility funding assistance program, how much time will that take and is it taking away time that could have been used to address or treat their medical

issues? Also, regardless of how applications are submitted (phone, online, in-person, etc.), there may be additional economic costs as well (not to mention the physical and/or emotional stress that the application process may cause individuals who are already in precarious health). For example, a person may use all their allocated cell phone minutes while completing an application via phone, requiring them to purchase additional minutes. A person without a computer or internet access at home may need to travel to a public library to complete the process. And if travel is required for online or in-person applications, there will likely be transportation costs (gas, bus fare, taxi or ride-share fares, etc.).

As the collaborative continues to explore the contours of this program, I just wanted to highlight these thoughts when discussing potential options and changes going forward.

Thanks,

[REDACTED]

Sent: Tuesday, July 2, 2024, 4:43 PM

To: Kasey Grieco <kgrieco@superiorwatersheds.org>; Thelen, Jake (LARA) <thelenj7@michigan.gov>; Forist, Christina (LARA) <foristc@michigan.gov>

Cc: Armstrong, Anne (LARA) <ArmstrongA3@michigan.gov>

Subject: Critical care collaborative

Hi all,

I participated in the first meeting of the critical care collaborative a couple of weeks ago. Thanks for making sure I got the invitation!

I'm looking forward to the next meeting. Per my remarks during the first meeting, I'm not sure that all the right questions have been asked yet. I am concerned about moving on to solutions if we have not adequately characterized the problems yet.

In my view, the first purpose of the critical care protections is to improve customers' health outcomes. Do eligible customers know about the option, can they access it without too much trouble, and can they renew as needed? We heard anecdotes about problems, but we don't have good data. I don't even know how to get systematic data, TBH.

But I think we have to try.

I remarked during the first meeting that I thought the discussion was focused too much on arrearages. I won't dispute that high arrearages are a real problem; I just don't think they are the first problem. To illustrate, I would draw from the slides that were presented (p26):

Questions to think about:

How to keep customers engaged during the protection period? Payment plan options, while being protected?

How to keep customers informed that assistance is available? How to assist or require customers to seek assistance, if possible?

We cannot limit our inquiry about health and welfare outcomes for critical care customers only to their financial outcomes. For a lot of people, that would present really problematic optics, taken out of full context of the discussions we have had. Some people would even impute a primary concern with making sure utilities are able to collect on their bills, and I know that's not what we're about here.

In short, I am not sure how we come up with solutions when we have yet to fully characterize the problems, so I'm worried that the proposed agenda for the next session may be putting the cart before the horse. I think part of what's going on here is that the Commission's order setting up this collaborative was most concrete in addressing customers' financial outcomes. But I don't think it

would be inconsistent with the Commission's order to look more carefully at the effectiveness of the program in improving customers' health and welfare outcomes beyond financial issues.

I'm happy to come with these ideas to the next meeting, but I do know that you work hard to develop the agendas and presentations, and I don't want to upset the apple cart out of the blue. I would be very happy to brainstorm with you in advance, if that would be welcome.

Respectfully,

From: [REDACTED]

Sent: Wednesday, August 14, 2024, 11:59 AM

To: Thelen, Jake (LARA) <thelenj7@michigan.gov>; Forist, Christina (LARA) <foristc@michigan.gov>

Cc: Kasey Grieco <kgrieco@superiorwatersheds.org>; Armstrong, Anne (LARA) <ArmstrongA3@michigan.gov>

Subject: great meeting just now!

Chris and Jake, I'm very grateful for your care and responsiveness in putting together the objectives and agenda for today's meeting. I think your effort will pay off in a more comprehensive, effective and broadly owned set of recommendations.

Kind regards,


Sent: Thursday, August 15, 2024, 4:49 PM

To: Thelen, Jake (LARA) <thelenj7@michigan.gov>; Kasey Grieco <kgrieco@superiorwatersheds.org>; Forist, Christina (LARA) <foristc@michigan.gov>

Subject: RE: Critical Care Survey Link from Session 2

Jake, Chris and Kasey,

Thank you for the survey and opportunity to respond.

I must say that I am a bit underwhelmed by the survey as it does not seem to take into consideration any of the comments and discussions presented at yesterday's Critical Care Protection meeting. For example, there was lengthy discussion regarding Question #2 "Should there be a list of medical devices acceptable for Critical Care customers?" with, what I thought, a general consensus or agreement, that a list would clarify and make it easier for 90% of the cases, and that there needed to be flexibility included to incorporate special and unique situations, as well as changing technologies. The Yes or No option allowed in the survey, basically threw that entire discussion out the window in my mind when I took the survey.

As for Question #3, you indicated during the meeting that the survey results / ranking of options would be used to narrow discussion for the next and future meeting. It is disingenuous to have already narrowed the options to only consider payment plans, assistance, or a special rate category. If those are the only options being considered, then you should have stated that before everyone spent two and a half hours listening to and discussing options, ideas, and

variations. Also, for what it is worth, as mentioned and discussed yesterday, when a customer is facing a medical situation that is consuming their entire life and focus, they may benefit from assistance (not limited to financial assistance) even if they are not low-income. You may want to watch Steve Jobs' [commencement speech to Stanford University](#) and see how his cancer diagnosis sent him into a tailspin.

Thank you for the opportunity to provide my feedback and comments.

[REDACTED]
Sent: Tuesday, August 20, 2024, 10:32 AM

To: Thelen, Jake (LARA) <thelenj7@michigan.gov>; Forist, Christina (LARA) <foristc@michigan.gov>; Kasey Grieco <kgrieco@superiorwatersheds.org>

[REDACTED]
Subject: Medical Rate

Good morning,

I have been thinking about a medical rate suggestion brought up in the collaborative. When we enroll customers into critical care, we base it on the form received from the physician/customer. We really don't know if they have an inability to pay as noted in the rule below. Just because a customer has paid in the past, doesn't mean they had a true ability to pay, rather they may have opted to pay their utility bill & didn't pay on something else.

R.O.26;796a.Critical.care.customer.shut.off.protection.Rule.96a;. (7).A.utility.shall.restore.or.refrain. from.shutting.off.utility.service.to.a.critical.care.customer.due.to.an.inability.to.pay.a.utility.bill.where.an.interruption.of.service.would.be.immediately.life.threatening;

There are two customer groups:

- Low FPL – These customers have programs available to them such as an APP which would allow them to get reduced energy costs plus an RIA credit of \$15/mo. (Not to mention HHC, SER and normal MEAP funding.) Our APP bases the amount they receive based on consumption at the household, so higher consumption for medical would already be given the extra assistance.
- Higher FPL – These customers would more likely have the ability to pay.

If there is a medical rate, it would be applied to customers likely in both categories unless we would limit it to FPL. [REDACTED] does not validate customer's income. Our other customers are already contributing to low-income programs via LIEAF on the monthly bill for those that are income eligible. For those that are higher income, it doesn't seem appropriate to raise rates on other customers to cover this.

As the [REDACTED], I field calls from all sorts of customers and sensitivity to rates is something always on my mind. I want to be careful that we aren't putting more rate pressure on other customers while there are low-income programs that could assist with some subsidy/assistance to their bills where needed.

We also spoke about a cap on the usage for the energy rate. A 350-watt oxygen concentrator running 24x7 would be about 252 kWh/month (350 watts/1000 x 24 hours = 8.4 kWh/day or 252 kWh/month). The cost for utilities to build new rate categories into their systems can be significant, not to mention the maintenance to make sure those that are on the rate are still eligible. Many times, we aren't even notified if the critical care condition no longer exists, but the lower rate would continue along with the protection.

Thanks for your consideration.

Appendix I – CCC Medically Vulnerable Programs - 50 States

Alabama:

- Does your state have any protections for medically vulnerable customers? Can't find any other rules or tariff. Almost all the states already have some sort of serious illness protection in their statutes or public utility rules. However, a few states—Alabama, Alaska, Louisiana, and North Carolina—have no enforceable restrictions on terminating utility service for seriously ill customers.

- If yes, please outline protection:

Rule 12 Collection of Delinquent Accounts and Discontinuance of Service to Customers for Nonpayment

(E) Each utility shall adopt, and follow, reasonable tariff rules governing its termination of service practices (except telephone toll service) when life or health may be threatened by termination, the customer requires special consideration because of age or handicap, or other circumstances warranting special consideration.

Alaska:

- Does your state have any protections for medically vulnerable customers? Can't find. Article found stated: Almost all the states already have some sort of serious illness protection in their statutes or public utility rules. However, a few states—Alabama, Alaska, Louisiana, and North Carolina—have no enforceable restrictions on terminating utility service for seriously ill customers.

- If yes, please outline protection:

Article 5 Electric Utilities, 3 AAC 52.450. Disconnection of service.

(2) If a utility has been informed that a residence is occupied by a person seriously ill, elderly, with a disability, or dependent on life support systems, the utility shall provide the notice required by (1) of this subsection at least 30 days before the scheduled date of disconnection. In any case in which a utility is notified after issuance of a termination notice that a customer's residence is occupied by a person seriously ill, elderly, with a disability, or dependent on life support systems, the utility shall extend the disconnection date by 15 days and notify the customer of the extension.

3 AAC 52.410. Establishment of permanent service.

(e) A utility may include in its tariff a charge for the establishment, disconnection, or reconnection of utility services.

Arizona:

- Does your state have any protections for medically vulnerable customers?

Yes: chrome-

extension://efaidnbmnnnibpcajpcgiclfefindmkaj/https://apps.azsos.gov/public_services/Title_14/14-02.pdf

- If yes, please outline protection:

ARTICLE 2. ELECTRIC UTILITIES - 14 A.A.C. 2

R14-2-201. Definitions

19. "Inability to pay" means a circumstance under which a residential customer either:

a. Cannot pay the full balance of the customer's monthly bill and has attested to and, if requested, has provided documentation issued by an Arizona or U.S. governmental agency or a licensed medical practitioner verifying that the customer meets one of the following: i. ii. iii.

b. Is at least 62 years of age; Has a physical or mental condition that substantially limits the customer's ability to manage resources, carry out activities of daily living, or secure protection from neglect or hazardous situations without assistance from others; or Has a medical condition that makes termination of electric service especially dangerous to the customer's health; or Cannot pay the full balance of the customer's monthly bill and meets one of the following as attested to by the residential customer:

i. Is not gainfully employed.

ii. Qualifies for monetary government welfare assistance but has not yet begun to receive assistance; or

iii. Has an annual income at or below 200 percent of the federal poverty level.

23. "Licensed medical practitioner" means one of the following types of health care providers, actively licensed to practice in Arizona: a. b. c. An allopathic or osteopathic physician, A registered nurse practitioner, or A physician assistant.

R14-2-211. Termination of Service

5. A utility shall not terminate residential service to a customer who has an inability to pay if the customer establishes, on an annual basis, through documentation from a licensed medical practitioner: a. That, in the opinion of the licensed medical practitioner, termination would be especially dangerous to the health of the customer or a permanent resident residing at the customer's service address, or

b. That there is medically necessary equipment used in the home that is dependent on utility service for operation.

Whole Rule:

R14-2-211. Termination of Service

A. Restrictions on termination of service; recordkeeping and repayment requirements

1. A utility shall not terminate service to a customer due to delinquency in payment for services rendered to a prior customer at the service address where service is being provided, unless the prior customer continues to reside at the service address.

2. A utility shall not terminate service to a customer due to the customer's failure to pay for services or equipment that are not regulated by the Commission.

3. A utility shall not terminate service to a customer due to the customer's nonpayment of a bill related to another class of service.
4. A utility shall not terminate service to a customer due to the customer's failure to pay the portion of a bill imposed to correct a previous underbilling due to an inaccurate meter or meter failure, provided that the customer agrees to pay the portion of the bill attributable to correction of underbilling in full over a period of months agreed to by the customer and the utility. A utility shall comply with R14-2- 209(C)(3) and R14-2- 210(E)(3) when calculating the underbilling amount to be paid.
5. A utility shall not terminate residential service to a customer who has an inability to pay if the customer establishes, on an annual basis, through documentation from a licensed medical practitioner:
 - a. That, in the opinion of the licensed medical practitioner, termination would be especially dangerous to the health of the customer or a permanent resident residing at the customer's service address, or
 - b. That there is medically necessary equipment used in the home that is dependent on utility service for operation.
6. A utility shall not terminate residential service to a customer who has an inability to pay until the utility has complied with subsection (D) and completed all of the following:
 - a. The utility has informed the customer of the availability of funds from various government and social assistance agencies and provided the customer the contact information for those agencies.
 - b. If a third party has been previously designated by the customer to receive delinquency and termination information, the utility has notified the third party that the customer's bill is delinquent and allowed the third party at least five business days to communicate with the utility and to make arrangements for payment of the delinquent utility bill.
 - c. At least 48 hours before the date upon which termination is scheduled to occur, the utility has:
 - i. Provided at least two written notices of the termination, using the customer's preferred method of communication, to the customer and, if applicable, the customer's designated third party; and
 - ii. Telephoned the customer and, if applicable, the customer's designated third party to provide notice of the termination by attempting to speak to the customer, the customer's designated third party, or an adult resident of the customer's service address; or by attempting to leave a voice message.
 - d. A utility may partner with local stakeholders; nonprofits; public health agencies at the state, county, and local level; and local community service agencies to provide in-person notice of termination.
 - e. A utility shall keep pace with technological advancements in communication and augment the requirements of this subsection to utilize the most effective means of informing the customer of delinquency and termination; and
 - f. Beginning on April 15, 2022, and on each April 15 thereafter, each regulated Class A, B, and C electric utility that provides residential electric service shall file a report containing the utility's policy for compliance with subsection (A)(6).
7. If a customer, the customer's designated third party, or an adult resident of the customer's service address threatens the utility or a utility employee, the utility shall

document the threatening occurrence. A utility shall maintain documentation of all threatening occurrences related to a customer's account for the entire period during which the customer continues to be a customer and for at least one year after the customer ceases to be a customer.

8. A utility shall retain the records demonstrating its compliance with subsection (A)(6) for at least three years.

9. A utility may require a customer whose service is not terminated due to subsection (A)(4) or (A)(5) to enter into a deferred payment agreement with the utility within seven business days after the date on which service otherwise would have been terminated. A utility shall allow at least a single missed payment or a single partial payment in a 12-month period at the request of the customer without any consequence. If there is more than one missed or partial payment, the payment plan agreement will be considered as breached. If the payment plan is in breach, the current payment plan may be amended, or a new payment plan may be created. Both the utility and the customer have a duty to act in good faith in negotiating a payment plan.

10. A utility shall not terminate service due to a customer's failure to pay the disputed portion of a bill if the customer has complied with R14-2-212(B).

11. A utility shall adopt only one of the following conditions under which it shall not terminate residential service:

a. During any period of time for which the local weather forecast, as predicted by the National Weather Service, indicates that the weather in the area of the customer's service address:

i. Will include temperatures that do not exceed 32° F.

ii. Will include temperatures that exceed 95° F; or

iii. Will include other weather conditions that the Commission has determined, by order, are especially dangerous to health; or

b. During the calendar days of June 1 through October 15 of each year, which shall be specified as non-termination dates in a utility's tariffs.

12. A utility shall specify, in its tariffs, the provision of subsection (A)(11) that the utility has chosen to comply with and shall comply with the provision.

13. If a utility is prohibited from terminating a customer's service under subsection (A)(11)(b) as adopted in its tariff, the utility shall:

a. Notify the customer, using the customer's preferred method of communication, and, if applicable, the customer's designated third party of:

i. The reason the utility is not permitted to disconnect service,

ii. The expected date on which termination of service will be permissible, and

iii. The customer's responsibilities under subsection (H).

b. Not charge the customer any late fees or assess any interest on any past due amounts that accrue during a period when subsection (A)(11)(b) applies; and

c. After subsection (A)(11)(b) no longer applies, bill the customer for the past due amounts through installments over a period of months agreed to by the customer and the utility.

14. A utility shall not terminate residential service to a customer unless the utility's call center and office or business facilities are open and available to the public on the day of termination and the day following the day of termination.

15. A utility shall not terminate residential service to a customer if the customer has paid at least half of the customer's delinquent bill balance within the last 25 days or if the customer's delinquent bill balance is less than or equal to \$300.00.

16. If a customer has a deposit with the utility, the utility shall use the deposit to pay any delinquent amount on the customer's account before terminating service and

shall allow the customer time to reestablish the deposit in installments over a period of at least six months.

17. Beginning on April 15, 2022, and on each April 15 thereafter, each regulated Class A, B, and C electric utility that provides residential electric service shall file a report containing the utility's payment plan policy for residential customers.

B. Termination of service without advance written notice; recordkeeping requirement (see rule for full details)

ARTICLE 3. GAS UTILITIES

19. "Inability to pay" means a circumstance under which a residential customer either:
a. Cannot pay the full balance of the customer's monthly bill and has attested to and, if requested, has provided documentation issued by an Arizona or U.S. governmental agency or a licensed medical practitioner verifying that the customer meets one of the following: i. ii. iii. b. Is at least 62 years of age; Has a physical or mental condition that substantially limits the customer's ability to manage resources, carry out activities of daily living, or secure protection from neglect or hazardous situations without assistance from others; or Has a medical condition that makes termination of gas service especially dangerous to the customer's health; or Cannot pay the full balance of the customer's monthly bill and meets one of the following as attested to by the residential customer: i. Is not gainfully employed; ii. iii. Qualifies for monetary government welfare assistance but has not yet begun to receive assistance; or has an annual income at or below 200 percent of the federal poverty level.

21. "Licensed medical practitioner" means one of the following types of health care providers, actively licensed to practice in Arizona: a. b. c. An allopathic or osteopathic physician, A registered nurse practitioner, or A physician assistant.

R14-2-311. Termination of Service

5. A utility shall not terminate residential service to a customer who has an inability to pay if the customer establishes, on an annual basis, through documentation from a licensed medical practitioner: a. b. That, in the opinion of the licensed medical practitioner, termination would be especially dangerous to the health of a customer or a permanent resident residing at the customer's service address, or that there is medically necessary equipment used in the home that is dependent on utility service for operation.

Arkansas:

- Does your state have any protections for medically vulnerable customers? Yes,
- If yes, please outline protection:

Rule 6.17. A. Medical Need for utility Service General Requirements Each utility must honor a physician's certificate which attests to the fact that a residential utility customer or any other permanent resident of the household has a serious medical condition. The certificate must clearly state that the suspension of utility service would give rise to a substantial risk of death or gravely impair the health of the customer or another permanent household Resident. A physician, nurse, nurse practitioner, physician's assistant, or public or private agency providing physical or mental health care services may notify the utility in person, by telephone, or by letter that the serious medical condition exists. When a utility is notified, it must inform the health care professional that a physician's certificate is required within 7

days. verify notice given by telephone. C. The utility may Delay of Suspension or Reconnection of Service 11) When notified under Subsection 13. of this Rule, a utility shall postpone suspension or reconnect service which has been suspended for 30 days or less, the utility shall not be required to continue to provide service for longer than 30 days unless the medical certificate is renewed under Rule 6.17.C- (5)- (2) The utility must receive a physician's certificate within 7 days after being notified according to Subsection B. of this Rule. (3) A utility may suspend service if it does not receive a physician's certificate within 7 days after being notified according to Subsection B. of this Rule. (4) Upon receipt of a physician's certificate, the utility shall notify the customer, in writing, of the receipt of the certificate, the date the certificate was received, the date the postponement of suspension or reconnection a€ service was commenced, and the date on which the postponement of suspension or reconnection shall expire. The notice shall contain an explanation of the customer's rights to renew the certificate. The notice shall specifically state the last day the customer has to renew the certificate, The notice may be delivered by first class mailbox by delivery to an adult person at the residence. (5) A customer may renew a certificate 1 time fox up to an additional 30 days. The certificate must be renewed by the customer before the 30-day time period expires; to renew a current certificate, the customer must provide a new certificate from the physician. (6) A utility is not required to accept more than 1 physician's certificate per household each year. A renewal a€ a certificate is not a second certificate. D. Physician's Certificate A completed physician's certificate must be signed by a physician and must be in the following form. The utility shall provide a copy of the physician's certificate form to the physician.

PHYSICIAN'S CERTIFICATE OF MEDICAL NEED FOR UTILITY SERVICE The Arkansas Public Service Commission requires utilities under its jurisdiction to honor physician's certificates which attest to the fact that a utility customer or any permanent resident of the household has a serious medical condition- The certificate must clearly state that the suspension of€ utility service would give rise to a substantial risk of death or gravely impair the health of the customer or another permanent household resident. A licensed physician or other health care professional providing health care services to the patient may notify the utility of the serious medical condition. The notice must be followed within 7 days by a certificate. The certificate is valid for up to 30 days and may be extended for one additional 30-day period by reverification by the physician or health care professional prior to the expiration date of the first certificate. This reverification requires that an additional certificate be submitted to the utility. You are being asked to verify that the stated condition exists- This certificate allows the utility customer time to secure payment for utility service or to make alternate arrangements for care o€ the patient- Thank you €or your cooperation. TO : {Name of Utility) Date 1 certify that loss of utility service would give rise to a substantial risk of death or gravely impair the health of who lives at The nature of the serious medical condition is The effect of loss of utility service would be This condition is expected to continue days - T am licensed to practice medicine by the Arkansas State Medical Board or a comparable licensing authority in the State of Physician Phone number E. Additional Medical Opinion (1) A utility may, at its expense, obtain an additional medical report or certificate from a physician of its choice, The additional medical report or certificate shall be based on that physician's examination of the customer. Failure of the customer without good cause to attend

the utility-required medical appointment shall be sufficient reason for suspension of service by the utility. If the information in the additional report or certificate does not meet the criteria in this Rule for delaying suspension, a utility may suspend service after giving the customer an additional 5 days written notice.

F. Liability for Payment for Service Delaying suspension

Delaying suspension or reconnecting service under this Rule does not excuse the customer from having to pay for the service.

G. Contact Procedures Before Suspension of Service

If suspension has been postponed under this Rule, certificate has expired, requirement of Rule 6.04. (A) prior to suspension.

Rule 6.18. Elderly and Individuals with Disabilities – Revised 6/12

This Rule only applies to residential customers. A. Identification of the Elderly and Individuals with Disabilities for Registration Utilities shall attempt to identify eligible individuals by informing them that a special program is available for customers who qualify under this Rule and shall then ask qualifying applicants or customers whether they wish to be registered as provided in this Rule: 1) 12) When an applicant requests service; When asked if there are options for elderly customers and customers who are individuals with disabilities; and, (3) B, When contacted by a customer about suspension. Customer Contact At least 72 hours before suspending service to the account: of identified elderly or individual with disabilities, a utility must make 2 attempts at different times of day to contact the customer, an adult at the premises, or someone previously designated by the customer, either in person or by telephone. (1) If the attempt to contact is successful, the utility shall; a. b. (2) offer to explain to the customer, an adult at the premises, or someone previously designated by the customer, what can be done to avoid suspension; and offer to explain the payment and assistance options set out in Subsection C. of this Rule. If the attempt to make personal contact with the customer, an adult at the premises, OK other designated individual is not successful, the utility must give 24 hours written notice, which explains what can be done to avoid suspension, before suspending service. If the utility delivers the notice to the customer's premises, the utility must leave the notice in a conspicuous place where the notice is easy to see. mails the notice, the 24 hours begins 3 calendar days If the utility after the date the notice is postmarked. The utility must send the notice to the customer's address by first-class mail. C. Payment and Assistance Options When an identified elderly customer or customer who is an individual with disabilities tells a utility they cannot pay a bill on time, or upon contacting an identified elderly customer or customer who is an individual with disabilities under Subsection B. of this Rule, the utility shall offer to: (1) Arrange a delayed payment agreement, or, for electric and gas utilities, arrange for levelized billing; (2) Explain the right to third party notice before suspension of service; and, (3) D. Provide the names of federal, state, and local bill payment assistance agencies. Records A utility shall mark the accounts of identified elderly customers or customers who are individuals with disabilities. Utilities shall keep a record as required by Rule 7.02. of how they handled overdue accounts of elderly customers and customers. Who are individuals with disabilities. E. F. Hot Weather Protection (1) An electric or gas utility shall not suspend residential service to an elderly customer or customer who is an individual with disabilities on a day when the National Weather Service forecasts that a temperature of 95 degrees Fahrenheit or higher will occur at any time during the following 24-hour period. Fox gas utilities, hot weather protection shall be limited to elderly or individuals with disabilities air conditioning

customers only. (2) The utility must obtain the Forecast for the customer's weather zone from the National Weather Service reports on the morning of the day that the customer's shut-off is scheduled. False Information If a customer gives false information to a utility to qualify as elderly or an individual with disabilities, the utility may suspend service under Rule 6.01.G.

Customers Who Are 65 years or Older or Handicapped. Every utility must have procedures that ensure identification of eligible customers who are 65 years or older or handicapped. Eligible, identified customers must receive personal contact for delinquency and help in arranging for assistance from other agencies.

Serious Medical Condition. If you or someone in your household, has a serious medical condition that your physician feels would get worse if you lost your service, your physician may notify the utility that this condition exists. The utility will send the physician a medical certificate to complete and return to the utility within seven days. The physician must certify that a medical emergency exists. The completion of this certificate for medical need of your service will postpone the suspension for up to thirty days.

Rule 2-01. Motion on Utility Service Information Requirements

(15) A summary of the rules and procedures for helping households avoid shut-off when there is a serious medical condition, elderly customer, or a customer who is an individual with disabilities.

California:

- Does your state have any protections for medically vulnerable customers?

Yes: Medical and Extreme Weather

Medical Baseline: Providing Energy at Lower Cost to Consumers with Medical Conditions

Medical Baseline Tip: <https://www.cpuc.ca.gov/consumer-support/financial-assistance-savings-and-discounts/medical-baseline>

Process: (PGE) <https://www.pge.com/en/account/rate-plans/how-rates-work/baseline-allowance.html>

chrome-

extension://efaidnbmnnnibpcjpcglclefindmkaj/<https://www.pge.com/assets/pge/docs/account/billing-and-assistance/mbl-medical-practitioner-portal-faq.pdf>

Qualified Equipment: https://www.pge.com/en_US/residential/save-energy-money/help-paying-your-bill/longer-term-assistance/medical-condition-related/medical-baseline-allowance/medical-baseline-allowance.page

Stated this but couldn't find the law: A customer must obtain a signature on a pre-printed form from a licensed physician or other health care provider certifying as to the customer's condition. Each of the utilities have processes in place to protect customers who have taken steps to have themselves identified as life support or critical care.

- If yes, please outline protection:

Safety Power Shut-off (PSPS)

Who can certify a person for Medical Baseline Program eligibility? A PG&E customer or a full-time resident in the household needs to have the second page (Part B) of their Medical Baseline Application form filled out and signed by a qualified medical practitioner. Qualified medical practitioners include licensed physicians, surgeons and persons licensed pursuant to the Osteopathic Initiative Act per California Public Utilities Code §739 and nurse practitioners consistent with PG&E's current practice and as now provided in California Public Utilities Codes & §799.3. In addition, per PG&E's current practice, a licensed physician assistant working as a part of the customer's physician team may certify a patient eligibility as having a life-threatening condition or illness.

What are the qualifying medical conditions for the Medical Baseline program? Some examples of qualifying medical conditions include: • Paraplegic, hemiplegic or quadriplegic condition • Multiple sclerosis with additional heating and/or cooling needs • Scleroderma with additional heating needs • Life-threatening illness or compromised immune system, and additional heating and/or cooling are needed to sustain life or prevent medical deterioration • Asthma and/or sleep apnea.

Colorado:

- Does your state have any protections for medically vulnerable customers?

Yes: 4 Colo. Code Regs. § 723-5-5407

- If yes, please outline protection:

Medical emergencies.

(A) A utility shall postpone discontinuance of service to a residential customer for 90 days from the date of a medical certificate issued by a Colorado-licensed physician or health care practitioner acting under a physician's authority which evidences that discontinuance of service will aggravate an existing medical emergency or create a medical emergency for the customer or a permanent resident of the customer's household. A customer may invoke this subparagraph (IV)(A) only once in any twelve consecutive months.

(B) As a condition of obtaining a new installment payment plan on or before the last day covered by a medical certificate, a customer who had already entered into a payment arrangement but had broken the arrangement prior to seeking a medical certification, may be required to pay all amounts that were due up to the date of the original medical certificate as a condition of obtaining a new payment arrangement. At no time shall a payment from the customer be required as a condition of honoring a medical certificate.

(C) The certificate of medical emergency shall be in writing, sent to the utility from the office of a licensed physician, and clearly show the name of the customer or individual whose illness is at issue; the Colorado medical identification number, phone number, name, and signature of the physician or health care practitioner acting under a physician's authority certifying the medical emergency. Such certification shall be incontestable by the utility as to the medical judgment, although the utility may use reasonable means to verify the authenticity of such certification.

(D) A utility may accept oral notification from the office of a licensed physician, or

health care practitioner licensed to prescribe and treat patients, but the issued medical certificate must be received by the utility within ten days following such oral notification.

Connecticut:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

For patients with health conditions that require electricity for device use or prescription refrigeration, public utilities offer protection from disconnection with physician certification, with policies varying by state. In Connecticut, utilities are prohibited from disconnecting service to those with a life-threatening illness as certified by a physician,¹ with definition of "life-threatening" left to the physician's judgment. Although the association between energy insecurity and health outcomes

has been studied in children, less is known about the association in adults with more complex health needs.^{2,3} We examined trends in medical exemptions from utility disconnection in Connecticut and the characteristics and health care use of adults applying for exemptions in a large primary care practice.

The number of households with medical exemptions increased from 5191 in December 2011 to 6936 in December 2017 for one electricity supplier and declined from 33 053 to 24 942 for the other. Both utilities reported increases in outstanding balances, from \$26 356 000 in 2011 to \$41 802 000 in 2017 for one utility and from \$21 201 383 to \$43 655 465 for the other. Combined, 31 878 households had medical protection from utility disconnection in 2017; the uncollected amount in these accounts was \$85 457 465.

Delaware:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

State Law R. 117 section (d) In no event shall such termination occur if any occupant of any dwelling unit shall be so ill that the termination of such sale or service shall adversely affect the occupant's health or recovery, which has been so certified by a signed statement from any duly licensed physician, physician assistant or advanced nurse practitioner, of this State or of a state with similar accreditation and received by any employee or officer of such person engaging in the distribution or sale of gas, water or electricity. Signed statements from a licensed physician, physician assistant or advanced nurse practitioner, obtained pursuant to this section are effective for 120 days. Signed statements may be renewed by means of a new signed statement to prevent termination only if a customer makes a good faith effort to make payments towards the utility service being provided. The Delaware Public Service Commission may promulgate regulations defining "good faith effort to make payments". If a utility is subject to the jurisdiction of the Delaware Public Service Commission, that utility or a customer of the utility may petition the Delaware Public Service Commission for review of any dispute under this section. While such dispute is pending, a utility shall continue

to provide utility service to the customer until a final Commission adjudication on the petition is issued. When possible, no termination under this section shall occur without advance notice to any known case manager or coordinator of an occupant in an affected dwelling unit.

District of Columbia:

- Does your state have any protections for medically vulnerable customers?

Yes

- If yes, please outline protection:

311.1 A Utility shall postpone the Disconnection of service for a reasonable time not to exceed twenty-one (21) Days if the Utility is provided with a physician's certificate or notice from a public health official which states that Disconnection would be detrimental to the health and safety of a bona fide occupant of the premises, provided that the Customer enters into a DPA. The postponement may be extended for one (1) additional period of not more than twenty-one (21) Days by renewal of the certificate or notice.

Florida:

- Does your state have any protections for medically vulnerable customers? No

- If yes, please outline protection:

None

Georgia:

- Does your state have any protections for medically vulnerable customers?

Yes, the Georgia Public Service commission does.

- If yes, please outline protection:

a. What are the criteria for enrollment, i.e. income-level, age, medical, account holder only, all household, etc.?

- Medical letter from the doctor stating the length of time of the illness and the utility (gas, telephone or electric) that needs to remain active.

- The account holder must be the person requesting the services to remain on.

- If the medical letter is for someone else in the household, then the account holder needs to write a letter stating how they are related.

b. The process for enrollment

- The consumer is to contact the utility company within ten (10) business days of disconnection.

c. Length of Protection

- For as long as the doctor's medical letter states.

d. Can the protection be renewed? If yes, what is the renewal process? How often?

- Yes, the same process as previously.

- Every 6 months, the consumer is able to renew.

What challenges do these protections present to the utility? i.e. rise in uncollectibles.

- For the length of time the consumer is on a medical hold; the services are still incurring, and no payments are being made.
- Thus, resulting in a higher bill when the medical letter has expired.
- We suggest to the consumers to still make payments towards the bills so that they are not too far behind.

Hawaii:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:
6-60-8 (c)The utility shall provide special consideration in the handling of termination of service in the case of the elderly and handicapped customers. (1) Elderly customers must show proof of age that they are sixty-two years or older by either appearing in person at the utility office or by verifying the date of birth in writing by a personal statement; (2) Handicapped customers can be qualified by certification of their physical condition by a registered physician or by an appropriate state agency; and (3) In no event shall termination of service to an elderly or handicapped customer commence without a written report and investigation by the utility to the commission. The report and investigation must be submitted by the utility not less than five days prior to the planned date for disconnection.

Idaho:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:
Intent: The purpose of this Section is to temporarily prohibit disconnection of utility service to a residential customer for at least 60 days in cases of certified medical necessity; and to provide an opportunity for the customer to retire past due amounts by periodic installments under an automatic medical payment arrangement commencing after 30 days. b Certifying Parties: Certification may be made by either a licensed physician or a local board of health. c Method of Certification:1 Initial certification by phone call is allowed. 2 Written (may be mailed, faxed or delivered electronically) certification must be provided within 7 days after an initial certification by phone call. d Certificate Content: 1 Name and contact information for the certifying party; 2 Service address and name of patient; 3 A statement that the patient resides at the premises in question; and 4 A statement that the disconnection of utility service will aggravate an existing medical emergency or create a medical emergency for the patient. e Certificate Timing: 1 Certificate presentation prior to disconnection entitles a customer to receive a medical payment arrangement term, as described under subsection (i)(1). 2 The certificate may be presented up to 14 days after disconnection, with utility discretion as to whether it shall accept a certificate more than 14 days after disconnection have passed. Certification presented after disconnection entitles a customer to receive a medical payment arrangement term, as described under subsection (i)(2). f Restoration:1 When a valid medical certification is provided to the utility up to 14 days

after disconnection, service shall be restored within one day after the provision of certification. 2 The utility shall not treat the disconnected customer as an applicant for service for purposes of restoration under a medical certificate.

g Duration of Certificate: The certificate shall protect the account from disconnection for 60 days after the date of certification. If the customer was disconnected prior to certification, the 60-day period shall not begin until the utility restores the customer's service.

h Data Collection and Maintenance: The utility shall collect the following data on a monthly basis and maintain the data for two years following its collection. The utility shall make the data available to Commission Staff within 30 days after a request from Staff:

1 The total number medical certificates requested and, in instances in which a utility declines to issue a medical certificate, the reason for denial.

2 The total number of medical certificates issued by the utility.

3 The duration, including start and end dates, of the medical certification period (whether the end date is based on payment by the customer or expiration of the 60-day period).

i Medical Payment Arrangement:

1 If valid medical certification is received prior to disconnection, the first bill statement that will be due after 30 days after the certification date shall indicate: A An amount to pay that is equal to 1/12th of the total amount owing for utility services by the customer.

B The remaining balance owing for utility services.

C That the customer is on a medical payment arrangement; and

D 11 remaining installments of equal amounts to be paid on future bills. 2 If

valid medical certification is received after disconnection, the first bill statement that will be due after 30 days after the certification date shall indicate: A An amount to pay that is equal to 1/4th of the total amount owing for utility services by the customer.

B The remaining balance owing for utility services.

C That the customer is on a medical payment arrangement; and

D Nine remaining installments of equal amounts to be paid on future bills.

3 Valid medical certification shall entitle a customer to an MPA, regardless of the success or failure of previous payment plans of any sort.

j New Certification of Previously Certified Accounts: Accounts that received a prior valid medical certificate shall be eligible for new certification any time after either:

1 The total account balance has been brought current; or

2 12 months from the beginning date of the prior certification has passed.

Illinois:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

m) Medical Certification: A utility shall not disconnect service to a residence for 60 days upon receipt of a valid medical certificate for a resident of the household, so long as the account is eligible for medical certification under Section 280.160.

1) Cold weather: Termination of gas and electric utility service to all residential users, including all tenants of apartment buildings where gas or electricity is used as the

only source of space heating or to control or operate the only space heating equipment, is prohibited:

A) On any day when the National Weather Service forecast for the following 24 hours covering the area of the utility in which the residence or master-metered apartment building is located includes a forecast that the temperature will be 32 degrees Fahrenheit or below; or

B) On any day preceding a holiday or weekend when the National Weather Service forecast covering the area of the utility in which the residence or master-metered apartment building is located includes a forecast that the temperature will be 32 degrees Fahrenheit or below at any time during the holiday or weekend. [220 ILCS 5/8-205(a)]

2) Hot weather: If gas or electricity is used as the only source of space cooling or to control or operate the only space cooling equipment at a residence or master-metered apartment building, then a utility with over 100,000 residential customers may not terminate gas or electric utility service to the residential user, including all tenants of master-metered apartment buildings:

A) On any day when the National Weather Service forecast for the following 24 hours covering the area of the utility in which the residence or master-metered apartment building is located includes a forecast that the temperature will be 95 degrees Fahrenheit or above; or

B) On any day preceding a holiday or weekend when the National Weather Service forecast covering the area of the utility in which the residence or master-metered apartment building is located includes a forecast that the temperature will be 95 degrees Fahrenheit or above at any time during the holiday or weekend. [220 ILCS 5/8-205(b)]

Energy Act of 1989 Participants (Low Income Customers) Winter Disconnection Prohibition: Notwithstanding any other provision of this Part, no electric or gas

public utility shall disconnect service to any residential customer who is a participant under Section 6 of the Energy Assistance Act of 1989 [305 ILCS 20/6] for nonpayment of a bill or deposit where gas or electricity is used to control or operate the primary source of space heating equipment at the premises during the period of time from December 1 and including March 31 of the immediately succeeding calendar year. [220 ILCS 5/8-206(k)]

Electric Space-Heating Customer Winter Disconnection Prohibition: A utility that served more than 100,000 electric customers in Illinois as of December 31, 2005, shall not terminate electric service to a residential space heating customer for non-payment from December 1 through March 31. [220 ILCS 5/16-111.6]

q) Military Personnel on Active-Duty Disconnection Prohibition: No utility shall for nonpayment stop gas or electricity from entering the residential premises that was the primary residence of a service member immediately before the service member was assigned to military service. [220 ILCS 5/8-201.5(b)]

r) Service Member or Veteran Disconnection Prohibition: No electric or gas public utility shall disconnect service to any residential customer who has notified the utility that he or she is a service member or veteran for nonpayment of a bill or deposit where gas or electricity is used as the primary source of space heating or is used to control or operate the primary source of space heating equipment at the premises

during the period of time from December 1 through and including March 31 of the immediately succeeding calendar year. [220 ILCS 5/8-206(l)]

Section 280.135 Winter Disconnection of Residential Heating Services, December 1 through March 31

a) Notwithstanding any other provision of this Part, no electric or gas public utility shall disconnect service to any residential customer or master-metered apartment building for nonpayment of a bill or deposit where gas or electricity is used as the primary source of space heating equipment at the premises during the period of time from December 1 through and including March 31 of the immediately succeeding calendar year, unless:

1) The utility:

A) Has offered the customer a winter deferred payment arrangement (winter DPA) allowing for payment of past due amounts over a period of not less than four months not to extend beyond the following November and the option to enter into a budget payment plan for the payment of future bills. The maximum down payment requirements shall not exceed 10 percent of the amount past due and owing at the time of entering into the agreement; and

B) provides the customer with the names, addresses and telephone numbers of governmental and private agencies which may provide assistance to customers of public utilities in paying their utility bills; the utility must obtain the approval of an agency before placing the name of that agency on any list used to provide the information to customers

2) The customer has refused or failed to enter into a winter DPA as described in subsection (a)(1)(A); and

3) All disconnection notice requirements as provided by law and this Part have been met by the utility.

b) Prior to termination of service for any residential customer or master-metered apartment building during the period from December 1 through and including March 31 of the immediately succeeding calendar year, all electric and gas public utilities shall, in addition to all other notices:

1) Notify the customer or an adult (a person over the age of 18) residing at the customer's premises either by telephone, a personal visit to the customer's premises or by first class mail, informing the customer that:

A) The customer's account is in arrears and the customer's service is subject to disconnection for nonpayment of a bill.

B) The customer can avoid disconnection of service by entering into a deferred payment agreement to pay past due amounts over a period not to extend beyond the following November and the customer has the option to enter into a budget payment plan for the payment of future bills; and

C) The customer may apply for any available assistance to aid in the payment of utility bills from any governmental or private agencies from the list of the agencies provided to the customer by the utility.

2) A public utility shall be required to make only one contact required in subsection (b)(1) with the customer during any period from December 1 through and including March 31 of the immediately succeeding calendar year.

- 3) Each public utility shall maintain records which shall include, but not necessarily be limited to, the manner by which the customer was notified and the time, date and manner by which any prior unsuccessful efforts to contact the customer were made. These records shall also describe the terms of the DPA offered to the customer and those entered into by the utility and the customer. These records shall indicate the total amount past due, the down payment, the amount remaining to be paid, and the number of months allowed to pay the outstanding balance. No public utility shall be required to retain records pertaining to unsuccessful efforts to contact or DPAs rejected by the customer after the customer has entered into a DPA with the utility.
- c) No public utility shall disconnect service for nonpayment of a bill until the lapse of six business days after making the notification required in subsection (b)(1) so as to allow the customer an opportunity to:
- 1) Enter into a DPA and the option to enter into a budget payment plan for the payment of future bills; and
 - 2) Contact a governmental or private agency that may provide assistance to customers for the payment of public utility bills.
- d) Any residential customer who enters into a DPA pursuant to this Section and subsequently, during that period of time set forth in subsection (a), becomes subject to disconnection, shall be given notice as required by law and this Part prior to disconnection of service.
- e) During that time period set forth in subsection (a), a utility shall not require a down payment for a deposit from a residential customer, pursuant to Section 280.40, in excess of 20% of the total deposit requested. An additional four months shall be allowed to pay the remainder of the deposit. This provision shall not apply to master-metered apartment buildings or other non-residential customers.
- f) During that period of time set forth in subsection (a), the provisions of Section 280.120 that allow a utility to refuse to offer a DPA to a residential customer who has defaulted on an agreement within the past 12 months are suspended. However, no utility shall be required to enter into more than one DPA under this Part with any residential customer or master-metered apartment building during the period from December 1 through and including March 31 of the immediately succeeding calendar year.
- g) In order to enable customers to take advantage of energy assistance programs, customers who can demonstrate that their applications for a local, State or federal energy assistance program have been approved may request that the amount they will be entitled to receive as a regular energy assistance payment be deducted and set aside from the amount past due on which they make DPAs. Payment on the set-aside amount will be credited when the energy assistance voucher or check is received, according to the utility's common business practice.
- h) In no event shall any utility send a disconnection notice to any customer who has entered into a current DPA and has not defaulted on that DPA, unless the disconnection notice pertains to a deposit request.
- i) Each utility will include with each disconnection notice sent during the period from December 1 through and including March 31 of the immediately succeeding calendar year to a residential customer an insert explaining the provisions of this Section and providing a telephone number of the utility company the customer may call to receive further information.

Section 280.160 Medical Certification

- a) Intent: The purpose of this Section is to temporarily prohibit disconnection of utility service to a residential customer for at least 60 days in cases of certified medical necessity; and to provide an opportunity for the customer to retire past due amounts by periodic installments under an automatic medical payment arrangement commencing after 30 days.
- b) Certifying Parties: Certification may be made by either a licensed physician or a local board of health.
- c) Method of Certification:
- 1) Initial certification by phone call is allowed.
 - 2) Written (may be mailed, faxed or delivered electronically) certification must be provided within 7 days after an initial certification by phone call.
- d) Certificate Content:
- 1) Name and contact information for the certifying party.
 - 2) Service address and name of patient.
 - 3) A statement that the patient resides at the premises in question; and
 - 4) A statement that the disconnection of utility service will aggravate an existing medical emergency or create a medical emergency for the patient.
- e) Certificate Timing:
- 1) Certificate presentation prior to disconnection entitles a customer to receive a medical payment arrangement term, as described under subsection (i)(1).
 - 2) The certificate may be presented up to 14 days after disconnection, with utility discretion as to whether it shall accept a certificate more than 14 days after disconnection have passed. Certification presented after disconnection entitles a customer to receive a medical payment arrangement term, as described under subsection (i)(2).
- f) Restoration:
- 1) When a valid medical certification is provided to the utility up to 14 days after disconnection, service shall be restored within one day after the provision of certification.
 - 2) The utility shall not treat the disconnected customer as an applicant for service for purposes of restoration under a medical certificate.
- g) Duration of Certificate: The certificate shall protect the account from disconnection for 60 days after the date of certification. If the customer was disconnected prior to certification, the 60-day period shall not begin until the utility restores the customer's service.
- h) Data Collection and Maintenance: The utility shall collect the following data on a monthly basis and maintain the data for two years following its collection. The utility shall make the data available to Commission Staff within 30 days after a request from Staff:
- 1) The total number medical certificates requested and, in instances in which a utility declines to issue a medical certificate, the reason for denial.
 - 2) The total number of medical certificates issued by the utility.
 - 3) The duration, including start and end dates, of the medical certification period

(whether the end date is based on payment by the customer or expiration of the 60-day period).

i) Medical Payment Arrangement:

1) If valid medical certification is received prior to disconnection, the first bill statement that will be due after 30 days after the certification date shall indicate:

- A) An amount to pay that is equal to $\frac{1}{12}$ th of the total amount owing for utility services by the customer.
- B) The remaining balance owing for utility services.
- C) That the customer is on a medical payment arrangement; and
- D) 11 remaining installments of equal amounts to be paid on future bills.

2) If valid medical certification is received after disconnection, the first bill statement that will be due after 30 days after the certification date shall indicate:

- A) An amount to pay that is equal to $\frac{1}{4}$ th of the total amount owing for utility services by the customer.
- B) The remaining balance owing for utility services.
- C) That the customer is on a medical payment arrangement; and
- D) Nine remaining installments of equal amounts to be paid on future bills.

3) Valid medical certification shall entitle a customer to an MPA, regardless of the success or failure of previous payment plans of any sort.

j) New Certification of Previously Certified Accounts: Accounts that received a prior valid medical certificate shall be eligible for new certification any time after either:

- 1) The total account balance has been brought current; or
- 2) 12 months from the beginning date of the prior certification has passed.

Indiana:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:
170 IAC 4-1-16 Disconnection of service; prohibited disconnections; reconnection
(c) Except as otherwise provided in subsections (a) and (b), a utility shall postpone the disconnection of service for ten (10) days if, prior to the disconnect date specified in the disconnect notice, the customer provides the utility with a medical statement from a licensed physician or public health official that states that disconnection would be a serious and immediate threat to the health or safety of a designated person in the household of the customer. The postponement of disconnection shall be continued for one (1) additional ten (10) day period upon the provision of an additional such medical statement. A utility may not disconnect services to the customer:
 - (1) upon his or her failure to pay for:
 - (A) merchandise or appliances.
 - (B) the service rendered at a different metering point, residence, or location if such bill has remained unpaid for less than forty-five (45) days.
 - (C) services to a previous occupant of premises to be served; or
 - (D) a different form or class of utility service.

(2) if the customer or user shows cause for his or her inability to pay the full amount due (financial hardship shall constitute cause), and the customer:

(A) pays a reasonable portion (not to exceed ten dollars (\$10) or one-tenth (1/10) of the bill, whichever is less, unless the customer agrees to a greater portion) of the bill.

(B) agrees to pay the remainder of the outstanding bill within three (3) months.

(C) agrees to pay all undisputed future bills for service as they become due; and

(D) has not breached any similar agreement with the utility made pursuant to this section within the past twelve (12) months; provided, however, that the utility may add to the outstanding bill a late payment charge not to exceed the amount set under section 13(c) of this rule, and, provided further, that the terms of agreement shall be put in writing by the utility and signed by the customer and by a representative of the utility; or

(3) if a customer or user is unable to pay a bill that is unusually large due to a prior incorrect reading of the meter, incorrect application of the rate schedule, incorrect connection or functioning of the meter, prior estimates where no actual reading was taken for over two (2) months, stopped or slow meters, or any human or mechanical error of the utility, and the customer:

(A) pays a reasonable portion of the bill, not to exceed an amount equal to the customer's average bill for the six (6) bills immediately preceding the bill in question.

(B) agrees to pay the remainder at a reasonable rate; and

(C) agrees to pay all undisputed future bills for service as they become due, provided, however, that the utility may not add to the outstanding bill any late fee, and provided further, that the terms of agreement shall be put in writing by the utility and signed by the customer and a representative of the utility

Sec. 16.6. (a) Without customer request, a utility may not, during the period from December 1 through March 15, disconnect electric residential service to any customer who either is receiving or who is eligible for and has applied for assistance under IC 4-4-33.

(b) During the period from December 1 through March 15, a utility may not disconnect service to such customers if:

(1) The customers' eligibility to receive benefits pursuant to IC 4-4-33 is being determined by the Indiana housing and community development authority or its designee after the submission of a complete application for benefits by the customer.

(2) The customer has furnished to the utility proof of his application to receive such benefits, or the utility has been so notified in writing by the Indiana housing and community development authority or its authorized representatives.

Iowa:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

199—27.4(476) Disconnection of service.

g. A disconnection may not take place where electricity is used as the only source of space heating or to control or operate the only space heating equipment at a

residence when the actual temperature or the 24-hour forecast of the National Weather Service for the residence's area is predicted to be 20 degrees Fahrenheit or colder. If the electric cooperative or municipal electric utility has properly posted a disconnect notice but is precluded from disconnecting service because of severe cold weather, the utility may immediately proceed with appropriate disconnection procedures, without further notice, when the temperature in the residence's area rises above 20 degrees Fahrenheit and is forecasted to remain above 20 degrees Fahrenheit for at least 24 hours, unless the customer has paid in full the past due amount or is otherwise entitled to postponement of disconnection.

h. Disconnection of a residential customer shall be postponed if the disconnection of service would present an especial danger to the health of any permanent resident of the premises.

(1) An especial danger to health is indicated if a person appears to be seriously impaired and may, because of mental or physical problems, be unable to manage the person's own resources, to carry out activities of daily living or to be protected from neglect or hazardous situations without assistance from others. Indicators of an especial danger to health include but are not limited to age, infirmity, or mental incapacitation; serious illness; physical disability, including blindness and limited mobility; and any other factual circumstances which indicate a severe or hazardous health situation.

(2) The electric cooperative or municipal electric utility may require written verification of the especial danger to health by a physician or a public health official, including the name of the person endangered; a statement that the person is a resident of the premises in question; the name, business address, and telephone number of the certifying party; the nature of the health danger; and approximately how long the danger will continue. Initial verification by the verifying party may be by telephone if written verification is forwarded to the utility within five days. IAC Ch 27, p.3

(3) Verification shall postpone disconnection for 30 days. In the event service is terminated within 14 days prior to verification of illness by or for a qualifying resident, service shall be restored to that residence if a proper verification is thereafter made in accordance with the foregoing provisions. If the customer does

not enter into a reasonable payment agreement for the retirement of the unpaid balance of the account within the first 30 days and does not keep the current account paid during the period that the unpaid balance is to be retired, the customer is subject to disconnection.

i. Winter energy assistance (November 1 through April 1). If the electric cooperative or municipal electric utility is informed that the customer's household may qualify for winter energy assistance or weatherization funds, there shall be no disconnection of service for 30 days from the date the electric cooperative or municipal electric utility is notified to allow the customer time to obtain assistance. Disconnection shall not take place from November 1 through April 1 for a resident who is a head of household and who has been certified to the electric cooperative or municipal electric utility by the community action agency as eligible for either the low-income home energy assistance program or the weatherization assistance program.

j. Military service deployment. If the electric cooperative or municipal electric utility is informed that one of the heads of household as defined in Iowa Code section 476.20 is a service member deployed for military service, as defined in Iowa Code section 29A.90, disconnection cannot take place at the residence during the

deployment or prior to 90 days after the end of the deployment.

Kansas:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:

SECTION V. COLD WEATHER RULE

A. Availability: The provisions of the Cold Weather Rule (CWR) allow for special payment and disconnection procedures for any Kansas residential customer with unpaid arrearages to retain or restore utility service throughout the cold weather period, which extends from November 1 through March 31.

B. Prohibitions on disconnections: A utility shall not disconnect a customer's service between November 1 and March 31 when the local National Weather Service forecasts that the temperature will drop below 35 degrees or will be in the mid-30s or colder within the following 48-hour period unless:

- (1) It is at the customer's request.
- (2) The service is abandoned.
- (3) A dangerous condition exists on the customer's premises.
- (4) The customer violates any rule of the utility which adversely affects the safety of the customer or other persons, or the physical integrity of the utility's delivery system.
- (5) The customer causes or permits unauthorized interference with, or diversion or use of utility service (meter bypass) situated or delivered on or about the customer's premises.
- (6) The customer misrepresents his or her identity for the purpose of obtaining or retaining utility service; or
- (7) The customer makes an insufficient funds payment as the initial payment or an installment payment under a Cold Weather Rule payment plan and does not cure the insufficient payment during the 10-day period after a disconnection notice is sent to the customer.

D. Discontinuance in special circumstances:

- (1) If a residential customer notifies the utility and establishes that:
 - a. Discontinuance would be especially dangerous to the health of the customer, resident member of the customer's family or other permanent resident of the premises where service is rendered, and
 - b. (i) Such customer is unable to pay for such service in accordance with the requirements of the utility's billing or (ii) is able to pay for such service only in installments; The utility shall either allow payment in reasonable installments or postpone discontinuance of service for at least 21 days so that the customer can make arrangements for reasonable installment payments.

Kentucky:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:

(2) A utility shall not terminate service to a customer if:

(c) A medical certificate is presented. Service shall not be terminated for thirty (30) days beyond the termination date if a physician, registered nurse, or public health officer certifies in writing that termination of service will aggravate a debilitating illness or infirmity currently suffered by a resident living at the affected premises.

1. A utility may refuse to grant consecutive extensions for medical certificates past the original thirty (30) days unless the certificate is accompanied by an agreed partial payment plan in accordance with Section 14 of this administrative regulation.

2. A utility shall not require a new deposit from a customer to avoid termination of service for a thirty (30) day period who presents to the utility a medical certificate certified in writing by a physician, registered nurse, or public health officer.

(3) A gas or electric utility shall not terminate service for thirty (30) days beyond the termination date if the Kentucky Cabinet for Health and Family Services (or its designee) certifies in writing that the customer is eligible for the cabinet's energy assistance program or household income is at or below 130 percent of the poverty level, and the customer presents the certificate to the utility.

(a) A customer eligible for certification from the Cabinet for Health and Family Services shall have been issued a termination notice between November 1 and March

(b) Each certificate shall be presented to the utility during the initial ten (10) day termination notice period.

(c) :

1. As a condition of the thirty (30) day extension, the customer shall exhibit good faith in paying his indebtedness by making a present payment in accordance with his ability to do so.

2. In addition, the customer shall agree to a repayment plan in accordance with Section 14 of this administrative regulation, which shall permit the customer to become current in the payment of his bill as soon as possible but not later than October 15

Louisiana:

- Does your state have any protections for medically vulnerable customers? No

- If yes, please outline protection:

None

Maine:

- Does your state have any protections for medically vulnerable customers?

Yes. <https://www.maine.gov/mpuc/sites/maine.gov/mpuc/files/inline-files/407c815%20%281%29.pdf>

- If yes, please outline protection:

Chapter 815: CONSUMER PROTECTION STANDARDS FOR ELECTRIC AND GAS TRANSMISSION AND DISTRIBUTION UTILITIES CONTINUATION OF UTILITY SERVICE IS REQUIRED FOR RESIDENTIAL

CUSTOMERS WITH A MEDICAL EMERGENCY

A. Basic service is required for residential customers when a medical emergency necessitates a continuation of service

A utility may not disconnect service or refuse to reconnect service to any residential customer when the customer or an occupant of the customer's residence is certified by a physician or the physician's agent or designee to have a medical emergency. If a utility discovers after a disconnection of service that the customer or an occupant of the customer's residence is certified by a physician or the physician's agent or designee to have a medical emergency, the utility must reconnect the service pursuant to subsection D, provided the customer is eligible for a medical emergency declaration pursuant to subsection E.

B. Disconnection postponed pending certification 65-407 Chapter 815 page 40

If the customer or member of the customer's household notifies the utility that the customer or an occupant of the customer's residence has a medical emergency and that certification of the medical emergency will be obtained, the utility may not disconnect service for at least three business days. The effective period of a pending disconnection notice can be extended to accommodate this three-day period if the utility notified the customer of the extension at the time the utility was notified of the medical emergency.

C. Certification procedure A physician's certification of a medical emergency may be oral or written. A utility may not challenge the validity of an oral or written certification with a physician or a physician's agent, unless the utility has reason to believe that fraudulent information has been provided by the customer. If the utility has reason to believe that certification is not valid, it should file a request for an exemption of this Section with the CASD. The utility may require written confirmation within seven days of an oral certification. The utility may require that a written certification include the following if the utility provides a form for the physician to complete:

1. The name and service location of the customer (to be provided by the utility).
2. The name and address of the person with the medical emergency.
3. A statement that a serious illness or medical condition exists which would be seriously aggravated by lack of utility service.
4. The anticipated length of the medical emergency.
5. The specific reason why continued service is required.
6. The name, office address, telephone number and signature of the certifying physician.

If the written certification is not provided within the seven-day period, the utility may proceed with disconnection if the pending disconnection notice is still effective or may pursue disconnection pursuant to Section 10(D)(3) if the pending disconnection notice has expired.

D. Reconnection of service

When a utility is required to reconnect service under this Section, the utility shall attempt to provide service on the day it receives the certification. In any case, service must be provided by 5:00 p.m. of the next day.

E. Length of certification; renewals the utility may not disconnect the customer for the time period specified in the certification or 30 days, whichever is less. If the certification does not specify a time period or it is not readily ascertainable, the utility

must not disconnect for a least 30 days.

A certification may be renewed a total of two times during any 12-month period. This limitation applies to the premises as a whole, i.e., regardless of how many different people with a medical emergency reside at the same premises, the utility must accept no more than a total of three medical emergency certifications for the premises within a 12-month period.

F. Customer's duty to pay or make a payment arrangement

Whenever service is provided due to the existence of a medical emergency, the utility shall inform the customer of the continuing duty to pay or make a payment arrangement for the amount overdue. A utility must offer to refer a customer to possible sources of financial assistance for the payment of the utility bill when a medical emergency is declared.

G. Disconnection upon expiration of a certification

A utility may begin disconnection procedures when a certification of a medical emergency expires if the customer has failed to pay or enter into a payment arrangement for the amount overdue.

Maryland:

- Does your state have any protections for medically vulnerable customers?

Yes. <https://www.psc.state.md.us/frequently-asked-questions/restrictions-on-terminations-4/>

- If yes, please outline protection:

The utility must refrain from terminating service for an additional 30 days for upon notice that a customer or occupant has a serious medical condition. Upon receipt of the termination notice, if you or an occupant in the household has a serious illness and/or is in need of life support equipment, it is your responsibility to notify the utility before the termination notice expires, and before the service is terminated.

The utility may require that your doctor, a certified nurse practitioner or physician assistant complete a Commission-approved form to certify a serious illness or the need for life support equipment.

A physician or the customer may initially contact the utility of the intent to obtain certification. However, the required certificate is to be forwarded to the utility not later than the day before the scheduled date for termination of service. Upon notification, the utility will withhold termination for an additional 30 days. During that time, you are required to promptly enter into an agreement with the utility for the payment of the unpaid bills and current amounts due for service. It is important to note that the utility is authorized to pursue collection procedures (that include disconnecting your service) if you fail to adhere to the payment plan.

Massachusetts:

- Does your state have any protections for medically vulnerable customers? Yes. <https://www.mass.gov/doc/220-cmr-25-billing-and-termination-procedures-of-the-department-of-public-utilities/download>

- If yes, please outline protection:

25.03: Termination of Service to Customers During Serious Illness, Infant, and Winter

Protection

(1) Statement of Protection from Shut-off due to Financial Hardship.

No company may shut off or refuse to restore utility service to the home of any customer if:

(a) It is certified to the company:

1. That the customer or someone living in the customer's home is seriously ill; or
2. That there is domiciled in the home of the customer a child under 12 months of age; or
3. Between November 15 and March 15 that the customer's service provides heat or operates the heating system and that the service has not been shut off for nonpayment before November 15th; or
4. That all adults domiciled in the home are age 65 or older and a minor resides in the home; and

(b) The customer is unable to pay any overdue bill, or any portion thereof, because of financial hardship, as defined in 220 CMR 25.01(2).

(2) Procedure for Certifying Protections. A claim of protection under 220 CMR 25.03(1) may initially be made by telephone. The telephone certification shall remain valid until the filing time periods specified hereunder have expired. In the case of serious illness, the telephone call must be made by a registered physician, physician assistant, nurse practitioner or local board of health official. In response to a claim of protection, the company shall forward to the customer a financial hardship form in such a form as shall be approved by the Department and shall instruct the customer or party acting on behalf of the customer that the financial hardship form forwarded to the customer must be filled out and returned to the company within seven days from the date of receipt. The company shall also, where applicable to the particular claim:

(a) Inform the customer or party acting on behalf of the customer that a registered physician, physician assistant, nurse practitioner or local board of health must forward to the company a certificate of serious illness within seven days from the date of notice. Said certificate shall state the name and address of the seriously ill person, the nature of the illness and the business address and telephone number of the certifying physician, physician assistant, nurse practitioner or local board of health; or

(b) Inform the customer or party acting on behalf of the customer that written certification must be forwarded to the company within seven days from the date of notice stating the name, birthdate and domicile of the child claimed to be under 12 months of age. Certification may be in the form of a birth certificate, or a letter or official documents issued by a registered physician, physician assistant, nurse practitioner, local board of health, hospital or government official, Department of Transitional Assistance, clergyman, or religious institution. The company, in turn, shall determine within seven days from the date all certifications were due back whether all claims have been appropriately certified. If the company determines that any claim has not been certified, the company shall so notify the customer in accordance with the provisions of 220 CMR 25.03(8)(c). Notice to the customer shall include a statement of the customer's right to dispute the company's determination by contacting the Department within seven days from the date of receipt of such notice.

(3) Conclusive Effect of Certificates. Certification of serious illness and infancy shall be

conclusive evidence of the existence of the condition claimed unless otherwise determined by the Department after investigation. A company which received fuel assistance payments in the prior winter season on behalf of a customer shall presume that customer meets the financial hardship guidelines set out in 220 CMR 25.01(2) and shall protect the account from November 15th through January 1, in order to give the customer sufficient time to apply for fuel assistance for the current winter season. If application for fuel assistance or other certification of financial hardship is not made by January 1st the company may pursue normal collection activity consistent with 220 CMR 25.00. For all customers, the company must provide financial hardship forms and appropriate instructions for completion no before November 15th. A signed statement by the customer showing that his/her income falls within the financial hardship guidelines as set out in 220 CMR 25.01(2) shall be considered presumptive evidence of financial hardship unless otherwise determined by the Department.

(4) Renewal of Certification. In all cases where service is continued or restored pursuant to a claim under 220 CMR 25.03(1), the customer shall renew the financial hardship form quarterly. If the financial hardship is shown to be ongoing for the period November 15th to March 15, renewal shall be waived for that period. However, the provisions of 220 CMR 25.03(3) shall govern where certification of financial hardship occurs due to participation in a fuel assistance program the prior winter. Certifications of serious illness shall be renewed quarterly, except that where illness is certified as chronic, the serious illness certificate shall be renewed every six months. Certification of infancy shall remain in effect without renewal until the child reaches 12 months of age

Minnesota:

- Does your state have any protections for medically vulnerable customers?
Yes, state statute 216B.098, subdivision 5 as well as one of our larger service providers has a Commission order requiring them to put extra money and effort into enrolling customers in medical protection
- If yes, please outline protection:
 - a. What are the criteria for enrollment, i.e. income-level, age, medical, account holder only, all household, etc.? Medical professional signature
 - b. The process for enrollment Form to fill out, submit to utility for approval, the utility has little recourse to reject it, the law says if the doctor, PA, or NP signs off they have to accept it
 - c. Length of Protection six months
 - d. Can the protection be renewed? If yes, what is the renewal process? How often?
Yes, on renewal, every six months unless the utility decides it's better to let it go longer in individual cases, complete the form again and send or just get a letter from the medical professional.

What challenges do these protections present to the utility? i.e. rise in uncollectibles. A rise in uncollectibles hasn't been an issue, but most customers don't know about the medical protection provisions, so it's under-utilized. If all goes well, the customer is set up on a payment plan and each scheduled payment can result in forgiveness of a percentage of arrears. We helped one consumer with a \$25K + arrears balance and after almost three years of regular payments, the balance is \$0, just current charges. On the other hand, I have a spreadsheet from one of the

utilities, customers with balance > \$10K, 383 customers and in analyzing that, about 60% had medical protection at some point and didn't recertify.

Mississippi:

- Does your state have any protections for medically vulnerable customers? Yes.
<https://www.psc.ms.gov/sites/default/files/Documents/Service%20Rules.pdf#page=14>
- If yes, please outline protection:
125. OTHER EXCEPTIONS TO UTILITY DISCONTINUANCE OF SERVICE 1.
LIFE THREATENING SITUATION a. No utility shall discontinue service to any residential customer for a period of sixty (60) days for nonpayment when the utility receives written notice from a medical doctor licensed to practice in the State of Mississippi, or any adjoining state, certifying that discontinuance of service would create a life-threatening situation for the customer or other permanent resident of the customer's household. b. All public utilities subject to this rule shall provide and make available to their customers at all offices appropriate forms for use by the customer in certifying the life-threatening situation. The utility shall issue a receipt to the customer acknowledging receipt of the written notice pursuant to this rule.

Missouri:

- Does your state have any protections for medically vulnerable customers?
Yes
- If yes, please outline protection:
Utilities must postpone shut off for up to 21 days if the shut off would aggravate an existing medical emergency one

Montana:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:
No disconnects with a doctor's note confirming risk to health All shutoff restrictions are based on need criteria, no general disconnect moratorium, but all shutoffs must be approved during winter months.

Additional Disconnect Policy Information

"All disconnects must be approved by PSC, an no houses below federal poverty guidelines, public assistance households, or elderly/handicapped households will be disconnected."

38.5.1411 MEDICAL EXCEPTIONS (1) Except as provided herein, service may not be terminated to a residence where a licensed health care professional certifies to the utility that the absence of service will aggravate an existing medical condition which would threaten the health of any permanent resident. A licensed health care professional means a licensed physician, physician assistant-certified, advanced

practice registered nurse, or registered nurse provided for in ARM 37.106.2805 and Title 37, MCA. All certifications must be in writing and provide the name and address of the person with the medical condition that would be aggravated by a termination of service. The certification must include the printed name, signature, office address and telephone number of the certifying licensed health care professional. A medical condition certificate is valid for 180 days from the date it is signed and dated by the licensed health care professional, and may be renewed on a semiannual basis.

(2) To avoid the accumulation of a substantial arrearage during the term of the medical certificate, the utility and the customer, or an authorized representative of the customer, shall negotiate an equitable payment arrangement that is reasonable and consistent with the customer's ability to pay. If the customer fails to make payments as established, resulting in an arrearage of \$500 or more, the customer is required to enter into and comply with a monthly payment arrangement equal to the average of the last 12 months billing plus 1/12 of the arrearage. Failure to enter into a monthly payment arrangement and make payments will result in disconnection proceedings being initiated as set out in (3).

(3) The utility must provide written notice of the initiation of disconnection proceedings to the customer. If the missed payments are not received within ten days of mailing, the utility must send a second notice. From the date of the second notice the customer must pay at least one-third of the delinquent charges to avoid termination of service. The second notice must be sent by the utility at least ten days prior to the date of the proposed termination. All written notices must be sent by first class or certified mail. Prior to termination of service the utility must make a diligent attempt to contact the customer, either in person or by telephone, to apprise the customer of the proposed action. If telephone or personal contact is not made, the utility employee shall leave notice in a place conspicuous to the customer that service will be terminated on the next business day. If the required payment is made, a new payment arrangement will be recalculated consistent with (2). Under no circumstances shall disconnection proceedings occur on accounts with an arrearage of less than \$500. Nothing in this rule prevents a utility from continuing service to a delinquent medically protected account.

(4) The utility must notify the commission in writing of the proposed termination at the beginning of the disconnection process. The commission may intervene and require a different payment arrangement or delay termination of services if the circumstances warrant. Before the commission will consider approving an alternate payment arrangement, the customer must apply, if eligible, for financial aid through organizations providing utility bill payment assistance and must respond to commission requests for information. The payment arrangement set by the commission is binding upon both the customer and the utility. Failure to comply with the payment arrangement may result in disconnection proceedings being initiated as set out in (3).

(5) From November 1 through March 31, the utility may not terminate a medical exception account protected from disconnection by the criteria established in ARM 38.5.1410.

Nebraska:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:
Sick or disabled customers may get a one-time 30-day extension with a doctor's note

Nevada:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

Disconnection delayed for 30 days with medical emergency

NAC 704.3936 Postponement of termination when dangerous to health. (NRS 703.025, 704.1835, 704.210)

1. If a utility or landlord intends to terminate service to a customer because of nonpayment, the utility or landlord shall postpone the termination for 30 days after the day on which it receives both of the following:

(a) A statement from a licensed physician, public health official or advanced practice registered nurse certifying that any termination of service would be especially dangerous to the health of the customer or another person who is a permanent resident of the premises where service is being provided and would constitute an emergency affecting the health of the person. The licensed physician, public health official or advanced practice registered nurse may consider the feebleness, advanced age, physical disability, mental incapacity, serious illness or other infirmity of the person affected and may also consider the necessity of cooling to maintain the health of the person affected, such as the necessity of cooling provided by an evaporative cooler or similar device. Except as otherwise provided in this paragraph, the statement must be in writing and include:

- (1) The address where service is provided.
- (2) The name of the person whose health would be especially endangered.
- (3) A clear description of the nature of the emergency; and
- (4) The name, title and signature of the licensed physician, public health official or advanced practice registered nurse certifying the emergency. The statement may be made by telephone if a written statement is sent for confirmation to the utility or landlord within 5 days after the oral statement is made.

(b) A statement signed by the customer:

- (1) That he or she is unable to pay for service in accordance with the requirements of the utility's or landlord's billing; or
- (2) That he or she is able to pay for service only in installments. The utility or landlord shall allow an installment plan of up to 60 days for the customer to pay the bills of the customer. The installment plan must consist of three equal payments with the first payment to be made when the customer presents the signed statement to the utility or landlord.

2. The postponement may be extended for an additional 30 days if the utility or landlord receives a renewed medical certificate before the expiration of the original period of postponement.

3. If a utility or landlord again intends to terminate service after a customer has obtained a postponement pursuant to subsection 1, the utility or landlord shall give written notice of its intended action:

(a) To the Division.

(b) To the customer; and

(c) To each governmental agency or other organization which has notified the utility or landlord that it will help customers who are unable to pay their bills.

4. Before the period of postponement expires, the customer must arrange with the utility or landlord to pay the bills of the customer in accordance with its applicable rules.

(Added to NAC by Pub. Utilities Comm'n by R126-02, eff. 2-17-2005; A by R061-17, 12-19-2017)

New Hampshire:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

If a medically fragile occupant of my residence depends on utility service for health reasons, can I prevent or delay disconnection of my service for failure to pay the bill? Yes, if the electric, gas, water, or telecommunications utility is notified before it shuts off the service. Your doctor or a public health official must provide a statement to the utility that termination of utility service would be especially dangerous to the health of someone in the home. The utility company must postpone termination of service for 30 days. The postponement may be extended for 30 more days if the utility company is provided with a renewed medical certificate.

The statement from the doctor or public health official must state that the termination of service would be especially dangerous to a permanent resident of the home. The statement must be in writing and include:

The address where service is provided.

The name of the person who is ill or injured.

A clear description of the health issue.

The name, title and signature of the health care professional.

A medical postponement does not relieve the responsibility of the customer to pay the bill. A customer who obtains a medical postponement will be asked to sign a payment plan.

N.H. Admin. Code § Puc 1205.01

The provisions of Puc 1205 shall apply to service provided to residential customers at their primary residences by electric, gas and water utilities. For the purposes of this section, the primary residence for a minor child with a medical emergency certification shall include the primary residences of any parent or guardian with shared residential responsibility. The requirements of this section shall be in addition to those requirements of Puc 1203.11 and Puc 1203.12. When the

circumstances triggering the application of Puc 1204 and Puc 1205 occur concurrently, the provisions of Puc 1205 shall govern. Medical emergency rules pertaining to service provided by telephone utilities to residential customers shall be found in Puc 410.04.

N.H. Admin. Code § Puc 1205.01

N.H. Admin. Code § Puc 1205.02

- (a) Provision of a medical emergency certification, in conjunction with a payment arrangement for any past due balances in accordance with Puc 1203.07, shall be sufficient to protect a customer's account from disconnection of service so long as the customer complies with the terms of the payment arrangement and follows the requirements for renewal of the certification upon its expiration, as set forth in Puc 1205.02(f).
- (b) A medical emergency certification shall be valid for the period of time designated by the licensed physician, licensed advanced practice registered nurse, or licensed physician's assistant or mental health practitioner as defined in RSA 330-A:2, VII, provided the certification is for no less than 90 days and no more than one year.
- (c) There is no limit on the number of times a medical emergency certification may be renewed consistent with (b) above.
- (d) Oral notification of the existence of a physical or mental health condition which would become a danger to the physical or mental health of the customer or household member may be provided to the utility by the customer and shall be sufficient to protect a customer's account from disconnection of service provided:
- (1) Certification as described in (e) below from a physician, advanced practice registered nurse, physician's assistant or mental health practitioner is received within 15 calendar days; and
 - (2) Any prior oral notification made within the past 12 months has been documented through certification as described in (e) below.
- (e) Certification of a medical emergency by a physician, advanced practice registered nurse, physician's assistant or mental health practitioner shall:
- (1) Contain a statement to the effect that the customer or identified member of the customer's household has a physical or mental health condition which would become a danger to the customer's or household member's physical or mental health should the utility service be disconnected.
 - (2) Be in writing, which includes any electronic communication, or be made by telephone with written or electronic confirmation received by the utility within 15 calendar days of the telephoned certification.
 - (3) Contain licensing information for the physician, advanced practice registered nurse, physician's assistant or mental health practitioner; and
 - (4) Indicate the medical necessity for and use of any life support equipment by the customer or identified member of the customer's household.
- N.H. Admin. Code § Puc 1205.02
- (f) All renewals of medical emergency certifications shall comply with (b) and (e) above.
- (g) The medical emergency certification may be made through the completion of a form provided by the utility, or another written or electronic format provided such other format complies with the provisions of (e) above.
- (h) Upon being notified of the existence of a medical emergency in accordance with (d) or (e) above, the utility shall inform the customer in writing of the following:
- (1) The customer's continuing obligation to pay for services.
 - (2) The requirement to enter into and comply with a payment arrangement consistent with Puc 1203.07 as a condition of the medical emergency certification.
 - (3) That failure to comply with any payment arrangement entered into with the

utility will result in disconnection of service.

(4) The option to designate a third-party contact for communications with the utility regarding billing and other matters related to the customer's account.

(5) The customer's responsibility to renew any medical emergency certification on a timely basis to ensure continued service; and

(6) The need for the customer to plan for power outages that might occur.

N.H. Admin. Code § Puc 1205.02

(i) If certification of a medical emergency has not been provided within 15 days of receipt of oral notice from a customer or the physician, advanced practice registered nurse, physician's assistant or mental health practitioner that a medical emergency would exist if utility service were disconnected, the utility shall send a reminder notice to the customer advising that such certification must be received within 15 days of the date of the reminder or disconnection will occur on a specified date at least 16 days from the date of the reminder notice.

(j) Provided the reminder notice described in (i) above contains the information required in Puc 1203.11(b)(2), the utility shall not be required to send a separate notice of disconnection.

(k) If the utility does not receive written or electronic certification of the medical emergency within the time period in (i) above, the utility may disconnect service in accordance with Puc 1203.11.

N.H. Admin. Code § Puc 1205.02

N.H. Admin. Code § Puc 1205.03

(a) A utility shall not disconnect service to a customer who has provided current verification of a medical emergency and is complying with a payment arrangement.(b) If a customer does not enter into a payment arrangement or does not comply with the terms of a payment arrangement negotiated in accordance with Puc 1203.07, the utility may seek permission to disconnect service to the customer.(c) When requesting permission from the commission to disconnect service, the utility shall provide the commission with the following

information:(1) The name of the customer or customers;(2) The service address;(3) The mailing address if different from the service address;(4) The customer's account number;(5) The requested date for disconnection;(6) The history of the medical emergency certifications on the account;(7) The amount of the arrearage;(8) The amounts and dates of the last 12 payments received by the utility;(9) The amount of the utility's proposed payment arrangement;(10) The last 12 months of billing history;(11) Summary of collection activities on the account;(12) The number of children in the household under the age of 5, if known;(13) The number of household members over the age of 65, if known;(14) The existence and nature of any financial hardship, if known, as documented on an annual basis by the customer claiming financial hardship; and(15) Any other information the utility deems pertinent.(d) When the utility seeks commission authorization to disconnect service pursuant to this section, it shall notify the customer in writing of its request and provide a copy of the request for authorization at the same time.(e) Notwithstanding any other rule to the contrary, the commission shall not approve disconnection of service to customers with a current medical emergency certification when the customer has made a good faith effort to make payments towards the utility bill.(f) The commission shall provide an

opportunity for the customer to respond to the utility's request for disconnection under this section.(g) The commission's decision on a utility's request to disconnect under this rule shall be:(1) Valid through November 15 of the year in which it was issued; and(2) Issued in writing and sent to the utility and the customer.(h) Upon approval by the commission of disconnection, the utility shall provide notice to the customer as required in Puc 1203.11 prior to disconnecting service.

N.H. Admin. Code § Puc 1205.04

(a) Thirty days prior to the expiration of the medical emergency certification, the utility shall send a reminder notice to the customer advising that, if a medical emergency still exists, the certification of a medical emergency must be renewed.

The notice shall include the date by which the certification must be renewed. (b) Upon the expiration of a medical emergency certification, the utility shall notify the customer that the medical emergency certification has expired, and the customer's account will no longer be medically protected. Such notice shall also indicate the balance due, if any.(c) Following the expiration of a medical emergency certification on an account where the utility has submitted a request for permission to disconnect service, the utility shall not undertake any disconnection activity until such time as the request has been withdrawn from the commission.(d) Notice provided in (b) above shall include a statement directing the customer to contact the utility immediately if the previously certified medical condition continues to exist.

N.H. Admin. Code § Puc 1205.04

N.H. Admin. Code § Puc 1205.05

(a) The utility shall be required to follow the steps set forth in Puc 1205.05(b) through (i) one time within the 9-month period following the expiration of the medical emergency certification.(b) The issuance of any notice of disconnection shall be done in accordance with Puc 1203.11(g) and content of the notice shall comply with the provisions of Puc 1203.11(b).(c) The notice of disconnection shall provide contact information for both the utility and the commission's consumer division. (d) No less than 2 calendar days but no more than 8 calendar days prior to the date of the proposed disconnection of service, personal contact shall be made with the customer or an adult residing at the premises. The contact may be made by telephone or in person.(e) If no personal contact is made as described in (d) above, no disconnection shall occur unless the utility complies with (f) and (i) below.(f) The utility may proceed with a field visit on or after the disconnection date stated in the disconnection notice as follows:(1) If an adult resident of the premises is not at home, the utility shall leave a notice in a conspicuous location at the premises and shall leave the premises without disconnecting the service; or(2) If an adult resident of the premises is at home, the utility shall ask if the medical emergency still exists and inform the adult resident of the process for providing a certification of medical emergency as described in Puc 1205.02(b) and (d). If no medical emergency exists, the utility may proceed with the service disconnection in accordance with Puc 1203.11.(g) The notice required in (f)(1) above shall advise the customer;(1) The medical emergency certification on the customer's account has expired;(2) There is an unpaid past due balance on the account;(3) The utility was at the premises that day to disconnect the utility service;(4) To contact the utility to make arrangement for payment; and(5) The utility will return the following week to disconnect service unless the customer contacts the utility.(h) For the purposes of this section, the 8 business day limitation established

in Puc 1203.11(m) shall begin upon the provision of notice pursuant to (f)(1) above.(i) Prior to disconnecting the service of a customer with whom no personal contact was made, a supervisor at the utility shall review the account.

N.H. Admin. Code § Puc 1205.06

(a) Each utility shall provide an annual report to the commission containing:(1) The total number of customers with medical emergency certifications on June 30;(2) The total amount due and the total amount past due as of June 30 for those customers with medical emergency certifications;(3) The monthly average number of customers with medical emergency certifications for the period July 1 through June 30;(4) The monthly average balance due and past due for the period July 1 through June 30;(5) The percent of medical emergency customers with past due balances as of June 30;(6) The number of accounts with current medical emergency certifications that were disconnected during the period July 1 through June 30 and

the past due balances associated with those accounts;(7) The number of accounts with expired medical emergency certifications that were disconnected in accordance with Puc 1205.04 during the period July 1 through June 30 and the past due balances associated with those accounts; and(8) The number of customers with current medical emergency certifications who were disconnected in error along with an explanation of why the account was erroneously disconnected.(b) The report required in (a) above shall be submitted to the commission no later than August 15 of each year.(c) A copy of the report required in (a) shall be provided to the office of the consumer advocate.

New Jersey:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:
ACS for A4430 and A4555, also known as "Linda's Law," which requires electric public utility companies to verify with all residential customers whether anyone at the residence uses life-sustaining equipment powered by electricity.

New Mexico:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:
New Mexico Administrative Code
Title 17 - PUBLIC UTILITIES AND UTILITY SERVICES
Chapter 5 - UTILITY INTERCONNECTIVITY AND COOPERATIVE AGREEMENTS
Part 410 - RESIDENTIAL CUSTOMER SERVICE BY GAS, ELECTRIC AND RURAL ELECTRIC COOPERATIVE UTILITIES
Section 17.5.410.42 - CUSTOMERS' RIGHTS AND RESPONSIBILITIES
Universal Citation: 17 NM Admin Code 17.5.410.42 Current
through Register Vol. 35, No. 6, March 26, 2024

A statement of customer's rights and responsibilities is required to be enclosed in each 15-day notice of discontinuance of service and served by a utility on a residential

customer pursuant to 17.5.410.33 NMAC. Each statement shall be in both English and Spanish and shall be on file with the commission.

(6) a statement that "if you or someone in your household are seriously or chronically ill, we will not disconnect your service, if at least two days before the disconnection date, we receive an original of the attached [utility name] medical and financial certification forms; the medical certification form must be completed by a licensed medical professional; an original of the attached financial certification form, stating that you qualify for financial assistance, must be completed by an agency providing assistance in or for the state of New Mexico.

New York:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:
Special protections are available for consumers with medical emergencies; or who are elderly, blind or disabled; and to all consumers during the cold weather period between November 1 and April 15.

If you qualify for the elderly, blind or disabled protections, you should immediately notify your utility so it can code your account with this information should it be needed in the future. This information will be kept in strict confidence.

Medical Emergencies

When your utility is notified by your doctor or the local Board of Health that a medical emergency exists which will be aggravated by the lack of utility service, it has to keep your service on for 30 days. The notification may be made by phone, but must be followed within five business days by written certification, which includes required identification information of the certifying authority. This certificate may be renewed for an additional 30 days if the doctor explains why the lack of service would aggravate your medical emergency and the expected length of time the condition will last, and you must show why you are unable to pay your utility bill. If your medical condition is chronic, a longer time period can be approved.

If utility service is required to operate a life-support system, the doctor's certificate remains effective unless terminated by the PSC. However, every three months, you must show your utility why you can't pay your bill. Your utility will code your account to ensure service is continued to your residence.

During a period of medical emergency, you must make a reasonable effort to pay utility charges for service. PSC staff will help you work out reasonable payment arrangements to you don't owe a large amount at the end of the medical emergency.

Elderly, Blind or Disabled

If your utility is aware that you and all adults living with you are 62 years of age or older, blind or disabled, it will make special attempts to contact you by phone or, if necessary, in person, at least three days before a scheduled service shut off in order to help you

keep your utility service on. Your utility will try to work out a payment agreement with you (see Deferred Payment Agreements, p. 21) or obtain payment or a guarantee of payment from the local Department of Social Services or a private organization. If arrangements cannot be made, the company will notify the local Department of Social Services of the possible service shutoff, and continue service for another 15 business days.

If your service is shut off, your utility will try to reach you within 10 days after your service has been terminated to determine whether alternative arrangements for utility service have been made, or whether service can be restored through an arrangement to pay the bills you owe.

Cold Weather Protections - November 1 to April 15

During the cold weather period of November 1 to April 15, your utility has to make special efforts to determine if disconnection of your heat-related service will cause a problem to your health and safety. It will attempt to contact you or another adult at your home by phone or in person at least three days before the scheduled service shutoff, and again the day of the service shutoff, to determine whether shutting off your heat-related service could cause serious harm to the health or safety of any resident in your home. If the utility finds that harm might result, it must notify the local Department of Social Services, which will then conduct its own investigation. Meanwhile your utility cannot shut off your service for another 15 business days.

If the utility finds that you may be unable to protect yourself from neglect or hazardous situations, it will notify an agency, such as your local Department of Social Services, to help you, and continue your heat-related service for at least another 15 business days.

If your heat-related service is shut off and your utility was unable to make contact with an adult at your home prior to service disconnection, it will attempt to determine whether anyone is living in your residence and if so, whether there might be serious harm to that person's health or safety. If there is reason to believe that there might be harm to a person as a result of your service being shut off, your utility will restore your service for 15 business days and notify the local Department of Social Services so that they can investigate.

North Carolina:

- Does your state have any protections for medically vulnerable customers? Yes. Duke Energy Carolinas and Duke Energy Progress adhere to a disconnections moratorium for bills Nov 1-March 31 for eligible customers.

- If yes, please outline protection:

Commission Rules R12-10(h)(6) and R12-11(l)(6) at <https://www.ncuc.gov/ncrules/chapter12.pdf>

- Pasted the relevant language below, looks like one member in a household has to qualify as elderly/handicapped and eligible through Energy Crisis Assistance Program or similar.
- Not sure process on enrolling further than what the rule provides.
- 5 months a year

I haven't seen term limits on any disconnection's relief/assistance programs (in my very limited experience, so grain of salt there)

We report disconnections data here: <https://starw1.ncuc.gov/NCUC/page/docket-docs/PSC/DocketDetails.aspx?DocketId=a07c0087-3679-4a21-8874-0dddaee68792>, I'm not sure of any relationship with increased uncollectibles, I checked with Q3 on the survey and nothing stood out to me as a huge jump between months this program is in effect, but we collect several data points regarding disconnection numbers and outstanding bill costs so feel free to poke around.

North Dakota:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:
N.D. Admin Code 69-09-02-05.1 - Discontinuance of electric service 1. A utility may disconnect service if the customer is delinquent in payment for services rendered. However, no utility shall discontinue service to a customer for failure to pay for such service until the utility shall first have given the customer notice of its intention to discontinue such service on account of delinquency. The notice shall: d. Advise the customer of the customer's rights and remedies, including, but not limited to, the right of the customer to stay termination for up to thirty days if the customer advises the utility within the ten-day notice period that dangerous health conditions exist or that the customer is sixty-five years of age or older or that the customer is handicapped. In addition, the notice shall advise the customer of the customer's right to work out a satisfactory deferred installment agreement for delinquent accounts and of the opportunity to enter into equal monthly payment plans for future service. 2. It shall be the responsibility of all residential customers sixty-five years of age or older, handicapped, or having an emergency medical problem in the household, including life-sustaining appliances, such as kidney dialysis, to notify the utility of such status. To assist in such notification, all utilities shall annually include a preaddressed postage-paid postcard in the monthly billing mailed to all residential customers during the billing period ending October first. Such notice shall also be provided to all new customers in that service area when they are first provided service by the utility

Ohio:

- Does your state have any protections for medically vulnerable customers? Yes, Ohio has the options for a medical certificate, which can be found in the Ohio Administrative Code 4901:1-18-06(C). The rules can be found here: <https://codes.ohio.gov/ohio-administrative-code/rule-4901:1-18-06>
- If yes, please outline protection:
 - a. What are the criteria for enrollment, i.e. income-level, age, medical, account holder only, all household, etc.?
The utilities shall not disconnect residential service for nonpayment if the disconnection of service would be especially dangerous to the health of any customer

who is a permanent resident of the premises, or when the disconnection would make operation of necessary medical or life-support equipment impossible or impractical.

b. The process for enrollment

Upon request of any residential consumer, the utility shall provide a medical certificate form to the customer or to the customer's licensed physician, physician assistant, clinical nurse specialist, certified nurse practitioner, certified nurse-midwife, or local board of health physician. The certification shall be in writing and shall include the name of the person to be certified; a statement that the person is a permanent resident of the premises in question; the name, business name, and telephone number of the certifying party; a statement of the need for the medical or life-supporting equipment; and a signed statement by the certifying party that disconnection of service will be especially dangerous to the health of a permanent resident. The initial certification, by the certifying party, may be by telephone if the written certification is sent to the utility within seven calendar days.

c. Length of Protection

The medical certificate prohibits the service from being disconnected for thirty calendar days.

d. Can the protection be renewed? If yes, what is the renewal process? How often?

An Ohio consumer may renew the certification two additional times by providing additional certificates to the utility company. The total certification period may not exceed ninety days per household in any twelve-month period.

What challenges do these protections present to the utility? i.e. rise in uncollectibles. The Medical Certificates can cause a rise in uncollectibles but the Ohio Administrative Code 4901:1-18-06(C)(f) states that if a medical certificate is used to avoid disconnection, the customer shall enter into an extended payment plan prior to the end of the medical certification period. Also, Ohio Administrative Code 4901:1-18-06(C)(g) states if service has been disconnected for nonpayment within twenty-one calendar days prior to the certification, the utility shall restore service once the certified party provides the required certification to the utility company and the customer agrees to an extended payment plan.

Oklahoma:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

PART 3. SPECIAL PROVISIONS REGARDING RESIDENTIAL

DISCONNECTION 165:35-21-10. Delays to disconnection of residential service (f) Life-threatening situation.

(1) For purposes of this Section, a life-threatening situation is defined as one where the consumer or other permanent resident of the household is dependent upon equipment that is prescribed by a physician, operates on electricity, and is needed to sustain the person's life. Examples of life-sustaining equipment would be kidney dialysis machine, iron lung, oxygen concentrators and certain other oxygen machines, cardiac monitor, heating and air conditioning equipment, or any other equipment that is

prescribed by a licensed medical doctor. If the life-sustaining equipment without a battery backup is prescribed by a licensed medical doctor, then it shall be considered life-sustaining equipment. The following are not considered to be life-sustaining equipment: hot water heater, refrigerator, range/stove, nebulizers that are battery-driven or hand-driven or self-contained, battery-driven sleep apnea monitors, battery-driven cardiac monitors.

(2) When a consumer to whom service is provided is unable to pay the account in full, the utility shall suspend discontinuance of service, or reconnect if disconnected, if the consumer notifies the utility that disconnection of service will give rise to a life-threatening condition for the consumer or other permanent resident of the household should electric service be terminated, and within thirty (30) calendar days of the initial notification, the consumer shall return the Medical Certificate described in (3) of this subsection.

(3) The consumer shall use a Medical Certificate Form which verifies the existence of a life-threatening situation. The form shall be provided by the utility at no cost to the consumer. The form shall provide certification by a licensed medical doctor or osteopath. The consumer may choose the appropriate medical personnel. At a minimum, the Medical Certificate Form provided by the utility shall contain, substantially, the information in the form as set forth in Appendix A to this Chapter. The service account name holder shall sign the Medical Certificate Form at the appropriate space, indicating knowledge that a permanent resident of the household is applying for the life-threatening situation certificate and further acknowledging the responsibility for payment of bills rendered for electric service.

(4) Completion of (2) and (3) of this subsection will suspend disconnection of electrical service to the specified residence for a period of thirty (30) calendar days from the initial notification. This 30-day period allows the consumer, if eligible, to pay the account in full or enter into a deferred payment agreement with the utility and/or make alternative arrangements for the person(s) named on the certified form as having the life-threatening condition. After thirty (30) calendar days, normal collection action will resume. The 30-day period may be extended by the utility at the request of the service account name holder for one (1) additional contiguous 30-day period, but only if necessitated by the life-threatening condition (as indicated on the Medical Certificate Form). The request for the additional 30-day extension must be made before the end of the initial 30-day period. The utility is not required to furnish service to the consumer beyond a total of sixty (60) calendar days for the life-threatening condition without full payment of the account or acceptable payment arrangements on any unpaid balance.

(5) Verification of the medical condition of the consumer or other permanent resident in the household by the utility may include the following: (A) Utility personnel may visit the consumer's residence with the consumer's permission to verify that life-sustaining equipment is being used.

(B) Utility personnel may verify the doctor's signature and clarify the medical terms of the diagnosis which is the reason for the life-threatening certificate.

(6) This collection abeyance in no way absolves the consumer from full responsibility for the payment in full of the utility services rendered and is intended for the purpose of providing the consumer an opportunity to maintain service during the life-threatening situation within the prescribed time frames.

(7) Failure of the service account name holder to fully comply with this subsection may result in denial of life-threatening status and renewed collection activities of the utility, to include termination of service to said residence.

(8) Any consumer who uses this subsection to avoid disconnection or for reconnection of service and does not complete the required documentation will be subject to disconnection.

(9) A consumer is not prohibited from claiming life threatening situation once full payment of the account balance from a previous life-threatening claim is made and a Medical Certificate Form signed by a licensed medical doctor has been received by the utility.

Pennsylvania:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

§ 56.112. Postponement of termination pending receipt of certificate.

If, prior to termination of service, the public utility employee is informed that an occupant is seriously ill or is affected with a medical condition which will be aggravated by a cessation of service and that a medical certification will be procured, termination may not occur for at least 3 days. If a certification is not produced within that 3-day period, the public utility may resume the termination process at the point where it was suspended.

§ 56.112. Postponement of termination pending receipt of certificate.

If, prior to termination of service, the public utility employee is informed that an occupant is seriously ill or is affected with a medical condition which will be aggravated by a cessation of service and that a medical certification will be procured, termination may not occur for at least 3 days. If a certification is not produced within that 3-day period, the public utility may resume the termination process at the point where it was suspended.

56.114. Length of postponement; renewals.

Service may not be terminated for the time period specified in a medical certification; the maximum length of the certification shall be 30 days.

(1) Time period not specified. If no length of time is specified or if the time period is not readily ascertainable, service may not be terminated for at least 30 days.

(2) Renewals. Certifications may be renewed in the same manner and for the same time period as provided in §§ 56.112 and 56.113 (relating to postponement of termination pending receipt of certificate; and medical certifications) and this section if the customer has met the obligation under § 56.116 (relating to duty of customer to pay bills). In instances when a customer has not met the obligation in § 56.116 to equitably make payments on all bills, the number of renewals for the customer's household is limited to two 30-day certifications filed for the same set of arrearages. In these instances, the public utility is not required to honor a third renewal of a medical certificate and is not required to follow § 56.118(3) (relating to right of public utility to petition the Commission). The public utility shall apply the dispute

procedures in §§ 56.151 and 56.152 (relating to public utility company dispute procedures). When the customer eliminates these arrearages, the customer is eligible to file new medical certificates.

Rhode Island:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES
COMMISSION RULES AND REGULATIONS GOVERNING THE TERMINATION OF
RESIDENTIAL ELECTRIC, GAS AND WATER UTILITY SERVICE

(E) Termination of Service in Cases Involving Elderly and/or Handicapped. (1) Every public utility shall devise procedures and methods reasonably designed to identify, before termination of service for failure to pay an outstanding indebtedness for such service, accounts affecting households in which all adult residents are sixty-two (62) years of age or older (for purposes of this entire document, this includes a household in which there is only one adult member, and that adult member is 62 years of age or older) or in which any resident is handicapped. A member of such a household may request the protection afforded by these rules by submitting to the public utility on a form supplied by the public utility the account number, the service address, and, in the case of the elderly, name, date of birth, and Social Security number of each elderly member of the household and, in the case of the handicapped, appropriate identification criteria for each handicapped member of the household. (a) For the purpose of determining whether all adult residents in a household are sixty-two (62) years of age or older, the electric, gas or water utility may request that the customer, in whose name the service is listed, furnish certified copies of birth certificates or other documentation such as, but not limited to, marriage certificates, for all of the adult members of that household. (b) For the purpose of determining whether any resident is handicapped, the electric, gas or water utility may request that the customer, in whose name the service is listed, submit an affidavit setting forth the following or similar facts: "residing permanently at this address is (name), (date of birth), who is related to me as (state relationship) (or who is not related to me), and who has a physical or mental impairment (state impairment with particularity) which substantially limits one or more of such person's major life activities, and which would ordinarily prove a serious hindrance to obtaining employment. This impairment is 10 material, rather than slight, relatively static as distinguished from definitely active or rapidly progressive, and relatively permanent in that it is seldom fully corrected by medical replacement, therapy or surgical means." (2) Upon receipt, the public utility will verify the information and identify the accounts. The public utility will send notification to the households stating that records have been appropriately noted and that as long as the outlined conditions exist, the public utility will not terminate service for failure to pay without the approval of the Division of Public Utilities and Carriers. (3) Written approval from the Division of Public Utilities and Carriers must be obtained by the public utility before terminating service in a household in which all adult residents are sixty-two (62) years of age or older, or in which any resident is handicapped. (4) On receipt from a public utility of an application to terminate service, the Division of Public Utilities and Carriers (Division) in the course of an investigation will establish that (a) the residents of the household have received proper notification, and (b) the public utility has in good faith

attempted to secure payment by reasonable means other than termination and has not refused to accept payment arrangements that are just and equitable. The Division may hold hearings as a result of the investigation. The Division shall notify the public utility and the residents of the results of the investigation and of any hearing. (5) If a member of a household in which all adult residents are sixty-two (62) years of age or older, or in which any resident is handicapped so desires, the public utility shall provide to a third person designated by such customer, notices pertaining to termination of service. In no event shall the third party so designated be liable for the account of the customer. 11 (6) At the time of application for service or with the first bill and thereafter, at least once a year, a public utility shall enclose a written statement with a bill for service that clearly informs customers of the elderly and handicapped protections. The written statement shall include a form that can be returned with a bill payment which allows a customer to identify himself or herself as eligible.

South Carolina:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

S.C. Code Regs. § 103-352

Section 103-352 - Procedures for Termination of Service

3. Special Needs Customers. A statement that service to a residential customer who qualifies as a special needs account customer shall only be terminated in accordance with S.C. Code Ann. Section 58-27-2510 et. seq., as amended. All electrical utilities shall publish their procedures for termination of service on their websites.

(1) "Licensed health care provider" means a licensed medical doctor, physician's assistant, nurse practitioner, or advanced-practice registered nurse.(2) "Special needs account customer" means the account of a residential customer:(a) when the customer can furnish to the utility a certificate on a form provided by the utility and signed by a licensed health care provider that states that termination of electric service would be dangerous to the health of the customer or a member of his household at the premises to which electric service is rendered; or(b) who suffers from Alzheimer's disease or dementia as certified by a licensed health care provider.

South Dakota:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

20:10:20:11. Residential medical emergency. Notwithstanding the provisions of §§ 20:10:20:03 and 20:10:20:04, a utility shall postpone the disconnection of utility service to a residential customer for 30 days from the date of a physician's certificate or a notice from a public health or social services official which states that disconnection of service will aggravate an existing medical emergency of the customer, a member of the customer's family, or other permanent resident of the premises where service is provided. Such extensions are limited to a single 30-day period.

Tennessee:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

Tenn. Comp. R. & Regs. 1220-04-05-.18 - REASONS FOR TERMINATION OF SERVICE OR DENIAL OF SERVICE

(b) Notwithstanding any other provisions of these rules, a utility shall postpone the physical termination of utility service to a residential customer for a period of thirty (30) days in the event a physician, public health officer or social service official certifies in writing that discontinuation of the service will aggravate an existing medical emergency of the customer or other permanent resident of the premises where service is rendered. During the thirty (30) day extension the customer or other permanent resident of the premises where service is rendered shall be referred to social service agencies for investigation, confirmation of need and guarantee of payment. The local utility shall supply customers with names of agencies providing assistance.

Texas:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

Electricity Disconnect Protections
Critical Care

Critical Care status is only for consumers who need electricity, because they are on life support equipment. Once granted, this status is good for two years. A Critical Care consumer who is unable to pay their bill and is in danger of being disconnected must do the following to maintain service:

Have their doctor contact their retail electric provider (REP) both verbally and in writing to confirm the Critical Care status.

Enter into a deferred payment plan with the REP.

As long as the consumer has followed the instructions above, the REP will not disconnect their service for 63 days. At the end of the 63 days, the consumer must begin the process again if they are still unable to pay their bill. If a consumer does not pursue the 63-day protection and is going to be disconnected, the REP must send written (or email if agreed) notice of disconnection at least 21 days prior to the disconnection, to both the consumer and the consumer's secondary contact. The transmission and distribution utility (TDU) will also contact the consumer and their secondary contact by phone. If the TDU cannot reach the customer or secondary contact by phone, the TDU will visit the premises. If there is no one on the premises, the TDU will leave a door hanger.

*This designation does not relieve the consumer of their duty to pay their utility bill.

Chronic Condition

This type of status does not protect against disconnection for non-pay. Chronic Condition status is for the following consumers:

Consumers who have a serious medical condition and need electricity for air conditioning or heating to prevent them from becoming more ill.

Consumers that need electricity for medical equipment to prevent them from becoming more ill.

Chronic Condition status is good for 90 days. If a Chronic Condition consumer does not pay their electric bill, the customer's REP must send written (or email if agreed) notice of disconnection at least 21 days prior to the disconnection, to both the consumer and the consumer's secondary contact.

*This designation does not relieve the consumer of their duty to pay their utility bill.

Utah:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:
Definitions:
 1. "Licensed medical provider" means a medical provider:
 - a. who holds a current and active medical license under Utah Code Title 58; and
 - b. whose scope of practice authorizes the medical provider to diagnose the condition described by the medical provider under this rule.
 2. "Life-supporting equipment" means life-supporting medical equipment:
 - a. with normal operation that requires continuation of public utility service; and
 - b. used by an individual who would require immediate assistance from medical personnel to sustain life if the life supporting equipment ceased normal operations.
 3. "Life-supporting equipment statement" means a written statement:
 - a. signed by the licensed medical provider for the account holder or resident who utilizes life-supporting equipment; and
 - b. including:
 - i. a description of the medical need of the account holder or resident who utilizes life-supporting equipment.
 - ii. the account holder's name and address.
 - iii. name of resident using life-supporting equipment and relationship to account holder, if different than account holder.
 - iv. the health infirmity and expected duration.
 - v. identification of the life-support equipment that requires the utility's service.
 - vi. a determination by the licensed medical provider that immediate assistance from medical personnel to sustain life would be required if the life supporting equipment ceased normal operations; and
 - vii. the name and contact information of the licensed medical provider for the resident who utilizes life-supporting equipment,
 4. "Serious illness or infirmity statement" means a written statement:
 - a. signed by a licensed medical provider.
 - b. written on:
 - i. a form obtained from the public utility; or

- ii. the licensed medical provider's letterhead stationery.
- c. legibly describing:
 - i. a diagnosed medical condition under which termination of utility service will injure the person's health or aggravate the person's illness; and
 - ii. the anticipated duration of the diagnosed medical condition.

Language:

D. Restrictions upon Termination of Service -- Medical Reasons –

1. Serious Illness or Infirmity. If a public utility receives a serious illness or infirmity statement:

- a. the public utility shall continue or restore residential utility service for the period set forth in the statement or one month, whichever is less.
- b. the public utility is not required to provide the continuation or restoration described in R746-200-7. D.1.a. more than two times to an individual customer or residence during the same calendar year; and
- c. the account holder is liable for the cost of residential utility service during the period of continued or restored service.

2. Life-Supporting Equipment.

a. After receiving a life-supporting equipment statement, the public utility:

- i. shall mark and identify applicable meter boxes where the life-supporting equipment is used.
- ii. may not terminate service to the residence unless the public utility has complied with this Subsection (R746-200-7. D.2); and
- iii. may request annual verification from the licensed medical provider of the life-supporting equipment.

b. A public utility may terminate service on an account where the public utility has received a life-supporting equipment statement and the related medical provider verification, if:

i. the account is in default.

ii. the public utility has:

AA. followed R746-200-5 on offering a deferred payment agreement; or

BB. if R746-200-5 does not apply, allowed the customer one month to enter into a deferred payment agreement that may last up to 12 months.

iii. after complying with R746-200-7. D.2.b.ii, the public utility has provided to the customer a written notice of proposed termination of service that:

AA. clearly and plainly informs the customer of the customer's rights under R746-200-7. D.2 and of the customer's right to an expedited complaint hearing under R746-200-8. E.; and

BB. complies with R746-200-7. G.1.

iv. the public utility has provided to the customer a 48-hour notice of termination of utility service that complies with R746-200-7. G.2; and

v. the public utility has complied with all other applicable provisions of R746-200-7.

c. The account holder is liable for the cost of residential utility service during the period of service, including throughout all proceedings related to life-supporting equipment.

Vermont:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

Public Utility Commission Rule 3.302(B)(5) allows residential electric, gas, and private water customers to provide a medical note to avoid disconnection or get service turned back on

The medical note is good for 30 days (which includes a 7-day promise period) *; the utility cannot disconnect service during that time.

You can let the utility know that a medical note is coming to avoid disconnection; the medical note has to arrive within 7 days, or the utility may disconnect service on the 8th day with no further notice

A doctor, nurse practitioner, or physician's assistant must provide the medical note. The medical note must state that without service there would be "an immediate and serious health hazard" to the account holder or someone living in the home (it should not provide information about the medical issue)

You can provide up to 3 medical notes per year, but only 2 medical notes in a row (you need a waiver from the Public Utility Commission for more than 3 medical notes per year, or more than 2 medical notes in a row)

If your service is already off, you must provide the medical note first before your service will be turned back on (the utility has up to 24 hours, but should turn on service as soon as possible)

Medical notes do not exempt you from having to pay your bill; you will still have to pay for usage while the medical note is in effect.

Virginia:

- Does your state have any protections for medically vulnerable customers? Yes

- If yes, please outline protection:

In order to promote public health and safety, this chapter is designed to establish reasonable limitations, consistent with the public interest, on the ability of investor-

owned electric utilities, electric cooperatives, and public utilities providing water service to terminate service to residential customers who have a serious medical condition or to residential customers who reside with a family member with a serious medical condition and to provide such residential customers adequate time prior to the termination of electric or water service to either enter into a payment plan with the utility or make other arrangements for housing or medical care.

Nothing in this chapter shall be interpreted to require an investor-owned electric utility, electric cooperative, or public utility providing water service to terminate service after the expiration of the timelines established herein.

The following terms when used in this chapter shall have the following meanings

unless the context clearly indicates otherwise:

"Licensed physician" means a person licensed to practice medicine or osteopathic medicine (M.D. or D.O.) in any of the 50 states or the District of Columbia. "Serious medical condition" means a physical or psychiatric condition that requires medical intervention to prevent further disability, loss of function, or death. Such conditions are characterized by a need for ongoing medical supervision or the consultation of a physician. A serious medical condition carries with it a risk to health beyond that experienced by the majority of children and adults in their day- to-day minor illnesses and injuries. Individuals with a serious medical condition may require administration of specialized treatments and may be dependent on medical technology such as ventilators, dialysis machines, enteral or parenteral nutrition support, or continuous oxygen. Medical interventions may include medications with special storage requirements, use of powered equipment, or access to water.

"Serious Medical Condition Certification Form" means a written document, approved by the State Corporation Commission, signed by (i) a licensed physician, (ii) the customer, and (iii) the patient or the patient's legal guardian or power of attorney. The Serious Medical Condition Certification Form shall (i) identify the medical condition of the customer or family member who resides with the customer, (ii) include a certification by a licensed physician that the medical condition meets the definition of a serious medical condition, (iii) identify the anticipated length of time that the serious medical condition will persist, and (iv) identify any equipment prescribed or treatment required for the medical condition.

A. A request for a waiver of any of the provisions of this chapter shall be considered by the State Corporation Commission on a case-by-case basis, and may be granted upon such terms and conditions as the State Corporation Commission may impose.

B. An investor-owned electric utility, electric cooperative, or public utility providing water service shall use the Serious Medical Condition Certification Form (Form SMCC) provided on the State Corporation Commission's website at <http://www.scc.virginia.gov/pue/rules.aspx> unless the State Corporation Commission approves the use of an alternative form.

C. An investor-owned electric utility, electric cooperative, or public utility providing water service may require a customer to provide it a new Serious Medical Condition Certification Form either annually or upon the expiration of the anticipated length of time that the serious medical condition will persist if such time is less than 12 months.

D. An investor-owned electric utility, electric cooperative, or public utility providing water service may take reasonable actions to verify the validity of the Serious Medical Condition Certification Form. Such actions include, but are not limited to, contacting (i) the licensed physician to confirm the medical condition of the patient and the treatment or treatments associated therewith; (ii) the Virginia Department of Health Professions, or the applicable state's licensing board, to verify that the physician is a licensed physician; or (iii) the customer to verify that the patient currently resides at the residence.

E. In the event that the investor-owned electric utility, electric cooperative, or public utility providing water service is of the opinion that the information provided on the Serious Medical Condition Certification Form is invalid, or otherwise is of the opinion

that there has been fraud or abuse of the process provided in this chapter, it may petition the State Corporation Commission for redress pursuant to 5VAC5-20-100 B, State Corporation Commission's Rules of Practice and Procedure.

Following the issuance of a notice of intent to terminate service pursuant to § 56-247.1 A 4 or 6 of the Code of Virginia, an investor-owned electric utility, electric cooperative, or public utility providing water service shall, upon request from a residential customer who has a Serious Medical Condition Certification Form filed with the utility, delay termination of service for a minimum of an additional 30 calendar days beyond the expiration of the notice.

B. Following the issuance of a notice of intent to terminate service pursuant to § 56-247.1 A 4 or 6 of the Code of Virginia, an investor-owned electric utility, electric cooperative, or public utility providing water service shall, upon request from a residential customer who does not have a Serious Medical Condition Certification Form filed with the utility, delay termination of service for 10 calendar days upon oral or written notification from a residential customer that such customer or a family member residing with the customer has a serious medical condition. The 10- calendar day delay in service termination shall commence on the date the investor- owned electric utility, electric cooperative, or public utility providing water service receives notification. At the time of such notification, the investor-owned electric utility, electric cooperative, or public utility providing water service shall:

1. Advise the residential customer that service termination will be delayed for 10 calendar days pending receipt of the Serious Medical Condition Certification Form.
2. Provide the customer access to the Serious Medical Condition Certification Form via its website or advise the consumer that access can be obtained via the Commission's website.
3. Not later than two business days after receiving notification, mail, email, or deliver via facsimile transmission a copy of the Serious Medical Condition Certification Form upon a request from the customer; and
4. Not later than two business days after receiving notification, mail the customer a letter advising the customer:
 - a. The date notification was received.
 - b. The date that the 10-calendar day delay expires; and
 - c. That upon receipt of a Serious Medical Condition Certification Form within the 10- calendar daytime period provided for in this subsection, it will delay the termination of service 30 calendar days from the date of termination initially noticed.

Upon receipt of a Serious Medical Condition Certification Form within the 10- calendar daytime period provided for in this subsection, an investor-owned electric utility, electric cooperative, or public utility providing water service shall provide the 30- calendar day delay in termination of service required in subsection A of this section. An investor-owned electric utility, electric cooperative, or public utility providing water service shall not be required to provide a 10-calendar day delay in service termination pursuant to this subsection more than once in a 12-month period.

C. In the event an investor-owned electric utility, electric cooperative, or public utility providing water service has terminated service to a residential customer within the preceding 14 calendar days, the investor-owned electric utility, electric cooperative, or public utility providing water service shall promptly restore service upon (i) receipt of a

Serious Medical Condition Certification Form, or confirmation of such a form on file; and (ii) a request from the customer to reconnect service. The investor-owned electric utility, electric cooperative, or public utility providing water service shall not be permitted to require any payment as a condition to reconnect; however, it may charge the customer, on the next monthly bill, any applicable reconnection fees that are on file in its State Corporation Commission approved tariffs and terms and conditions of service. Following the reconnection of service, the investor-owned electric utility, electric cooperative, or public utility providing water service shall delay termination of service for a minimum of 30 calendar days from the date it reconnects the customer.

D. An investor-owned electric utility, electric cooperative, or public utility providing water service shall permit a residential customer to delay termination of service under this chapter two times within a 12-month period. The 30-calendar day delays

may be consecutive. Nothing in this chapter shall prohibit an investor-owned electric utility, electric cooperative, or public utility providing water service from providing to a customer additional delay from the termination of service beyond the delay required.

E. During the delay in service termination pursuant to subsections A and C of this section, the investor-owned electric utility, electric cooperative, or public utility providing water service shall:

1. In the event the investor-owned electric utility, electric cooperative, or public utility providing water service is able to establish payment arrangements with the customer, mail to the customer a letter detailing the agreement not later than three business days after the agreement on payment arrangements is made: or

2. In the event the investor-owned electric utility, electric cooperative, or public utility providing water service is unable to establish payment arrangements with the customer, mail the customer a letter, not later than 10 calendar days prior to the expiration of the 30-calendar day delay required by this chapter, advising the customer of (i) the date that service may be terminated and (ii) any payment arrangements available to the customer. The letter shall also advise the customer of his right to delay service termination pursuant to this chapter twice within a 12-month period.

F. The investor-owned electric utility, electric cooperative, or public utility providing water service shall (i) maintain a copy of any letters required under this section for a minimum of 12 months and (ii) provide such copies to the State Corporation Commission's Division of Energy Regulation upon request.

Washington:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:
RCW 80.28.010 Duties as to rates, services, and facilities— Limitations on termination of utility service for residential heating and of electric or water utility service during heat-related alerts.
(4) Utility service for residential space heating shall not be terminated between November 15 through March 15 if the customer:
(a) Notifies the utility of the inability to pay the bill. This notice should be provided within five business days of receiving a payment overdue notice unless there are extenuating circumstances. If the customer fails to notify the utility within five business days and service is terminated, the customer can, by fulfilling the

requirements of this section, receive the protections of this chapter.

(b) Provides self-certification of household income for the prior twelve months to a grantee of the department of commerce, which administers federally funded energy assistance programs. The grantee shall determine that the household income does not exceed the maximum allowed for eligibility under the state's plan for low-income energy assistance under 42 U.S.C. 8624 and shall provide a dollar figure that is seven percent of household income. The grantee may verify information provided in the self-certification.

(c) Has applied for home heating assistance from applicable government and private sector organizations and certifies that any assistance received will be applied to the current bill and future utility bills.

(d) Has applied for low-income weatherization assistance to the utility or other appropriate agency if such assistance is available for the dwelling.

(e) Agrees to a payment plan and agrees to maintain the payment plan. The plan will be designed both to pay the past due bill by the following October 15th and to pay for continued utility service. If the past due bill is not paid by the following October 15, the customer is not eligible for protections under this chapter until the past due bill is paid. The plan may not require monthly payments in excess of seven percent of the customer's monthly income plus one-twelfth of any arrearage accrued from the date application is made and thereafter during November 15 through March 15. A customer may agree to pay a higher percentage during this period, but shall not be in default unless payment during this period is less than seven percent of monthly income plus one-twelfth of any arrearage accrued from the date application is made and thereafter. If assistance payments are Certified on 9/1/2023 RCW 80.28.010 Page 1 received by the customer subsequent to implementation of the plan, the customer shall contact the utility to reformulate the plan; and

(f) Agrees to pay the moneys owed even if the customer moves.

(8) Medical conditions or emergencies. When the utility has cause to disconnect or has disconnected a residential service, it must postpone disconnection of service or must reinstate service for a grace period of five business days after receiving either verbal or written notification of the existence of a medical condition or emergency that requires electricity to continue to be provided. The utility must reinstate service during the same day if the customer contacts the utility prior to the close of the business day and requests a same-day reconnection. Otherwise, the utility must restore service by 12:00 p.m. the next business day. When service is reinstated, the utility will not require payment of a reconnection charge and/or deposit prior to reinstating service but must bill all such charges on the customer's next regular bill or on a separate invoice.

(a) The utility may require that the customer, within five business days, submit written electronic or paper certification from a qualified medical professional stating that the disconnection of electric service would aggravate an existing medical condition of an occupant of the household. "Qualified medical professional" means a licensed physician, nurse practitioner, or physician's assistant authorized to diagnose and treat the medical condition without supervision of a physician.

Nothing in this section precludes a utility from accepting other forms of certification, but the most the utility can require is written electronic or paper certification. If the utility requires such written certification, it may not require more than the following information:

- (i) Residence location.
 - (ii) An explanation of how the current medical condition will be aggravated by disconnection of service.
 - (iii) A statement of how long the condition is expected to last; and
 - (iv) The title, signature, and telephone number of the person certifying the condition.
- (b) The medical certification is valid only for the length of time the health endangerment is certified to exist but no longer than sixty days, unless renewed.
- (c) A medical emergency does not excuse a customer from having to pay delinquent and ongoing charges. The utility may require the customer to do the following within a five-business day grace period:
- (i) Pay a minimum of ten percent of the delinquent balance.
 - (ii) Enter into an agreement to pay the remaining delinquent balance within one hundred twenty days; and
 - (iii) Agree to pay subsequent bills when due. Nothing in this section precludes the utility from agreeing to an alternate payment plan, but the utility must not require the customer to pay more than this subsection prescribes. The utility must send a notice to the customer confirming the payment arrangements within two business days of having reached the agreement.
- (d) If the customer fails to provide a medical certificate in accordance with (a) of this subsection or ten percent of the delinquent balance within the five business days grace period, or if the customer fails to abide by the terms of the payment agreement, the utility may disconnect service after complying with the notice requirements in subsection (4)(a)(ii) of this section. If the utility previously provided a second disconnection notice to the customer, the utility must provide an additional second disconnection notice in compliance with the notice requirements in subsection (4)(a)(ii) of this section.
- Need written certification from a qualified medical professional that is valid only for the length of time the health endangerment is certified to exist but no longer than sixty days. Medical certification can be renewed once within 120 days.

West Virginia:

- Does your state have any protections for medically vulnerable customers? Yes. **
Note from FAQ- "This process does not prohibit termination, but allows extra protection for those who need it. The customer must still be willing and able to pay on the account."

<https://apps.sos.wv.gov/adlaw/csr/readfile.aspx?DocId=50441&Format=PDF>

- If yes, please outline protection:
If the medical condition is validated as permanent, how long does the protection last?
30 days
Will recertification be permanent? No
Is the customer required to make a payment during the hold? Yes, they must pay the account in full.

"They must bring the arrears current or pay a portion of the arrears" (based on whatever payment arrangement are made with the utility).

If a person is certified to have a permanent condition, they do not have to renew every 30 days. They will have a permanent notation added to their account. However, they are still expected to make payments to keep the account current or set up a payment arrangement with the utility.

4.8.1.e. Certified Health Condition or Seasonal Time Period -- For the purposes of this rule, the following circumstances shall be deemed to constitute a condition under which termination of service could be dangerous to the health or safety of a residential customer or a member of the residential customer's household. The existence of a Certified Health Condition or Seasonal Time Period described below in Rule 4.8.1.e.1. or Rule 4.8.1.e.2. increases the utility notice requirements as set forth in Rule 4.8.2.b.2.B., but does not prohibit disconnection except as provided in Rule 4.8.2.b.9.:

4.8.1.e.1. Written certification from a currently licensed physician, nurse practitioner or physician assistant that termination of service would be dangerous to the customer or a member of the customer's household for medical reasons (Certified Health Condition). Such certification must be received by the utility within ten (10) days after the customer informs the utility of those reasons, and must be renewed every thirty (30) days, starting from the date the certification is sent to the utility. If a licensed physician, nurse practitioner or physician assistant states to a reasonable degree of medical certainty that the condition is permanent, then certification need not be renewed.

Wisconsin:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:

Medical or Protective Services Emergencies

If a disconnection will aggravate a medical or protective services emergency, the utility may delay service shut-off for up to 21 days. The utility may require documentation from a professional involved with the medical emergency or crisis. Contact your utility about any such special circumstances.

Wyoming:

- Does your state have any protections for medically vulnerable customers? Yes
- If yes, please outline protection:

023.0002.3 Wyo. Code R. § 9. (a) Each utility shall, upon request, provide its customers such information and assistance as is reasonably possible and necessary in order that customers may secure safe, adequate and reliable service.

(b) The utility shall maintain a copy of its tariff at its local office for inspection by the public during normal business hours.

When more than one rate is available, the utility shall advise an applicant, upon request, which rates are available to the applicant. If, at any time subsequent to the commencement of service, the customer requests assistance, the utility shall advise the customer which rates are available to the customer.

Appendix J – CCC Utilities Medically Vulnerable Program Data Request

Utilities Medically Vulnerable Program Data Request:
 Company: All Utilities Totaled

		Critical Care Data Request - Recommendation 2.10				
		2019	2020	2021	2022	2023
Medical Emergency	Point in Time for Measurement (MEGA Interpretation)					
	How many granted throughout the entire year ***1 customer could be counted multiple times up to six***	930	451	867	927	1,431
	Number of customers enrolled					
	Number of customers denied	4,520	1,468	1,307	1,874	2,344
	Total dollars in arrears	\$4,468,189	\$1,555,483	\$1,878,037	\$2,749,071	\$2,670,851
	Critical Care					
	Number of customers enrolled	357	426	555	600	664
	Number of customers denied	236	131	103	177	193
	Number of customers who haven't made a payment onto the account	47	50	51	107	160
	Total dollars amount in each category	\$597,126	\$751,411	\$1,230,480	\$1,276,393	\$1,280,514
	Not Delinquent (Zero Balance)	\$0	\$0	\$0	\$0	\$0
	Amount of Arrears \$1 - \$1,000	\$47,337	\$47,269	\$49,040	\$95,341	\$94,539
	Amount of Arrears \$1,001 - \$5,000	\$266,584	\$215,245	\$258,829	\$279,298	\$373,340
	Amount of Arrears \$5,001 - \$10,000	\$196,748	\$237,919	\$312,032	\$237,462	\$228,948
	Amount of Arrears \$10,001 - \$15,000	\$39,658	\$118,397	\$254,033	\$233,268	\$162,801
	Amount of Arrears over \$15,001	\$46,798	\$132,581	\$356,547	\$431,025	\$420,886
	Customer Journey on Critical Care Program					
	Highest customer arrearage amount	\$46,071	\$80,466	\$112,046	\$140,323	\$172,212
	How long has the identified customer been on the program?					
	Did the identified customer have a balance prior to enrollment?					

Company: All Utilities Totaled Side-by-Side

		Critical Care Data Request - Recommendation 2.10										Total
	Medical Emergency	Alpena	CE	DTE	I&M	MGU	Semco	UMERC	UPPCo	Xcel		
	Point in Time for Measurement (MEGA Interpretation)											
	How many granted throughout the entire year ***1											
	customer could be counted multiple times up to											
	51x***											
2019	Number of customers enrolled	NA	505	2373	264		77		62	22	990	
2020		0	286	509	87		30		43	5	451	
2021		2	211	490	114		10		29	11	867	
2022		5	253	616	183	34	24	31	18	11	1,175	
2023		0	327	759	222	30	30	13	33	17	1,481	
2019	Number of customers denied	NA	NA	4511	NA				8	1	4,520	
2020		0	NA	1465	NA				1	2	1,468	
2021		0	NA	1305	NA				2	0	1,307	
2022		0	NA	1845	NA	17		8	4	0	1,874	
2023		0	NA	2294	NA	22		14	11	3	2,344	
2019	Total dollars in arrears	NA	\$315,466	\$3,805,588.00	\$279,646.40		\$22,741.36		\$ 44,746.46	NA	\$4,468,189	
2020		\$0.00	\$285,496	\$1,059,444.00	\$145,388.43		\$13,985.01		\$ 20,754.99	\$31,115.98	\$1,555,483	
2021		\$376,18	\$312,137	\$1,246,013.00	\$28,450.84		\$6,479.32		\$ 29,630.36	\$54,950.51	\$1,878,037	
2022		3438.5	\$356,955	\$1,966,212.63	\$377,808.73	\$3,137.48	\$5,885.70	NA	\$ 4,099.80	\$29,532.52	\$2,749,071	
2023		\$0.00	\$286,590	\$1,986,673.64	\$313,451.04	\$1,307.07	\$7,513.84	NA	\$ 16,792.45	\$58,523.22	\$2,670,851	
2019	Number of customers enrolled	NA	NA	210	71		0		60	16	357	
2020		4	188	122	62		0		45	7	426	
2021		8	253	186	74		0		30	4	555	
2022		7	212	245	81	10	0	3	38	4	600	
2023		10	276	255	73	10	0	5	34	1	664	
2019	Number of customers denied	0	NA	233	NA		0		1	2	236	
2020		0	NA	130	NA		0		0	1	131	
2021		0	NA	101	NA		0		0	2	103	
2022		0	NA	176	NA		0		0	1	177	
2023		0	NA	191	NA		0		1	1	193	

Notes: CE states assistance payments are excluded for consideration; UPPCo no payments or only one payment; Alpena: customer made zero payment, Assistance paid by DHS/Sal Army; IM: current acct arrears or when acct finalized	2019	2020	2021	2022	2023																			
Number of customers who haven't made a payment onto the account	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	47
Total dollars amount in each category	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	51
Not Delinquent (Zero Balance)	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	107
Amount of Arrears \$1 - \$1,000	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	160
2019	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2020	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2021	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2022	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2023	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Amount of Arrears \$1,001 - \$5,000	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2019	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2020	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2021	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2022	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2023	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Amount of Arrears \$5,001 - \$10,000	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2019	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2020	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2021	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2022	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2023	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Amount of Arrears \$10,001 - \$15,000	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2019	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2020	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2021	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2022	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2023	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Amount of Arrears over \$15,000	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2019	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2020	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2021	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2022	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2023	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Total	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2019	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2020	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2021	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2022	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2023	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Total	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2019	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2020	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2021	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2022	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2023	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Total	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2019	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2020	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2021	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2022	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2023	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Total	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2019	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2020	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2021	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2022	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2023	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Total	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2019	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2020	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2021	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2022	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2023	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Total	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2019	0	1	2	2	2	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
2020	0	1	2	2	2	NA	NA	NA																

Customer Journey on Critical Care Program	Highest customer arrearage amount	Notes: CE states assistance payments are excluded for consideration, UPPCo no payments or only one payment; Alpena: customer made zero payment, Assistance paid by DHHS/Sal Army	2019	2020	2021	2022	2023	How long has the identified customer been on the program?	Since 2018	Since 2019	Since 2020	Since 2021	Since 2022	Since 2023	2016	2017	2018	2019	2020	2021	2022	2023
			NA	\$24,399.71	\$10,528.00	NA	NA	NA	Since 2018	Since 2019	Since 2020	Since 2021	Since 2022	Since 2023								
			3819.89	\$23,418	\$3,238.00	\$3,238.00	NA	NA	Since 2018	Since 2019	Since 2020	Since 2021	Since 2022	Since 2023								
			6278.86	\$28,467	\$10,528.00	\$10,528.00	NA	NA	Since 2018	Since 2019	Since 2020	Since 2021	Since 2022	Since 2023								
			1242.3	\$36,750	\$10,692.00	\$3,974.16	NA	NA	Since 2018	Since 2019	Since 2020	Since 2021	Since 2022	Since 2023								
			995.34	\$41,606	\$10,528.00	\$4,795.92	NA	NA	Since 2018	Since 2019	Since 2020	Since 2021	Since 2022	Since 2023								
			NA	NA	Since 03/2019	NA	NA	NA	Since 2018	Since 2019	Since 2020	Since 2021	Since 2022	Since 2023								
			12 months	NA	Since 03/2019	NA	NA	NA	Since 2018	Since 2019	Since 2020	Since 2021	Since 2022	Since 2023								
			12 months	NA	Since 03/2019	18 mths	NA	NA	Since 2018	Since 2019	Since 2020	Since 2021	Since 2022	Since 2023								
			12 months	NA	Since 03/2019	1= 8 months 8=1 Year 1=3 months	NA	NA	Since 2018	Since 2019	Since 2020	Since 2021	Since 2022	Since 2023								
			Did the identified customer have a balance prior to enrollment?																			
			2019	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
			2020	Yes	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
			2021	Yes	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
			2022	Yes	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
			2023	Yes	NA	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

	8/6/2021		Customer signed for power
	8/20/2021		Received critical care letter, good for one year
	8/11/2022		Received critical care letter, good for one year
	12/19/2022	3,163.82	Customer owes \$3,163.82
	12/19/2022	(850.00)	Dhs paid \$850
	12/19/2022	(1,980.84)	Salvation Army paid \$1,980.84
	12/21/2022	332.98	Balance due
			no payments
	6/26/2023	1,778.37	Customer has balance due of \$1,778.37
	6/26/2023	(1,600.00)	Compassus Living Foundation paid \$1,600
	6/26/2023	(181.94)	Customer still has balance due of \$181.94
	8/2/2023	(3.57)	Received critical care letter, good for one year
			no payments
	12/18/2023	1,821.36	Customer owes \$1,821.36
	12/28/2023	(295.85)	St Vincent de Paul paid \$295.85
	1/16/2024	(850.00)	DHS paid \$850
		675.51	Balance due
			no payments
	5/21/2024	2,018.73	Balance due (\$1,829.11 past due and \$189.62 current)
	8/11/2021		Received critical care letter, good for one year
	8/11/2021	7,824.90	Last payment was \$200 11/25/20, remaining balance at that time was \$4,743
	9/23/2021	(850.00)	Dhs paid \$850
	9/27/2021	(6,924.90)	Salvation Army paid \$6,924.90
		50.00	
	8/4/2022		Received critical care letter, good for one year
	8/4/2022	2,573.43	Customer owes \$2,573.43
	12/29/2022	3,230.22	Customer owes \$3,230.22
	12/29/2022	(850.00)	Dhs paid \$850
	1/17/2023	(2,069.96)	Salvation Army paid \$2,069.96; balance due \$607.62
		310.26	
	8/16/2023	2,446.38	Received critical care letter, good for one year; balance due \$2,446.38
	8/16/2023	(50.00)	Customer payment of \$50
	8/25/2023	(500.00)	Salvation Army payment
	2/13/2024	4,081.24	Balance due
	2/27/2024	(200.00)	Customer payment
	4/5/2024	4,399.67	Balance due
	4/5/2024	(200.00)	Customer payment
	5/13/2024	4,926.50	Balance due
	5/13/2024	(850.00)	Dhs paid \$850
	5/15/2024	(3,044.12)	Salvation Army payment
	5/15/2024	1,032.38	Balance due

Company: Consumers Energy Company

Critical Care Data Request - Recommendation 2.10						
	2019	2020	2021	2022	2023	Comments
Medical Emergency	Point in Time for Measurement (MEGA Interpretation)					
Number of customers enrolled	505	286	211	253	327	Count of 21-day medical dunning holds placed per calendar year
Number of customers denied	Not Available	Not Available	Not Available	Not Available	Not Available	Sum of dollars in arrears as of 3/31 per calendar year, inclusive of arrears for all contract accounts which received a 21-day medical emergency dunning hold at any point during the year
Total dollars in arrears	\$315,466	\$285,496	\$312,137	\$356,955	\$286,590	
Critical Care						
Number of customers enrolled	Not Available	188	253	212	276	Distinct count of Business Partners who had an active ZLFSPT BP ID at any point per calendar year
Number of customers denied	Not Available	Not Available	Not Available	Not Available	Not Available	
Number of customers who haven't made a payment onto the account	Not Available	21	20	25	17	Distinct count of Business Partners (of those who had an active ZLFSPT BPID within the corresponding year) who did not make a single payment during that calendar year; Assistance payments of all types are excluded from consideration
Total dollars amount in each category						
Not Delinquent (Zero Balance)	Not Available	\$0	\$0	\$0	\$0	Sum of dollars in arrears as of 3/31 per calendar year, inclusive of arrears for all contract accounts associated with those Business Partners who had an active ZLFSPT BPID within the corresponding year
Amount of Arrears \$1 - \$1,000	Not Available	\$24,333	\$25,024	\$27,473	\$38,655	
Amount of Arrears \$1,001 - \$5,000	Not Available	\$62,758	\$79,621	\$59,054	\$82,966	
Amount of Arrears \$5,001 - \$10,000	Not Available	\$76,413	\$110,633	\$50,850	\$53,435	
Amount of Arrears \$10,001 - \$15,000	Not Available	\$37,396	\$50,513	\$64,443	\$13,209	
Amount of Arrears over \$15,001	Not Available	\$42,022	\$161,373	\$113,085	\$83,920	
Customer Journey on Critical Care Program						
Highest customer arrearage amount	Not Available	\$23,418	\$28,467	\$36,250	\$41,606	Maximum sum of dollars in arrears as of 3/31 per calendar year for a single Business Partner who had an active ZLFSPT BPID within the corresponding year
How long has the identified customer been on the program?	Not Available	Not Available	Not Available	Not Available	Not Available	
Did the identified customer have a balance prior to enrollment?	Not Available	Not Available	Not Available	Not Available	Not Available	

Company: DTE Energy Company

		Critical Care Data Request - Recommendation 2.10				
		2019	2020	2021	2022	2023
Medical Emergency	Point in Time for Measurement (MEGA Interpretation)					
	How many granted throughout the entire year ***1	2373	509	490	616	759
	Number of customers enrolled					
	Number of customers denied	4511	1465	1305	1845	2294
	Number of customers denied					
	Number of customers who haven't made a payment onto the account	210	122	186	245	255
	Number of customers who haven't made a payment onto the account	233	130	101	176	191
	Number of customers who haven't made a payment onto the account	37	22	29	70	134
	Total dollars amount in each category					
	Not Delinquent (Zero Balance)	\$522,416.19	\$435,524.18	\$732,182.75	\$847,230.21	\$898,165.50
	Amount of Arrears \$1 - \$1,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Amount of Arrears \$1,001 - \$5,000	\$28,633.97	\$11,307.69	\$15,530.91	\$30,283.14	\$34,106.95
	Amount of Arrears \$5,001 - \$10,000	\$228,722.15	\$135,052.47	\$163,351.93	\$185,442.15	\$250,805.77
	Amount of Arrears \$10,001 - \$15,000	\$189,131.74	\$140,609.29	\$178,207.12	\$186,612.54	\$163,230.93
	Amount of Arrears over \$15,001	\$29,130.28	\$57,995.45	\$179,919.25	\$146,585.14	\$139,064.46
	Amount of Arrears over \$15,001	\$46,798.05	\$90,559.28	\$195,173.54	\$298,307.24	\$310,957.39
Customer Journey on Critical Care Program						
	Highest customer arrearage amount	\$24,399.71	\$34,045.47	\$47,344.26	\$61,861.34	\$78,436.43
	How long has the identified customer been on the program?	Since 03/2019	Since 03/2019	Since 03/2019	Since 03/2019	Since 03/2019
	Did the identified customer have a balance prior to enrollment?	Yes	Yes	Yes	Yes	Yes
	1. Count of customers granted protection through the year 2. Arrears as of March 31st of each year					

Company: Indiana Michigan Power Company

		Critical Care Data Request - Recommendation 2.10				
		2019	2020	2021	2022	2023
Medical Emergency	Point in Time for Measurement (MEGA Interpretation)					
	How many granted throughout the entire year ***1 customer could be counted multiple times up to six***	264	87	114	183	222
	May be pulled manually, or may not even exist	N/A	N/A	N/A	N/A	N/A
	Debt covered by Med Cert as of March 31 of Each Year	\$279,646.40	\$145,388.43	\$228,450.84	\$377,808.73	\$313,451.04
Critical Care						
	How many granted throughout the entire year	71	62	74	81	73
	May be pulled manually, or may not even exist	N/A	N/A	N/A	N/A	N/A
	Current account arrears or when account finalized					
	Not Delinquent (Zero Balance)	29 - \$0	17 - \$0	34 - \$0	19 - \$0	20 - \$0
	Amount of Arrears \$1 - \$1,000	40 - \$7661	44 - \$7384	38 - \$5799	57 - \$30926	46 - \$15272
	Amount of Arrears \$1,001 - \$5,000	1 - \$3237	1 - \$3237	1 - \$2324	4 - \$9971	5 - \$12211
	Amount of Arrears \$5,001 - \$10,000	X	X	X	X	1 - \$6406
	Amount of Arrears \$10,001 - \$15,000	1 - \$10528	X	1 - \$10528	1 - \$10692	1 - \$10528
	Amount of Arrears over \$15,001	X	X	X	X	X
Customer Journey on Critical Care Program						
	Highest customer arrearage amount	\$	10,528 \$	3,238 \$	10,528 \$	10,692 \$
	How long has the identified customer been on the program?	since 2018	since 2019	since 2018	18 months	since 2018
	Did the identified customer have a balance prior to enrollment?	Yes	Yes	Yes	Yes	Yes
<p>I&M currently has 73 active accounts listed as Critical Care with total account balances of \$35, 318. Of these, 54 accounts are current or near current on their bills. Of the 19 that are past due, 11 have balances under \$500. Of the 8 that have balances over \$500, 7 have balances over \$2000. 1 customer has a balance of \$6,406 and 1 customer has a balance of \$10,528. Generally speaking, there are less than 10 customers that refuse to work with the utility and appear to use the Critical Care provision as a way to avoid payment of their electric bill. It would be beneficial to incorporate language that could identify these customers and provide for ultimate disconnection if the customer continues to refuse to work with the utility to make payments on the debt</p>						

Company: Michigan Gas Utilities Corporation

		Critical Care Data Request - Recommendation 2.10				
		2019	2020	2021	2022	2023
Medical Emergency	Point in Time for Measurement (MEGA Interpretation)					
	How many granted throughout the entire year ***1 customer could be counted multiple times up to six***					
	Number of customers enrolled				34	30
	Number of customers denied				17	22
	Total dollars in arrears				3- \$3137.48	1- \$1307.07
	Critical Care					
	Number of customers enrolled					10
	Number of customers denied					10
	Number of customers who haven't made a payment onto the account					Unable to distinguish between Medical Emergency denials and Critical Care denials
	Total dollars amount in each category					3
	Not Delinquent (Zero Balance)					1
	Amount of Arrears \$1 - \$1,000					
	Amount of Arrears \$1,001 - \$5,000					
	Amount of Arrears \$5,001 - \$10,000					
	Amount of Arrears \$10,001 - \$15,000					
	Amount of Arrears over \$15,001					
	Customer Journey on Critical Care Program					
	Highest customer arrearage amount				\$3,974.16	\$4,795.92
	How long has the identified customer been on the program?					1 = 8 months 8=1 Year 10 = 1 year
	Did the identified customer have a balance prior to enrollment?					1=3 months 8=Yes

Company: Northern States Power Company (Xcel Energy)

		Critical Care Data Request - Recommendation 2.10				
		2019	2020	2021	2022	2023
Medical Emergency	Point in Time for Measurement (MEGA Interpretation)					
	How many granted throughout the entire year ***1 customer could be counted multiple times up to six***	22	5	11	11	17
	Number of customers enrolled					
	Number of customers denied	1	2	0	0	3
	Total dollars in arrears	N/A	\$31,115.38	\$54,950.51	\$29,532.52	\$58,523.22
Critical Care	Dollars in arrears as of March 31 of Each Year					
	Number of customers enrolled	16	7	4	4	1
	Number of customers denied					
	Number of customers who haven't made a payment onto the account	2	1	2	1	1
	May be pulled manually, or may not even exist					
	5	2	0	0	0	0
Total dollars amount in each category	Dollars in arrears as of March 31 of Each Year					
	Not Delinquent (Zero Balance)	N/A	N/A	\$1,606.99	\$2,534.44	\$381.55
	Amount of Arrears \$1 - \$1,000	N/A	N/A	\$0.01	\$-	\$-
	Amount of Arrears \$1,001 - \$5,000	N/A	N/A	\$-	\$599.08	\$381.55
	Amount of Arrears \$5,001 - \$10,000	N/A	N/A	\$1,606.98	\$1,935.36	\$-
	Amount of Arrears \$10,001 - \$15,000	N/A	N/A	\$-	\$-	\$-
	Amount of Arrears over \$15,001	N/A	N/A	\$-	\$-	\$-
Customer Journey on Critical Care Program						
	Highest customer arrearage amount	N/A	N/A	\$1,606.98	\$1,935.36	\$381.55
	How long has the identified customer been on the program?					
	Did the identified customer have a balance prior to enrollment?	N/A	N/A	1 Year	1 Year	9 Years
		N/A	N/A	Yes	Yes	No
***Medical/Critical Care protection data provided is by the date/year in which the customer initiated the request						

Company: Semco Energy Gas Company

		Critical Care Data Request - Recommendation 2.10				
		2019	2020	2021	2022	2023
Medical Emergency	Point in Time for Measurement (MEGA Interpretation) How many granted throughout the entire year ***1 customer could be counted multiple times up to six***					
Number of customers enrolled		77	30	10	24	30
Number of customers denied	May be pulled manually, or may not even exist					
Total dollars in arrears	Dollars in arrears as of March 31 of Each Year	\$22,741.36	\$13,285.01	\$6,479.32	\$5,885.70	\$7,513.84
Critical Care						
Number of customers enrolled	How many granted throughout the entire year	0	0	0	0	0
Number of customers denied	May be pulled manually, or may not even exist	0	0	0	0	0
Number of customers who haven't made a payment onto the account						
Total dollars amount in each category						
	Not Delinquent (Zero Balance)	na	na	na	na	na
	Amount of Arrears \$1 - \$1,000	na	na	na	na	na
	Amount of Arrears \$1,001 - \$5,000	na	na	na	na	na
	Amount of Arrears \$5,001 - \$10,000	na	na	na	na	na
	Amount of Arrears \$10,001 - \$15,000	na	na	na	na	na
	Amount of Arrears over \$15,001	na	na	na	na	na
Customer Journey on Critical Care Program						
	Highest customer arrearage amount	na	na	na	na	na
	How long has the identified customer been on the program?	na	na	na	na	na
	Did the identified customer have a balance prior to enrollment?	na	na	na	na	na

Company: Upper Michigan Energy Resources Corporation (UMERC)

		Critical Care Data Request - Recommendation 2.10				
		2019	2020	2021	2022	2023
Medical Emergency	Point in Time for Measurement (MEGA Interpretation)					
	How many granted throughout the entire year ***1 customer could be counted multiple times up to six***				31	13
	May be pulled manually, or may not even exist				8	14
	Dollars in arrears as of March 31 of Each Year				NA	NA
Critical Care						
	How many granted throughout the entire year				3	5
	May be pulled manually, or may not even exist					
	Unable to distinguish between Medical Emergency denials and Critical Care denials					
					2	4
					NA	NA
					NA	NA
					NA	2 - \$4915.60
					NA	NA
					NA	1 - \$11547.60
					NA	NA
Customer Journey on Critical Care Program						
	Highest customer arrearage amount				NA	\$11,547.60
	How long has the identified customer been on the program?				3= 1 year	1= 11 months 4= 1 year
	Did the identified customer have a balance prior to enrollment?				3=Yes	5=Yes

Appendix K – Definitions Index of Meeting Topics

		Yr./Mo.	Definitions Subcommittee Agenda Topics		
Phase 1		2023-02	Updating the Charge, Possible Approaches, Getting Organized		
		2023-04	Approach to Defining Terms -Consider Existing Definitions, Procedural Justice Approach, "Who is at Our Table?"		
		2023-05	U-20836 Context of Charge, Discussion Recap RE: Procedural Justice Outreach, Big Picture Process Visioning,		
		2023-06	Review of Survey Status, Decide on Existing Definitions of Equitable Treatment & Environmental Justice		
		2023-08	Review of Survey Status, Decide on Existing Definitions of Equitable Treatment & Environmental Justice		
		2023-09	Feedback to the Subcommittee, Concepts Related to Energy Equity, Electric Reliability, and Energy Security		
Phase 2		2023-10	Our Definitions Journey, Energy Security		
		2023-11	Home Energy Security Draft Definition and Recap, Energy Equity Sample Definitions, Exploring Energy Equity Questions		
		2024-01	Process Recap, What Should Be Equitable?		
		2024-02	Progress & Milestones, Home Energy Security, What Should Be Equitable, What Questions Could Be Best Answered by Those with Lived Experience?		
		2024-03	Home Energy Security, Energy Equity Questions		
		2024-04	Draft Home Energy Security Definition. *This meeting concluded early due to inclement weather		
		Phase 3		2024-05	Home Energy Security Draft Revisions, Energy Equity Benefits and Burdens, Questions Best Answered by Those with Lived Experience
				2024-06	Home Energy Security Definition Confirmed , Energy Equity Questions and Decisions, Considerations, How Can It Be Achieved? Energy Equity Draft Definition
				2024-07	Energy Equity: What Is It Applied To? How Can It Be Achieved?
				2024-08	Review of Definitions Lexicon, Energy Equity: What Is It Applied To? How Can It Be Achieved?
				2024-09	Review of Definitions Lexicon, Energy Equity, Grid Equity - What Does It Mean? Grid Equity Draft Definition
				2024-10	Review of Definitions Lexicon, Energy Equity
		2024-11	Discuss Adoption of Energy Justice Definition, Finalize Draft Definitions of Energy Equity and Grid Equity		

Appendix L – Definitions Sample Definitions of Energy Equity

1. Hawaii Public Utilities Commission

Energy equity refers to the goal of achieving equity in both the social and economic participation in the energy system, while also remediating social, economic, and health burdens on those historically harmed by the energy system. The Hawaii Public Utilities Commission strives not only to address energy equity generally, but to ensure that existing energy inequity is not exacerbated or overlooked during the renewable energy transition.

2. <https://empowerdataworks.com/energy-equity/>

Energy Equity: the distribution of costs and benefits of an energy system (e.g. an electric grid) and the accessibility to affordable energy across customers in a region or utility service territory. Low-income households pay a larger proportion of their incomes for energy than other customers and addressing their energy burden is beneficial for society as a whole.

3. American Council for an Energy-Efficient Economy www.aceee.org/topic/energy-equity

Energy equity: Energy equity aims to ensure that disadvantaged communities have equal access to clean energy and are not disproportionately affected by pollution. It requires the fair and just distribution of benefits in the energy system through intentional design of systems, technology, procedures and policies.

4. Advancing Equity in Utility Regulation (lbl.gov) Chapter 1 Lawrence Berkeley National Laboratory

Energy Equity and “Just Energy” is PSE’s (Policy, systems, and environment) framework for advancing energy equity, which we define as the fair distribution of the benefits and burdens of energy production and consumption. We advance Just Energy by building civic power with Black people, communities of color, and rural and low-wealth communities across the South.

5. Advancing Equity in Utility Regulation (lbl.gov) Chapter 1 “According to the Partnership for Southern Equity”

Energy Equity is the fair distribution of the benefits and burdens of energy production and consumption.

6. Pacific Northwest National Laboratory <https://www.pnnl.gov/projects/energy-equity>

Energy Equity: Energy equity recognizes that disadvantaged communities have been historically marginalized and overburdened by pollution, underinvestment in clean energy infrastructure, and lack of access to energy-efficient housing and transportation. An equitable energy system is one where the economic, health, and social benefits of participation extend to all levels of society, regardless of ability, race, or socioeconomic status. Achieving energy equity requires intentionally designing systems, technology, procedures, and policies that lead to the fair and just distribution of benefits in the energy system.

7. <https://oilprice.com/Energy/Energy-General/What-Is-Energy-Equity-And-Why-Is-It-So-Important.html>

Energy Equity: Energy equity is the idea that all members of society should be able to afford and have access to a necessary and basic amount of energy. The reason it has become so important lately is that more and more consumers are tempted to leave the grid, which has the effect of driving prices ever higher. It remains unclear whether subsidies or price limits can solve this issue, but it is clearly a problem that won't go away any time soon.

8. <https://markets.businessinsider.com/news/stocks/what-is-energy-equity-and-why-is-it-so-important-1031048485>

Energy equity sounds like a cross between a financial engineering concept and a new social entitlement program like Medicare. But to us, it is a concept that we expect the energy industry to hear more of, insofar as it involves genuine economic and social concerns. Basically, this term "energy equity", and the advocates who employ it, are saying that all members of society should be able to afford and have access to a necessary or basic amount of energy for ordinary living. That does not mean generous subsidized energy allowances but enough to keep the apartment warm in winter, cool in summer, provide hot water, keep the lights on, and, of course, all the devices fully charged. Not a big deal you say? Think otherwise.

Appendix M – Definitions Proposed Lexicon of Definitions

Electric Reliability: Electric reliability is the ability of the distribution system to withstand events such as severe weather.

(<https://www.michigan.gov/mpsc/consumer/electricity/distribution-system-reliability-metrics>)

Energy Affordability: The extent to which a household has the resources to meet their home energy needs for heating, cooling, and other uses in a healthy, sustainable and energy efficient manner without compromising a household's ability to meet other basic needs. (MPSC Case No. U-20757, December 21, 2023, Order)

Energy Equity: RECOMMENDED *Energy equity is the goal of achieving fair and just treatment, meaningful participation, and opportunities in the energy system for all while building better outcomes for overburdened communities. An equitable energy system is one in which technologies and investments promote and, together with other essential systems, achieve energy security, affordable and clean -energy, participation, and reasonable choice for all. Energy equity may be improved through the consistent and transparent application of equity metrics, through prioritizing and monitoring historic and present impacts and disparities to overburdened communities, and through equitable planning approaches and just distribution of costs and benefits.* (EAAC Definitions Subcommittee - 11/20/2024)

Energy Justice: Energy justice is the goal of achieving equity in both the social and economic participation in the energy system, while also remediating social, economic, and health burdens on those disproportionately harmed by the energy system. (U.S. DOE Initiative for Energy Justice, 2019)

Energy Resilience: The ability to withstand and reduce the magnitude and/or duration of disruptive events, which includes the capability to anticipate, absorb, adapt to, and/or rapidly recover from such an event. (MPSC Case No. U-21388)

Environmental Justice: The equitable treatment and meaningful involvement of all people regardless of race, color, national origin, ability or income and is critical to the development and application of laws, regulations, and policies that affect the environment, as well as the places people live, work, play, worship and learn. (MI Healthy Climate Plan, EGLE)

Equitable Treatment: No group of people bears a disproportionate share of the negative consequences resulting from governmental, industrial or commercial operations and policies. All people benefit from the application of laws and regulations. Eliminating barriers such as poverty and lack of access, as well as repairing systemic injustices. (Mi EJ Screen slide deck, EGLE)

Equity: Fair and just treatment, access and opportunities for all people while building better outcomes for historically and currently disadvantaged populations. ([Michigan.gov MDHHS](https://www.michigan.gov/mdhhs) Diversity Equity and Inclusion Training)

Grid Equity: RECOMMENDED Grid equity is the goal of achieving fair distribution, grid access, modernization, and performance, including system reliability and resilience, for all while building better outcomes for overburdened communities. Strategies to improve grid equity with just distribution of costs and benefits may include increasing meaningful participation, consideration of historic and present disparities, grid metrics for communities with similar densities as well as critical and priority facilities, and optimization of response and remediation. ((EAAC Definitions Subcommittee -11/20/2024)

Home Energy Security: RECOMMENDED Home Energy Security is the reliable access to and availability of energy for meeting diverse and varied household needs. Home energy security is driven by several factors including but not limited to energy infrastructure, energy efficiency of housing stock, predictability and fairness of charges, and energy affordability. It can be improved through measures to address system reliability, home weatherization, energy education, consumer protection plans, and affordability strategies. (EAAC Definitions Subcommittee -06/26/2024 meeting)

Meaningful Involvement: People have an opportunity to participate in decisions that affect their environment and/or health; decision makers seek out and facilitate the involvement of those potentially affected; People's concerns are considered in decision-making processes; and People can influence state agency decisions. (Mi EJ Screen slide deck, EGLE)

Overburdened communities: Refers to overburdened, vulnerable, underserved or disadvantaged communities that are identified in accordance with metrics and percentiles as recommended by the specific environmental justice screening tool used. (MPSC Case No. U-18461 - October 27, 2022, Order)

Self-sufficiency: a Household's basic needs are being met while minimizing reliance on public assistance. (MEAP Workgroup 2, "Getting to a Definition of Self-sufficiency" Presented by Kristin Bolds to EAAC on 06/14/21)

Appendix N – Definitions Questions for Those with Lived Experience

Ask them about their burdens because it's not just the energy system; it is the systems.

A key question is, "What is it going to take to solve the problem?"

You have high energy bills, right? You pay a lot in energy. Why is that the case?

What contributes to high energy bills in your community?

Do you want to get from where you are now to stability? What are all the things that need to happen to make that transition?

What kinds of actions from the MPSC would make you feel like they are working in your interests?

What does "good" look like?

What's different today from what we experienced 10 years ago?

What are peoples' aspirations for the kind of community they want to live in?

What does your relationship with the energy system look like in the future?

What do we anticipate in the next five years or 10 years and how will that change things for you?

Admonitions from Participants

We need to listen to their lived experience related to energy.

Many of those things will fall outside of the scope of the Commission's authority, but to understand how the Commission can most effectively act within its authority, it needs that whole picture.

Broaden the base of who we are asking; we're missing things. We need from people who aren't in our existing connections.

Be intentional about not defining what we think communities want or what we think would be true, but to start to build more intentionally and learn from there.

Take a holistic view.

Appendix O – Definitions Catalog of Procedural Justice Ideas

Participation and Process Methods

More listening sessions were suggested.

Focus groups might be an option similar to the listening session concept. These may be slightly smaller in scale and allow for careful targeting of desired voices.

A survey.

Piggyback on the existing efforts of others. Tap into the groups that are already connected or already meeting with folks. Collaborate on events that others are organizing.

Creating a home where folks can continue to plug in consistently, not just one time. Develop a continuous input loop where we're maintaining connections and relationships and we're continuing to advance conversations so that the work is progressing, not getting to a certain point and then stopping.

Other process ideas:

- Must be beneficial and cost effective for all.
- Compensate community members for leadership roles in info-gathering and decision-making processes.
- The responsibility of the staff to make community input actionable in the context of regulatory decisions.
- Examine if recommendations can and how to make them work.
- Weigh the pros and cons, who is responsible to make it happen.
- Add metrics to evaluate success and failures.
- Collect data into a pareto chart of core themes.
 - Identify which community the feedback is from
 - Identify most critical themes (1-5) for prioritization

Including Identified Communities

- Meet people where they are and where they are comfortable.
- Explain how information is being used and why should someone take the time to be in conversation with you. Communicate why it is important for you to become involved.
- Take the meeting to them to gain trust / accessibility.
- Gather community input first.
- Understand what people think an equitable experience would look and feel like.
- Understand the depth and breadth of the issues an equity definition must effectively address.
- Include comments from community members in reports.
- Include space for folks to elaborate on feelings.

Create a feedback loop.

Come back to the community for that final approval or check mark or consensus.

Feedback Loop Methods:

- Email
- Facebook groups
- Newsletter (quarterly)
- Open meeting
- Phone
- Spaces that people frequent
- Thank you notes
- U.S. mail
- Website
- Webpage
- Wide variety of formats

Other thoughts on a feedback loop:

- An interactive process is key.
- Make opportunities for impact public.
- Bring our work back to the same people in the same venue at a specified time and soliciting their feedback.
- Ask how they would like to receive feedback.
- Communicate timing of feedback.
- Obtain feedback on data before submission to the Commission.
- Evaluate how the definition and metrics were utilized and material outcomes from Commission rulings referencing them.
- Share impacts with those that provided input.
- Track progress step by step utilizing visuals.
- No feedback loop is needed if the circle is complete, and our presence is there throughout the entire process.
- Have a dedicated person working w/ CAA and their focus group.

Possible Connections Points:

- DHHS
- MEAP Grantees
- Food Pantries
- Community Agencies
- Community Events / Agency Fairs
- Holiday Giveaways
- Houses of Worship and Faith –based Organizations
- Door to Door Encounters
- State-wide virtual meeting place
- Poverty Task Force

- Disability Action Network
- United Way
- Area Agency on Aging
- Veteran services
- State and local entities that provide services to people experiencing homelessness and exiting homelessness. When people finally get into housing of some sort, obviously an affordable energy bill is something that is going to be really important to their ability to stay housed safely and stably.
- Schools which have designated staff to help those with language barriers and refugees; the ISDS can help funnel communication.
- Faith-based organizations are huge. They are the pillar of the community that they are the voice, and they are the practical support when someone is struggling. Those are the communities that people trust.

While there was lack of consensus among participants, subcommittee leaders gravitated to the idea of a modified survey format, making the survey available both in electronic and paper formats. This, however, proved not to be feasible during the timeframe of the Subcommittee process.

- House the electronic form of the survey on a webpage
- Offer the option of storytelling, written or voice, on the webpage.
- Include a release of information.
- Stories would not be analyzed, only survey results.
- Include a QR code on the paper format.
- Distribute surveys via email in pdf format or in paper form to community places where people gather.
- Mail in option
- Considering the option of a student to analyze results

The Content could include Likert scale questions re: what factors do you think about when you think about energy equity? How important are these things to you?

- Access to resources
- Reliability / outages
- Payment methodologies
- Access to emerging technologies, etc.

The survey could include a comment box, request demographic information, and request geographic information.

For a feedback loop, a webpage housed on the same page as the original survey was recommended while also utilizing a half-page postcard-style flyer with a QR code. Flyers could be distributed to same locations where data was collected. Participants could be sent Email or mail thank you and follow-up links.

Appendix P – Definitions Energy and Grid Equity Survey

Energy Equity and Grid Equity Survey

Please help us confirm EAAC draft definitions for use by the MPSC.

DRAFT DEFINITION OF ENERGY EQUITY: Energy equity is the goal of achieving fair and just treatment, participation, and opportunities in the energy system for all (**households/ consumers/people**) while building better outcomes for overburdened communities. An equitable energy system is one which where technologies and investments **promote and, together with other essential systems, achieve** energy security, affordable and clean energy, participation, and reasonable choice for all (**households/consumers/people**). Energy equity may be improved through the consistent and transparent application of equity metrics, through prioritizing and monitoring impacts and disparities to overburdened communities, and through equitable planning approaches.

DRAFT DEFINITION OF GRID EQUITY: Grid equity is the goal of achieving fair distribution grid access, **modernization**, and performance, including system reliability and resilience, for all while building better outcomes for overburdened communities. Strategies to improve grid equity may include consideration of performance for communities with similar densities, Community Lifelines (**FEMA.gov**), and optimization of response and remediation.

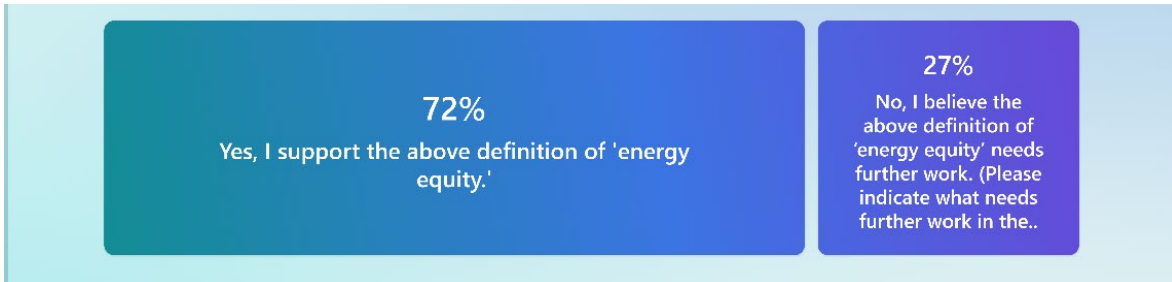
1. Who does 'Energy Equity' apply to? "Energy equity is the goal of achieving fair and just treatment, participation, and opportunities in the energy system... *

- ... for all.
- ... for all people.
- ... for all households.
- ... for all consumers.
- ... for all households and consumers.



2. If question #1 is settled, do you support the above definition of 'energy equity?' *

- Yes, I support the above definition of 'energy equity.'
- No, I believe the above definition of 'energy equity' needs further work. (Please indicate what needs further work in the comments section below.)



3. Do you support recommending the above definition of 'grid equity' to the Commission? *

- Yes, I support the above definition of 'grid equity.'
- No, I believe the above definition of 'grid equity' needs further work. (Please comment on what needs further work in the definition of 'grid equity'.)



4. Comments section:

Enter your answer

1. I would modify to read "meaningful participation" after "affordable and clean energy". This ensures that not just any participation meets the definition of energy equity. For grid equity, I would consider deleting the word performance in the second half, so that it reads "Strategies to improve grid equity may include consideration of communities with similar densities..." This way it is inclusive of things like grid access and modernization mentioned in the first half.

2. "The definition should also include mention of reliability and service. Below is my recommendation: Energy equity is the goal of achieving fair and just treatment, participation, service, reliability, and opportunities in the energy system for all people."
3. I am choosing customers above because customers are the ones that pay the bill. A customer may be a household, small business, or larger industry. Some people want to be off grid; therefore, this doesn't apply to them. For those that may not be customers due to say homelessness, there are other issues there that need to be fixed.

Technically "modernization" is implied with access and performance. Access to me doesn't just mean having a connection point to the grid, it means having a connection point to the grid that is adequate for your needs. And performance means more than reliability and resilience. It also means the ability to transfer power to meet the needs of customers.

4. For all households, consumers and people that have been historically impacted by unfair policies and practices.
5. "I think it might be helpful to add in a few provisions related to the importance of all people (and especially low income and BIPOC) having the opportunity able to build wealth, control, and decision-making power re energy resources in the transition to clean energy. Perhaps we could add this sentence to the energy equity definition: It also ensures that individuals and communities can benefit economically from the clean energy transition and have a voice in decisions about energy resources. And this sentence to the grid equity definition: This includes ensuring that communities have the opportunity to gain economic benefits from grid upgrades and to participate in decision-making that shapes grid performance.
I haven't been part of this coalition long so am ok with moving forward with what the group is comfortable with - but wanted to suggest this if there's interest."
6. "Regarding energy equity: I think it's important to use 'all' to include every recipient of this resource, whether a person, small business owner, group home, etc. in overburdened communities and beyond. My suggestion with grid equity is to add the word 'some' to start the last sentence. ""Some strategies to improve grid equity may include...."" This is important as strategies may change, or new strategies may be developed. If we add the term 'some' now, it may extend the life of the definition. Aside from this suggestion, I support the definition of grid equity. Thank you for the opportunity to respond to these questions. "

7. "Soulardarity, Urban Core Collective, and We Want Green Too (collectively, the Frontline Energy Transition Partnership) propose the following updates to the proposed definitions. A PDF showing the redline and clean copy is being emailed to the subcommittee chairs as well.

FETP PROPOSED DEFINITION OF ENERGY EQUITY: Energy equity is the goal of achieving fair and just treatment, participation, and opportunities in the energy system for all people while building better outcomes for overburdened communities. An equitable energy system is one in which technologies and investments promote and, together with other essential systems, achieve energy security, affordable and clean energy, participation, and reasonable choice for all people.

Energy equity may be improved through the consistent and transparent application of equity metrics, through prioritizing and monitoring impacts and disparities to overburdened communities, including disparities along lines of race, class, and other demographic factors which may not be captured by geography, and through equitable planning approaches that direct energy system decisions to address historic and present disparities.

Achieving energy equity requires action within and beyond the energy sector, as decisions about housing, transportation, water, education, and other essential services or infrastructure fundamentally impact energy planning. Decision-makers in the energy sector must demonstrate commitment to equity to the fullest extent of their authority to encourage other decision-makers to do the same.


FETP PROPOSED DEFINITION OF GRID EQUITY: Grid equity is the application of Energy Equity to the particular issues of the energy grid. It includes the goal of achieving fair distribution grid access, modernization, and performance, including system reliability and resilience, for all while building better outcomes for overburdened communities. Strategies to improve grid equity may include consideration of performance for communities with similar densities, the stability of Community Lifelines (FEMA.gov), and optimization of response and remediation from grid failure. Solutions to achieve grid equity must consider historic inequalities of the costs and benefits associated with grid service when allocating the cost of those solutions."

Appendix Q – CFDM Data Inventory Presentation – 10/16/23



Agenda

1. Who I interviewed
2. Data Inventory
 1. Dockets with regularly reported data
 2. Related orders and guidance
 3. Outside MPSC data sources
3. Review definition changes
4. Takeaways
5. Q&A



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Who I Interviewed			
Name	Division	Section	Reported customer data focus
Charyl Kirkland	EOD		Power quality, storm outage data
Jesse Harlow	EOD	Interconnection & DER	Installations of DERs
Mary Wilkins	CAD		Energy assistance trends (LIHEAP)
Jake Thelen	CAD	C&I	Customer Service metrics, disconnections, restorations
Joy Wang	ERD	Distribution Planning	Storm outage data, grid injury
Karen Gould	ERD	EWR	Publicly available low-income data
Megan and Naomi	ERD	ROC	IRP related, Environmental justice, low-income, DG
Sarah Mullkoff	Strategic Operations	Research	Storm outage data, non-payment disconnects, more

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Who didn't identify as having CFD		
Name	Division	Section
Al Freeman	ERD	
Nick Revere	RED	Rates & Tariffs
Kayla Gibbs	Strategic Operations	Research

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Data Overview – Part 1						
Case No.	Topic	About data	Purpose of Collection	Specific CF-Data Collected	Granularity	Sections that use data
U-21122	Storm outage data	<ul style="list-style-type: none"> Every utility reports data monthly Tracks reliability, outage metrics relating to storms Easy-view visuals comparing utilities 	<ul style="list-style-type: none"> To track customers' experiences with storm outages and see if utilities are providing adequate resilience and reliability 	<ul style="list-style-type: none"> Report template SAIDI, SAIFI, CAIDI, CEMI 10 worst performing circuits by SAIFI and SAIDI Outage restoration times Outage causes Outage credits in number of customers and dollars awarded 	<ul style="list-style-type: none"> Circuits in "10 worst performing circuits" lists the span of zip code and census tract where circuits are located Otherwise, utility-wide totals 	<ul style="list-style-type: none"> Distribution Planning Research Compliance and Investigation EOD Financial Incentives/Disincentives workgroup
U-20757	Disconnections, arrearages, restorations	<ul style="list-style-type: none"> Every utility reports data monthly Customer delinquency, disconnections, restorations Easy-view visuals comparing utilities Recommendations made to change reported data (p. 26) 	<ul style="list-style-type: none"> To better understand customer payment issues, trends and to improve enrollment of assistance plans 	<ul style="list-style-type: none"> Report template Number of customers and dollar amounts in arrears Assistance plan enrollment Customer disconnections Customer restorations 	<ul style="list-style-type: none"> Utility-wide totals, separated by Low-income and/or senior status NOTE: Recommendation made, hoping to move to zip code or census tract 	<ul style="list-style-type: none"> Compliance and Investigation EAAC workgroup Research



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Data Overview – Part 2						
Case No.	Topic	About data	Purpose of Collection	Specific CF-Data Collected	Granularity	Sections that use data
Various	Integrated Resource Plans	<ul style="list-style-type: none"> Every utility reports data every 3-5 years Health impacts of locations, disadvantaged community impacts, community perceptions 	<ul style="list-style-type: none"> To understand and help minimize health impacts associated with utility facilities. 	<ul style="list-style-type: none"> Filing Requirements (p. 54) Vulnerable communities, according to EJSCREEN tools, near utility facilities Health impacts (monetary and incidences) for air emissions of retiring fossil fuel-fired facilities, adopting renewable energy, according to COBRA 	<ul style="list-style-type: none"> Census tract vulnerable communities via EJSCREEN or MiEJScreen within 3 miles of a facility County-level air emissions analysis via COBRA 	<ul style="list-style-type: none"> ROC



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Data Overview – Part 3						
Case No.	Topic	About data	Purpose of Collection	Specific CF-Data Collected	Granularity	Sections that use data
U-15787	Distributed Generation Net Metering Report	<ul style="list-style-type: none"> Every utility reports data annually Related to customer installations of DERs, locations, size of installs, no. of customers Jesse wants hosting capacity maps to show where customers could connect to utility's distribution system 	<ul style="list-style-type: none"> To identify areas where distributed energy resources are most and least prevalent, and expand DERs in less prevalent areas 	<ul style="list-style-type: none"> Consumers Energy 2022 report for reference Customers who installed DG Total number of customers, locations, size of installation, storage capacity, when DG started and ended. 	<ul style="list-style-type: none"> Zip code of DG customer 	<ul style="list-style-type: none"> IDER
P.A. 615 of 2012	MEAP – Bill payment assistance	<ul style="list-style-type: none"> Energy assistance money provided to customers 	<ul style="list-style-type: none"> To assess how to better provide assistance to customers in need 	<ul style="list-style-type: none"> Number of customers receiving energy assistance, average amount of assistance per customer, total distributed 		<ul style="list-style-type: none"> MEAP CIS



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Related orders and guidelines			
Case No.	About data	Relevant Rules/Requirements	Related Case No.
U-20629	<ul style="list-style-type: none"> Quality Service and Reliability Standards 	<ul style="list-style-type: none"> R 460.722 – Unacceptable levels of performance during service interruptions R 460.732 – Annual report explaining how utility will raise performance to acceptable levels, where applicable R 460.744-746 – Customer accommodations for service interruptions (\$35 credit) 	<ul style="list-style-type: none"> U-21122, Storm outage reporting
U-21150	<ul style="list-style-type: none"> Customer Standards and Billing Practices 	<ul style="list-style-type: none"> R 460.151 – Quarterly report, requiring payment performance, customer complaints, shut offs, reconnections, customer call answer time R 460.154 – Handling customer disputes 	<ul style="list-style-type: none"> U-20757, COVID-19 monthly reporting on disconnections, arrearages, restorations
U-18461	<ul style="list-style-type: none"> IRP Filing requirements 	<ul style="list-style-type: none"> IRP Filing requirements specifying EJ tools to use and required relevant pollutant data (Appendix 1) 	<ul style="list-style-type: none"> IRP



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Related orders and guidelines			
Case No.	About data	Relevant Rules/Requirements	Related
U-15919	<ul style="list-style-type: none"> Procedures and forms for interconnection and net metering 	<ul style="list-style-type: none"> Category 1 and 2 general interconnection application forms customers fill out Application agreement form 	<ul style="list-style-type: none"> U-15787, Net Metering report
U-20890	<ul style="list-style-type: none"> Rules governing interconnection and distributed generation 	<ul style="list-style-type: none"> R 460.926, 928 – Application related fees R 460.964 – Interconnection agreement R 460.978 – Rules for disconnection from distribution system R 460.1001 – (3) Requiring utilities to file a legacy net metering report annually 	<ul style="list-style-type: none"> U-15787, Net Metering report
U-21117	<ul style="list-style-type: none"> Requires utilities to submit interconnection procedures 	<ul style="list-style-type: none"> Reports include forms, fees, agreements, procedures that each utility uses with customers 	<ul style="list-style-type: none"> U-15787, Net Metering report




Related orders and guidelines			
Case No.	About data	Relevant Rules/Requirements	Related
U-20875 , U-20876 , U-20881	<ul style="list-style-type: none"> Settlement Agreements with Consumers and DTE regarding EWR plan modifications 	<ul style="list-style-type: none"> Promotes use of healthy building materials Investment in income-qualified EWR programs Conduct Low-Income Needs Assessments to provide insights on how to better provide EWR programs Track and provide data on participation in EWR programs 	<ul style="list-style-type: none"> EWR




Out of MPSC data – Part 1


Source	Topic	About data	Sections that use data
MDHHS	Low Income Home Energy Assistance Program (LIHEAP)	<ul style="list-style-type: none"> Trends of energy assistance needs, resolution SER Energy report showing assistance provided 	<ul style="list-style-type: none"> CAD
MiEJScreen or EPA EJScreen	Environmental Justice Mapping	<ul style="list-style-type: none"> Very detailed EJ Tool with a number of variables to analyze Helps identify vulnerable communities 	<ul style="list-style-type: none"> Distribution Planning ROC
US Census Bureau	Census Data	<ul style="list-style-type: none"> Low-Income data Demographic data Tracked on different granularities from nationwide to census tract 	<ul style="list-style-type: none"> CAD ROC EWR
CMS	Medicare data	<ul style="list-style-type: none"> Medicare enrollment at a county level 	<ul style="list-style-type: none"> Distribution Planning
Energy Information Administration	Nationwide energy generation, consumption, emissions, disruptions, other data	<ul style="list-style-type: none"> Data on nationwide energy emissions, disruptions Energy Atlas includes maps of live weather events overlaid with infrastructure, residential energy consumption, more Used by IDER to cross check data 	<ul style="list-style-type: none"> IDER

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Out of MPSC data – Part 2

Source	Topic	About data	Sections that use data
DHHS	Federal poverty level	<ul style="list-style-type: none"> Income required to qualify for the Federal Poverty Level 	<ul style="list-style-type: none"> CAD Research
AARP	Livability information	<ul style="list-style-type: none"> 'Livability' scoring which shows environmental, demographic, and health data from a variety of relevant sources including EPA, Census, Medicare Information tracked on 'neighborhood', zip, and county levels 	<ul style="list-style-type: none"> Research Distribution Planning
EPA	COBRA	<ul style="list-style-type: none"> Tool to estimate health benefits from emission scenarios at a county-level Provides monetary value and change in incidences 	<ul style="list-style-type: none"> ROC
Council on Environmental Quality	Climate and Economic Justice Screening Tool	<ul style="list-style-type: none"> Shows information regarding income, health, energy cost, demographics, and determines if area is disadvantaged Information is census tract 	<ul style="list-style-type: none"> CAD
US Department of Energy	Low-income Energy Affordability Data(LEAD) Tool	<ul style="list-style-type: none"> Tool that shows cost of energy, building age, units in a building, and income levels to help determine areas of need Information granular from state to census tract levels 	<ul style="list-style-type: none"> CAD


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Draft Definition  **Proposed Definition**

Customer Focused Data consists of data that has a direct impact on the usage and availability of energy for customers. This can include reliability metrics, distribution investments, EWR/weatherization services, advanced energy technology availability, and energy assistance.


Customer Focused Data consists of data **pertaining to the identification of need**, usage, and availability of energy for customers. This can include reliability metrics, distribution investments, **emergency response, sustainability, resiliency**, EWR/weatherization services, **demographic data**, advanced energy technology availability, **customer service metrics, customer payment performance**, energy assistance, **participation in decision making processes, complaints and their resolution.**

Does this definition reflect the goals of this workgroup?

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Takeaways

- Some of the data listed may not be completely customer focused but have customer focused components
- Outdated/Unneeded data may exist that I am not aware of
- Many responders told me they want to see data consolidated and reduced
 - What does data consolidation look like?
- Data visualizations are engaging and easy to digest
 - Responders want more maps (Hosting capacity, DER density)
 - Automatic data ingestion is possible, requires oversight from S.M.E.
- Did not see any customer privacy risks, data was aggregated and sensitive information withheld

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MICHIGAN PUBLIC SERVICE COMMISSION
Consumers Energy Company
 Historical Net Write Offs by Rate

Case No. U-21806
 WP-SMG-22

Line	Rate	2021	2022	2023	Three Year Allocation
1	Residential A	9,473,913	11,457,175	14,916,305	
2	Residential A-1	92,480	268,844	(213,519)	
3	Total Residential	9,566,394	11,726,019	14,702,786	89.05%
4	GS-1	1,143,892	1,306,073	1,686,796	10.23%
5	GS-2	79,650	100,088	87,448	0.66%
6	GS-3	-	-	22,496	0.06%
7	ST	(12,047)	4,846		-0.02%
8	LT		5,859		0.01%
9	XLT				0.00%
10	XXLT				0.00%
11	N/A	127,929	64,128	88,818	
12	Total	10,905,817	13,207,014	16,588,345	

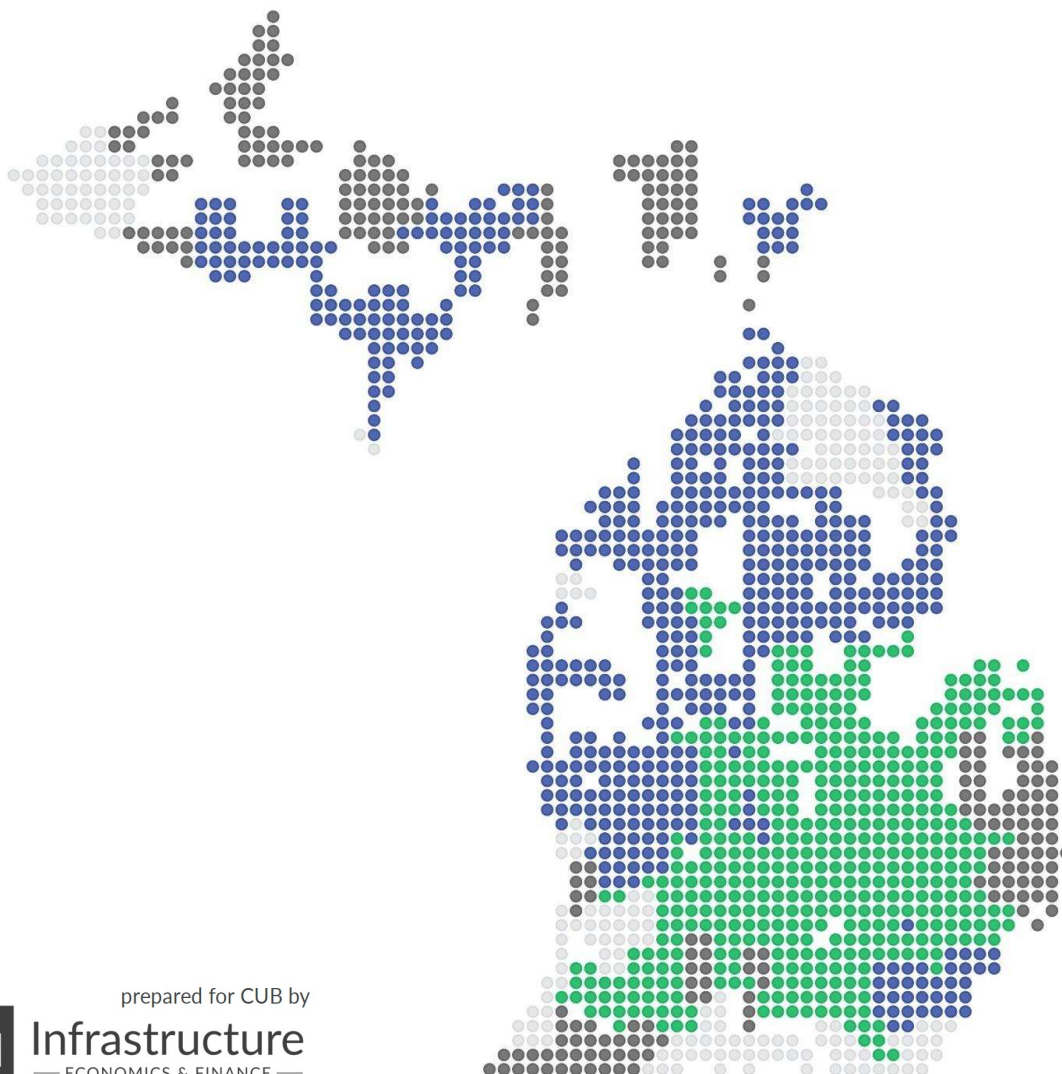
Source:

(1) Part III Gas UA Write Off from Part III Attachment 75

Investor-Owned Utility Gas Distribution Capital Expenditure

A Study on the Potential Bill Impacts of
Business-as-Usual Investment in Michigan

March 2025



prepared for CUB by
DH Infrastructure
— ECONOMICS & FINANCE —

ABOUT CUB

The Citizens Utility Board (CUB) of Michigan was formed in 2018 to represent the interests of residential energy customers across the state of Michigan. CUB educates and engages Michigan consumers in support of cost-effective investment in energy efficiency and renewable energy and against unfair rate increase requests.

CUB gives a voice to Michigan utility customers and helps to ensure that citizens of the state pay the lowest reasonable rate for utility services and also benefit from the environmental implications of investment in clean energy. CUB of MI is a nonpartisan, nonprofit organization whose members are individual residential customers of Michigan's energy utilities. For more information visit www.cubofmichigan.org.

ACKNOWLEDGEMENTS AND CONTRIBUTIONS

This report was prepared for CUB by [DHInfrastructure](#), a consulting firm based in Northampton, MA.

Brendan Larkin-Connolly served as the primary author and led the forecasting and financial modeling. Additional contributions to the report were made by Nicole Rosenthal and Margaret Hylton, who provided valuable input and expertise throughout the development of this study.

Broderick Dodd provided research assistance, modeling, and data collection support.

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● EXECUTIVE SUMMARY

Michigan's gas utilities have dramatically accelerated their infrastructure investments over the past decade. Combined annual capital expenditures by the state's three largest gas utilities—Consumers Energy (Consumers), DTE Energy Gas Company (DTE), and SEMCO Energy Gas Company (SEMCO)—have tripled, growing from \$578 million in 2013 to \$1,739 million in 2023. The scale of these annual investments is striking: the utilities now spend more on gas infrastructure each year than Detroit's entire annual capital budget (\$650 million) and nearly fifteen times more than what has been spent to date addressing the Flint water crisis (\$116 million as of 2024).¹

This study evaluates the long-term implications of this investment trajectory by analyzing these utilities' existing capital investment plans and estimating how their planned investments could affect residential gas customer bills through 2050. The analysis employs a three-step approach:

1. Projecting future capital expenditures and rate base through 2050 based on published utility investment plans and historical trends
2. Calculating annual revenue requirements needed to recover these investments
3. Translating revenue requirements into projected base rates and typical residential customer bills

The projections represent a "business-as-usual" (BAU) scenario, assuming utilities maintain their current investment approaches, with stable customer bases and consistent gas sales.

KEY FINDINGS

Future infrastructure investments and implications on revenue requirements

- The first step in developing the projected bill impacts of BAU investments was to develop a BAU capital investment scenario for each company.
- Between 2013 and 2023 the combined annual investments of the three companies increased at a rate of 11.6 percent per year.² This rise in the rate of investment has been led by DTE with an average annual growth rate in capital expenditures (CAPEX) of 13.6 percent per year, followed by Consumers at 11.2 percent per year, and SEMCO at 6.3 percent per year. If the three companies continue to increase capital expenditure at these same rates, then between 2025 and 2050 they will have invested a total of \$324,291 million (\$324 billion):
 - Consumers: \$164,412 million (\$164.4 billion)
 - DTE: \$155,009 million (\$155 billion)
 - SEMCO: \$4,869 million (\$4.9 billion)
- The numbers above may seem like fantasy. It is important to understand these are not the result of any sophisticated forecasting technique that employed a myriad of unrealistic assumptions. Rather, these totals are simply the sum of annual investments from 2025 to 2050 of each company's 2023

¹ City of Detroit's proposed capital budget for fiscal years 2024-2025 from the 2024-2028 Capital Plan (<https://detroitmi.gov/document/proposed-fy2024-2028-capital-agenda>). According to City of Flint, \$97.01 million has been spent on the Lead Service Line Replacement Cost since 2013 (<https://www.cityofflint.com/progress-report-on-flint-water/>). When adjusted for average inflation over this period this amount in real 2024 dollars is \$116 million.

² Compound annual growth of 11.6% = $(\$1,739.1 \text{ million CAPEX in 2023} / \$577.9 \text{ million CAPEX in 2013})^{1/10} - 1$

capital expenditure level increased annually at the same compound annual growth rate (d) that investments have increased over the 2013 to 2023 period.

- While it is important that readers understand the current trajectory of capital investments, we inevitably decided that it would be unrealistic to assume for a BAU scenario that the companies would continue to make investments at the same accelerated rate. This study takes a much more conservative approach to projecting future capital expenditure by relying strictly on the annual investments presented in any capital investment plans submitted by the three companies in recent proceedings before the Michigan Public Service Commission (MPSC). We take the investment amounts included in the capital plans for all the years covered by the plan and then at the end of the plan assume that investments grow at the modest rate of one percent each year.
- Based on this approach this study projects that the three utilities are on track to invest a total of approximately \$57,666 million in gas infrastructure between 2025 and 2050:³
 - Consumers: \$33,709 million (\$33.7 billion)
 - DTE: \$21,082 million (\$21.1 billion)
 - SEMCO: \$2,875 million (\$2.9 billion)
- To compensate the companies for these investments customers will be asked to pay multiples of these investment amounts through base rates. Approximately \$77,819 million (63%) of customer payments from 2025 to 2050 will go toward compensating the companies for the capital investments made over this period.
- This amount is also not the only payments that will be made toward capital investments. Customers will also still need to make \$45,396 million in payments for investments made prior to 2025. In total, customers are projected to pay about \$123,217 million (\$123.2 billion) through base rates toward capital-related costs:
 - Consumers: \$68,923 million (\$68.9 billion)
 - DTE: \$48,051 million (\$48.1 billion)
 - SEMCO: \$6,243 million (\$6.2 billion)
- Why are amounts paid for capital costs through base rates so much greater than the initial investment amounts?
 - Capital costs are reflected in base rates as depreciation (the “return of” the initial investment) and an allowed rate of return on utility rate base equal to the utility’s weighted average cost of capital (a “return on” the initial investment).
 - Utilities are assessed property taxes on the current value of the utility plant, which means that higher rates of investment also drive increases in property tax expenses.
 - For every \$1 in capital invested, customers are expected to pay anywhere from \$2 to \$4 in revenues depending on the service life of the investment.

Projected rate impacts

- To understand the impact of the investment driven increases in revenue requirements on customers, base rates were calculated using the revenue allocation and billing determinants from each company’s most recent base rate case.

³ Note that 2024 capital investments also had to be projected due to the fact that when the study was prepared information on the actual capital investments were only available through December 31, 2023. For the purpose of relevance, we focus on the 2025 to 2050 period when discussing the projected investments.

- Under a BAU scenario with a stable customer base, the residential bills are projected to increase substantially by 2050 as compared to the 2025 typical customer monthly bill:⁴
 - Consumers: 158 percent increase (from \$74.62 to \$192.35 monthly)
 - DTE: 120 percent increase (from \$80.38 to \$177.22 monthly)
 - SEMCO: 106 percent increase (from \$62.68 to \$129.12 monthly)
- These projections likely underestimate the actual rate impacts as they do not account for potential customer migration away from natural gas.

Climate policy implications

- Michigan has set a goal to reduce greenhouse gas emissions by 52 percent of 2005 levels by 2030 and to achieve net-zero emissions by 2050
- The projected \$58 billion in gas infrastructure that the state's three largest Local Distribution Companies (LDC's) are on track to spend not only appears to contradict these goals, but also actively makes achieving these targets more difficult by potentially maintaining current levels of emissions from gas combustion
- Natural gas currently accounts for about 23 percent of Michigan's greenhouse gas emissions (not including gas used in electricity generation)
- Meeting the state's emission reduction targets while maintaining current levels of gas consumption would require:
 - A 56 percent reduction in emissions from all other sectors by 2030
 - All other sectors to achieve negative emissions by 2050 to offset gas emissions.

KEY CHALLENGES

This report identifies several critical challenges related to the projection results and their implications for the state's climate goals that require attention from state regulators and policymakers:

- **Infrastructure Planning:** Current accelerated main replacement program strategies take a wholesale replacement approach that commits utilities to decades of infrastructure investment without considering future system needs in a decarbonized economy.
- **Rate Design:** Existing regulatory frameworks designed for growing or stable gas demand may be inappropriate as climate policies and market forces drive electrification.
- **Equity Concerns:** There is a significant risk of vulnerable populations bearing a disproportionate share of transition costs while facing greater barriers to accessing benefits of electrification.

RECOMMENDATIONS

The findings of the study suggest that continuing BAU investment in gas infrastructure creates risks for both ratepayers and utilities while potentially hindering achievement of state climate goals. However, with proper planning and policy frameworks, Michigan has an opportunity to manage an orderly transition that ensures safety and reliability while advancing climate goals and protecting vulnerable customers.

⁴ Typical customer usage was estimated by dividing the residential volumetric sales by the number of bills as presented in the revenue proofs of each company's most recent base rate case: 7.72 Mcf/month for Consumers; 7.54 Mcf/month for DTE; and 7.96 Dth /month for SEMCO.

To promote dialogue on these issues, the report presents several ideas for steps Michigan stakeholders can take to start addressing these challenges.

- **Infrastructure Planning Reform**
 - Shift from wholesale replacement to risk-based project selection
 - Require evaluation of non-pipe alternatives
 - Establish clear metrics for measuring alignment with climate goals
 - Implement joint gas-electric system planning requirements
- **Regulatory Framework Updates**
 - Shorten depreciation schedules for new investments
 - Create incentives for maintenance rather than replacement and expansion
 - Develop frameworks for managing stranded asset risks
- **Equity Protection Measures**
 - Develop targeted electrification incentives for low-income households
 - Create transition assistance funds
 - Implement income-based rates or bill assistance programs
 - Establish requirements for tracking demographic impacts

SECTION 1 INTRODUCTION

The Citizens Utility Board (CUB) of Michigan asked DHInfrastructure to evaluate the existing capital investment plans of Michigan's three largest local gas distribution companies (hereafter referred to as "the LDCs") and to estimate how these planned investments could increase residential gas customer bills over the next 25 years.⁵ The companies included in this study are Consumers Company (Consumers or CE), DTE Energy Gas Company (DTE), and SEMCO. This report provides projections for the capital expenditures these companies are currently on a path to make from 2024 to 2050, develops corresponding estimates for the revenue that the companies will need to collect from customers over this same period (i.e., each company's "revenue requirement"), and calculates the resulting monthly gas bills for typical residential customers.⁶

These projections represent a business-as-usual or "BAU" scenario - our best estimate of how gas bills will evolve if capital expenditures, operating costs, number of customers, and gas sales continue to reflect current patterns. However, this scenario appears increasingly unlikely. Michigan, like many other states and nations, has made ambitious climate commitments, including achieving carbon neutrality by 2050. Our aim is not to argue against any future role for the gas sector in Michigan, but rather to provide stakeholders with information about the current investment trajectory so they can evaluate whether it aligns with the state's economic, environmental, and financial interests.

The remainder of this section includes a summary of the recent trends in LDC capital investments that are the impetus of this study (Section 1.1), an explanation of the approach used to develop the projections in the study (Section 1.2) and an overview of the remaining sections of this report (Section 1.3).

1.1 LDC CAPITAL INVESTMENT TRENDS

LDCs are capital-intensive businesses, requiring regular and substantial infrastructure investments. Many privately owned LDCs in the United States, including Michigan, are regulated using a "rate-of-return" approach. This approach aims to balance the interests of customers and investors by providing a reasonable return on investment and capping profits at a set percentage of the utility's investments.

Once an investment is considered "utility plant-in-service," the LDC may begin recovering costs through base rates. "Utility plant" is the set of capital infrastructure investments made by the LDCs. This plant is considered "in-service" only when it is fully installed and operational. Under the rate-of-return approach, base rates allow LDCs to receive a "return on" the undepreciated value of their investments (i.e., a return on equity) and a "return of" the investment (i.e., depreciation expenses). This return is collected through base rates until the utility plant is fully depreciated. The service life used to determine depreciation rates for gas plant usually range from a low of five years for items such as computer equipment, to a high of 80 years for transmission

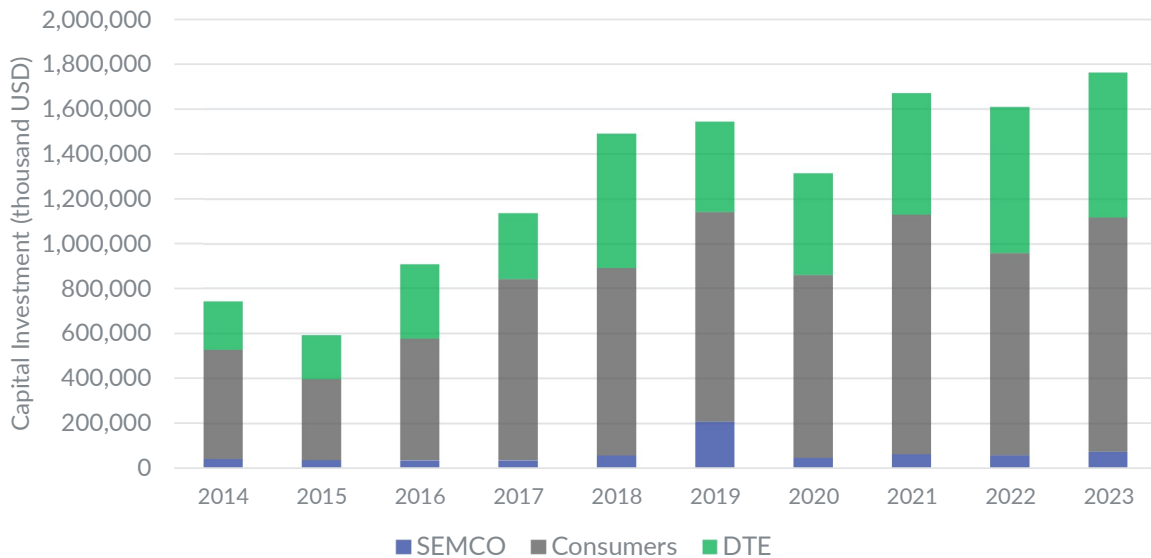
⁵ DHInfrastructure is a consulting firm based in Northampton, Massachusetts that specializes in providing economic and financial advice on infrastructure and utility regulation.

⁶ We define the "typical" residential customer as a customer with monthly usage equal to the average monthly usage for each company. This is 7.72 Mcf/month for Consumers, 7.54 Mcf/month for DTE, and 7.96 Dth/month for SEMCO.

mains and steel distribution mains.⁷ The service life of the LDC's core categories of investment are 30-35 years for meters, 40-45 years for service lines, and 50-60 years for plastic mains. This means that customers will pay the costs of the largest investment categories for around 30-60 years.

Michigan LDCs have steadily increased annual capital investments in utility plant over the past decade. Figure 1.1 shows capital investments for Michigan's LDCs since 2014. Over this period, the combined annual expenditure on capital additions by the three utilities has grown from 740 million in 2014 to over 1.7 billion in 2023.

Figure 1.1: Natural Gas Utility Capital Investment in Michigan, 2014-2023



Source: Annual additions to plant in service compiled from each LDC's annual reports filed over the last 10 years.

Table 1.1 shows the CAGR in utility plant-in-service for the LDCs. The CAGR ranged from 6.2 to 9.3 percent over the last 10 years.

Table 1.1: Utility Plant-in-Service and Capital Additions by Company, 2014-2023

Utility	Utility Plant In Service (USD, Start Of 2014)	Utility Plant in Service (USD, end of 2023)	10-year CAGR in Utility Plant in Service
DTE	3,973,987,714	7,246,678,716	6.19%
SEMCO	672,544,524	1,156,774,824	5.57%
Consumers	4,501,827,550	10,902,508,563	9.25%

Source: Start of year and end of year plant-in-service data compiled from each LDC's annual reports filed over the last 10 years.

For perspective on this rate of annual expenditure, Figure 1.2 compares the capital additions made by the three companies in 2021, 2022, and 2023 to other capital outlays on infrastructure in Michigan (in 2024 dollars). Combined annual expenditures of the LDCs ranged between \$1.6 to \$1.8 billion from 2021 through 2023 (nominal dollars not inflation adjusted). Some key points to take away from the comparisons in the figure below:

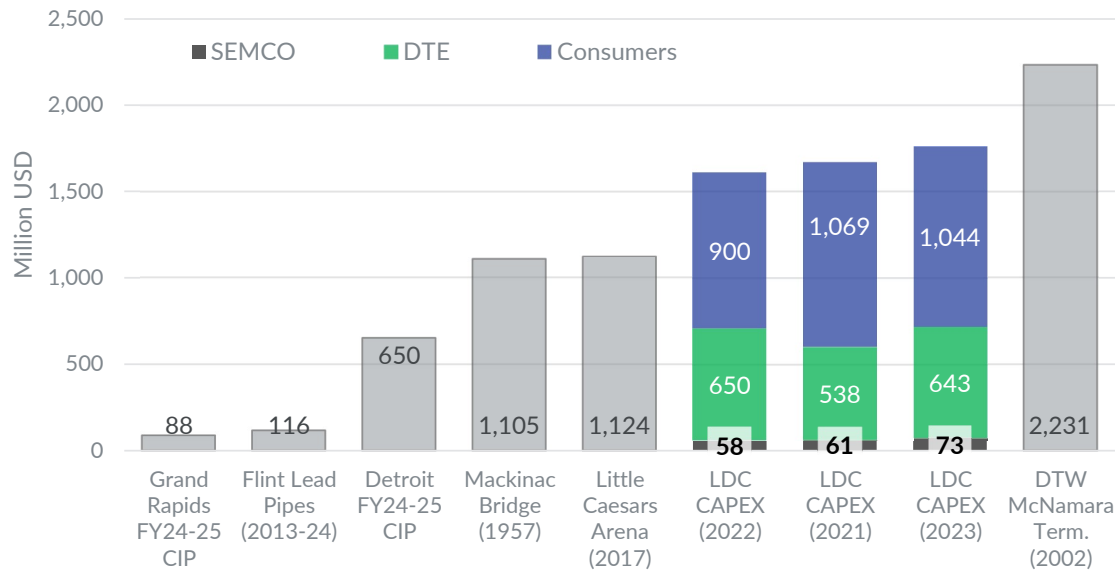
⁷ See, for example, the plant-life parameters in DTE's 2023 depreciation study submitted in the U-21384 depreciation case. DTE Exhibit A-6 at pages 25-26.

- **LDC capital expenditures on gas infrastructure are equivalent in scale to once-in-a generation infrastructure projects.** The LDC capital outlays sit right between the inflation adjusted final construction costs of Little Caesars Arena (\$862 million in 2017; \$1.1 billion in 2024 dollars) and Detroit Metro Airport's Edward H. McNamara Terminal (\$1.2 billion in 2002; \$2.2 billion in 2024 dollars). The obvious difference is that these projects were seminal, generational projects while LDCs continue to make these levels of expenditures every year.
- **LDC annual expenditures are well above the annual capital expenditures of the state's two largest cities.** According to the five-year capital investment programs (CIPs), the 2024-2025 capital budget for Detroit is \$648 million and for Grand Rapids is \$88 million. These examples show how more funds are being invested in gas services than any of the public services offered in the state's two largest cities. Detroit's \$648 million capital budget for 2024-2025 is roughly equivalent to the \$643 million that DTE spent on gas infrastructure in 2023. This means that more is being spent each year on gas infrastructure in Detroit than on water and sewer services, school buildings, and municipal roads.
- **LDC annual expenditures vastly outweigh critical public health infrastructure investments.** The capital program to replace lead service lines and complete investigatory excavations in response to the Flint water crisis has been \$97 million (\$116 million in 2024 dollars) to date. The fact that the replacement program to address the Flint crisis represents 1/10th of the funds that LDCs invest every year should make readers question if the state's limited financial resources for utility infrastructure investments – public and private – are being allocated to address the needs of Michiganders. This topic is again a relevant consideration with the Environmental Protection Agency's (EPA) recent announcement that all lead service lines must be eliminated nationwide by 2034.⁸ With an estimated 340,000 lead service lines remaining in Michigan the cost to address this mandate will require upwards of \$1.6 billion in capital expenditures. In other words, it will cost about one year's worth of LDC infrastructure spending to eliminate all lead pipes in Michigan.⁹ It should also be recognized that the contractors that water service providers will look to hire to address this mandate are inevitably going to be some of the same crews that work on LDC projects, meaning that continued high rates of investment in gas infrastructure could increase the cost and delay compliance with these new regulations.

⁸ <https://www.washingtonpost.com/climate-solutions/2024/10/08/epa-lead-pipe-removal-rule-drinking-water/>

⁹ 340,000 lead service lines in Michigan < <https://www.michiganpublic.org/transportation-infrastructure/2024-09-17/new-data-shows-hundreds-of-thousands-of-michiganders-drinking-water-comes-through-a-lead-service-line> > X \$4,700 per lead service replacement. <<https://www.brookings.edu/articles/what-would-it-cost-to-replace-all-the-nations-lead-water-pipes/>>

Figure 1.2: Comparison of 2021-2023 LDC Capital Additions to other Michigan Capital Outlays (in millions)



Source: Plant additions compiled from each LDC's annual reports; Detroit and Grand Rapids capital outlays compiled from their respective FY 24-25 CIPs; Mackinac Bridge: <https://www.mackinacbridge.org/ufoqs/much-cost-build-mackinac-bridge/>; Little Caesars Arena: <https://www.detroitnews.com/story/news/local/detroit-city/2017/10/04/little-caesars-arena-financing/106313428/>; McNamara Terminal: <http://www.beiarchitects.com/midfield.html>; Flint pipe replacements: <https://www.cityofflint.com/progress-report-on-flint-water/>.

While LDC investments might not be directly comparable to some of the publicly funded investments in the examples above, the costs of LDC investments are eventually recouped from Michigan's ratepayers through base rates. Therefore, the comparison can be useful in conceptualizing the burden that these plant-in-service expenditures place on the public.

1.2 APPROACH AND OUTLINE OF STUDY

As demonstrated in Section 1.1, the total annual capital additions made by Consumers, DTE, and SEMCO in Michigan have grown by over one billion dollars over the past ten years. This accelerated investment pace impacts the base rates that LDCs charge customers to recover capital costs. Additionally, despite reduced spending in 2020, combined 2023 capital additions being the highest of the decade indicates that capital expenditures by Michigan's three largest utilities are not slowing down. Therefore, projections of base rates are critical to informing decisions related to growing capital investments.

Below the methodology used to develop the base rate projections and the sources of assumptions used in the analysis are described.

METHODOLOGY

This study employed a three-step approach to project the potential impact on residential base rates if Michigan's LDCs continue their current capital investment trajectories:

- **Step 1: Capital Investment and Rate Base Projections.** We began by forecasting future capital expenditures for each LDC based on their published investment plans and historical trends. These projections were then used to estimate the annual rate base through 2050. The rate base represents the total value of a utility's capital investments on which it is allowed to earn a return. Components of this step included:
 - Analysis of historical capital addition trends (2011-2023)
 - Review of LDCs' published investment plans
 - Projection of annual capital additions through 2050
 - Calculation of annual depreciation and retirements
 - Estimation of yearly rate base values.
- **Step 2: Revenue requirement projections.** Using the rate base projections, we then calculated the annual revenue requirements. The revenue requirement represents the total amount of revenue a utility needs to collect through base rates to cover its costs and earn its allowed return. Our implementation of this step involved:
 - Calculating return on rate base using approved rates of return
 - Estimating annual depreciation expenses
 - Projecting operation and maintenance expenses
 - Calculating taxes and other allowed expenses
 - Summing up these components to determine the total revenue requirement.
- **Step 3: Rate Impact Calculations.** Finally, we translated the revenue requirements into projected base rates and estimated the impact on typical residential customer bills. This process included:
 - Allocating revenue requirements to customer classes based on recent regulatory decisions
 - Designing rates to collect the allocated revenue from each class
 - Calculating projected monthly bills for typical residential customers
 - Comparing projected bills to historical trends.

We have two notes regarding our methodology and how to interpret the results. First, throughout this analysis, all financial projections are presented in nominal terms (not adjusted for inflation). To allow for a direct comparison between the projections and current values, the figures for capital investments, revenue requirements, and typical bills include trajectories of the most recent historic values increased at the rate of inflation. Second, this analysis focused solely on the base rate component of customer bills and did not account for potential changes in gas commodity costs or other bill components. By following this methodology, we aim to maintain the focus of the results strictly on the impact of capital investments on customer rates over the next several decades without the added uncertainty of gas commodity prices.

Section 2 to Section 4 provide greater detail on the approach taken in this study and present results by LDC.

ASSUMPTIONS AND SOURCE MATERIAL

The assumptions used in the analysis were developed from publicly available information from the companies, including each of the following sources of data:

- **P-522 annual reports:** These are annual financial and operational reports filed by each utility with the MPSC by April 30th. These reports are publicly available and present standardized information for easy comparison among the LDCs. This study relies on the annual reports to determine historical rates

of capital additions and retirements and to develop assumptions about operating expenditures to be included in the revenue requirement.

- **Investment plans submitted as part of regulatory filings:** Regulatory filings, such as general rate cases or filings for the Enhanced Infrastructure Replacement Program (EIRP), Gas Renewal Program (GRP), Main Replacement Program (MRP), or Infrastructure Reliability Improvement Program (IRIP), outline planned capital investments. These filings are useful because of the transparency of disclosing how investments impact final rates. However, the lengthy rate case process means delayed confirmation of which investments are approved for recovery by the Commission. This study relies on the regulatory filings to (i) develop assumptions about what capital investments to include in the revenue requirements, (ii) develop assumptions about the rate design and bill determinants, and (iii) determine historical delivery charges.
- **Presentations made to shareholders:** Quarterly or annual presentations to investor-owned utilities (IOU) shareholders generally include financial results and future investment plans. These presentations often outline the company's medium-term investment goals. However, since they are prepared for the parent companies of utilities, they typically lack detailed information at the individual utility level. We utilized these presentations to form our assumptions about future rate base growth.
- **Inflation Treatment:** All financial projections, including capital expenditure and rate impacts, are presented in nominal terms throughout the study period. The inflation assumptions for future years are discussed further in Section 2.

1.3 ORGANIZATION OF THE REPORT

The remainder of this paper provides the results of the projections and addresses how these results fit into Michigan's current policy and regulatory context. The report is structured as follows:

- Section 2 provides an overview of the approach and assumptions used to forecast future capital additions and presents the results.
- Section 3 presents the revenue requirements needed to pay for projected investments. This section also includes a base rate path through 2050 to recover these revenue requirements and the corresponding bill impacts on a typical customer.
- Section 4 describes how this analysis relates to Michigan's clean energy goals and social inequities in the rate setting process.
- Section 5 concludes the study with a summary of the findings and key takeaways.

SECTION 2 CAPITAL ADDITIONS AND RATE BASE PROJECTIONS

Section 1.1 showed that capital investments by Michigan's three largest LDCs have tripled over the past decade, growing from \$578 million in 2013 to \$1,739 million in 2023. This rapid increase in capital investments was a major impetus of this study. The objective was to understand the trajectory of base rates if the LDCs continue to invest at the current levels. The crucial first step in this assessment was to begin by developing a forecast for what our expectations of future capital investments will be at each company.

Capital additions represent the new investments made by utilities in their infrastructure each year. These investments form the basis of the utility's rate base – the total value of assets on which the utility is allowed to earn a return. This section begins with an overview of the two approaches we considered using to develop the projections and explains our reasons for taking the prevailing approach. We then provide the results of the capital addition forecasts and corresponding rate base through 2050 for Consumers, DTE, and SEMCO.

2.1 CAPITAL SCENARIOS

To provide a robust and defensible analysis of potential future rate impacts stemming from continued capital investments by Michigan's LDCs, it was crucial to select an appropriate baseline scenario to use for projecting revenue requirements (Section 3) and base rates (Section 4). In developing our projections for capital additions, we considered two approaches to forecasting future investments:

- **CAGR in rate base** - Under a CAGR scenario, annual CAPEX would follow the path needed to maintain a targeted growth rate in rate base. A CAGR scenario is meant to align with a common financial target that IOUs often identify in their investor presentations. For investors, the targets IOUs set for CAGR in rate base serve as a forward-looking indicator of the utility's growth prospects and financial outlook. The “compound” growth means that an increasing level of investment is needed to maintain the same growth rate in rate base year over year. We considered using two possible CAGR scenarios based on two different growth rate targets:
 - **Five-year CAGR in rate base (Scenario 1)**. Annual CAPEX follows the path needed to maintain the most recent 5-year trend in CAGR in rate base (2019-2023). This scenario best reflects the current investment trajectory and captures recent trends in the short (1-5 years) to medium (5-10 years) term. But, the long-term (10+ year) investments needed to maintain compound growth could be unrealistically high.
 - **Corporate CAGR in rate base Goals (Scenario 2)**. Annual CAPEX follows the path needed to reach any Corporate CAGR rate base targets presented by the IOUs in presentations to shareholders. Recent annual rate base growth targets were identified for Consumers but were not available for DTE or SEMCO. This scenario aligns with common financial performance metric used by IOUs, captures recent trends in the short- and medium-term, and reflects IOUs own performance targets. However, like the option above, the long-term investments needed to maintain compound growth could be unrealistically high.
- **Company investment plans** - This scenario is based on the capital investment plans that utilities have filed with the MPSC. For years beyond the filed plans, we assumed a one percent annual growth in

CAPEX, based on a note in DTE's Gas Delivery Plan indicating that investments will grow on average by one percent per year.

Table 2.1 shows the assumptions by LDC for each of the scenarios. We go into greater detail on the assumptions used in the baseline scenario when presenting the results by LDC in Section 2.2.

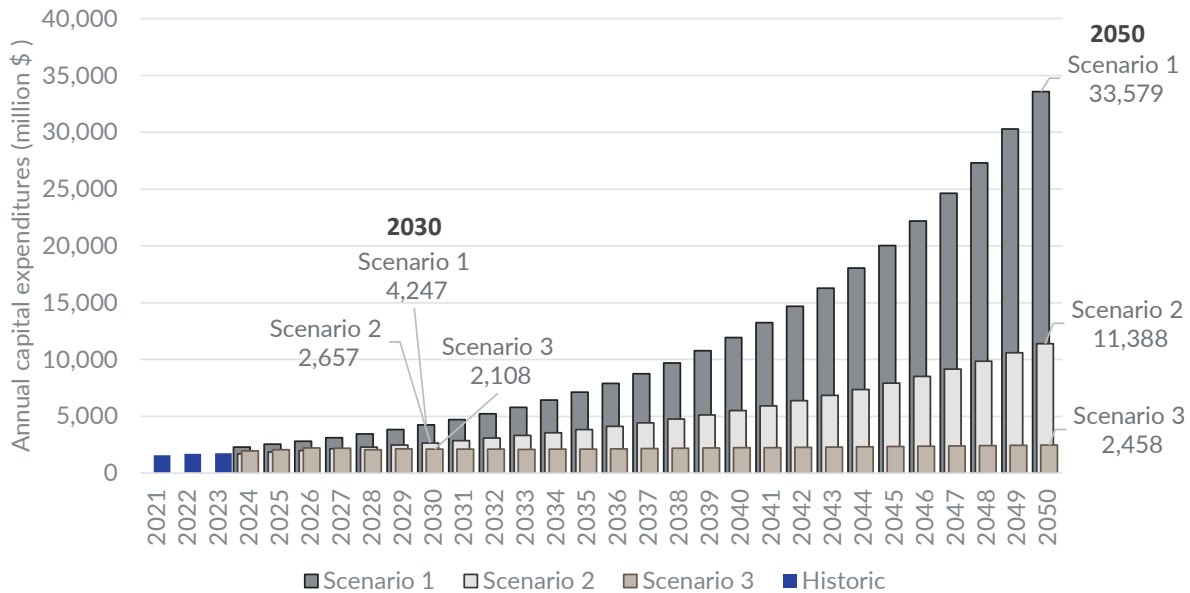
Table 2.1: CAPEX Scenario Assumptions by LDC

	Scenario 1 (Recent Five-year CAGR in rate base)	Scenario 2 (Corporate CAGR In Rate Base Target)	Scenario 3 (Company Investment Plans Submitted to MPSC)
Consumers	11.06% 5-year CAGR in net plant from December 31, 2018 - December 31, 2023	7.5% CMS Energy Corp. annual rate base growth target in September 2024 Investor Presentation ¹⁰	<ul style="list-style-type: none"> • 2024-2033: Capital budgets in 2024-2033 Gas Delivery Plan • 2034-2050: Annual 1% growth in CAPEX
DTE	10.70% 5-year CAGR in net plant from December 31, 2018 - December 31, 2023	N/A	<ul style="list-style-type: none"> • 2024-2033: Capital budgets in 2024-2033 Gas Delivery Plan • 2034-2050: Annual 1% growth in CAPEX
SEMCO	9.76% 5-year CAGR in net plant from December 31, 2018 - December 31, 2023	N/A	<ul style="list-style-type: none"> • 2024-2027: MRP and IRIP plans, and other spending estimated based on historical ratio or MRP/IRIP spending to other capital expenditures • 2028-2050: Annual 1% growth in CAPEX

These three scenarios offer distinct perspectives on potential future investment trajectories: one based on maintaining current investment trends; one based on corporate investment goals; and another based on specific investment plans submitted to MPSC. Figure 2.1 below shows how the sum of the annual investment forecasts for the three LDCs compare under each scenario.

¹⁰CMS Energy. "Investor Meetings: September 2024" CMS Energy quarterly investor presentation. 3 September 2024. <https://s26.q4cdn.com/888045447/files/doc_presentations/2024/09/September-2024-Presentation.pdf>

Figure 2.1: LDC's Total Investments for 2025-2050 by Scenario



The scenarios are relatively close in 2030 and then rapidly separate through 2050. For reference, the sum of pairwise differences between scenarios increases from \$4,300 million in 2030 to \$62,200 million in 2050.¹¹ The concerns raised above about the potential inaccuracy of compound growth are certainly evident in Scenario 1 where the combined investments of the utilities would top \$33,579 million in 2050 – \$31,121 million more than the \$2,458 million under Scenario 3. While the Scenario 1 result seems unlikely, it is important to recognize this pathway represents the pathway the LDCs are on based on their actual investments over the last five years.

After consideration of the three scenarios, we selected Scenario 3 (Company Investment Plans) as the baseline scenario for this analysis. This decision was based on the following factors:

- 1) **Regulatory Alignment:** Scenario 3 is directly tied to the investment plans that utilities have filed with the MPSC. This alignment with official regulatory filings provides a solid foundation for our projections.
- 2) **Conservative Estimate:** While the CAGR scenarios (1 and 2) might lead to higher long-term projections due to compounding effects, Scenario 3 offers a more conservative estimate of future investments. For years beyond the filed plans, we assumed a modest one percent annual growth in CAPEX. This approach helps prevent potential overestimation of rate impacts.
- 3) **Defensibility:** Using the utilities' own filed plans as a basis for our projections makes our analysis more defensible against potential criticism from the utilities or other stakeholders.

¹¹ The sum of pairwise differences is a measure that quantifies the total spread or dispersion within a set of numbers by adding up the absolute differences between all possible pairs of values in the set.

- 4) **Transparency:** Scenario 3 allows for clear traceability between our projections and the utilities' publicly stated intentions, enhancing the transparency of our analysis.

While Scenarios 1 and 2 offer valuable insights into potential investment trajectories based on historical trends and corporate targets, we believe Scenario 3 provides the most grounded and defensible basis for projecting future capital additions and their potential impact on rates. However, it's important to note that actual future investments may differ based on changing regulatory, economic, or strategic factors.

2.2 COMPANY CAPEX FORECASTS

The following subsections describe the historic and projected capital investments for Consumers (Section 2.2.1), DTE (Section 2.2.2), and SEMCO (Section 2.2.3).

What appear for each company are our projections for the *annual capital expenditure* or the cash-outlays on capital investments each year. As will be explained more in Section 3, expenditures are reflected in rate base as either utility plant-in-service (UPIS) or Capital Work in Progress (CWIP).

- **UPIS** refers to utility assets that are completed and actively used in providing service to customers. Depreciation only begins to accrue once plant is completed and placed into service. When plant is included as UPIS in rate base, both a *return on investment* (rate of return on undepreciated value) and a *return of investment* (annual depreciation expenses) are reflected in the revenue requirement.
- **CWIP** represents ongoing construction or development projects that are not yet completed or operational. Regulatory treatment of CWIP varies. Some regulators allow CWIP in rate base, letting utilities earn *returns on investments* before completion, which can reduce financing costs. Others use "AFUDC" (Allowance for Funds Used During Construction), where utilities are allowed to accrue financing costs at the approved rate of return until the plant is placed into service. AFUDC can lead to higher long-term costs for customers due to its compounding effect, as ratepayers essentially pay interest on interest over the asset's lifetime. This study uses the CWIP in rate base approach because that is what MPSC allows.

The capital expenditure values for historic years presented in this section are calculated as the annual plant additions plus the net change in CWIP (end of year CWIP – start of year CWIP).

It should also be reiterated, as first explained in sections on the study methodology and assumptions (Section 1.2), that we are presenting these capital expenditure projections in nominal terms.¹² To provide a basis of comparison we include lines representing what the 2011 and 2023 expenditure levels would be if grown at the rate of actual/projected inflation.¹³

2.2.1 CONSUMERS

Figure 2.2 shows historical capital expenditures made by Consumers from 2011 to 2023, followed by projected expenditures from 2024 to 2050. Historical data demonstrate a clear upward trend, with capital

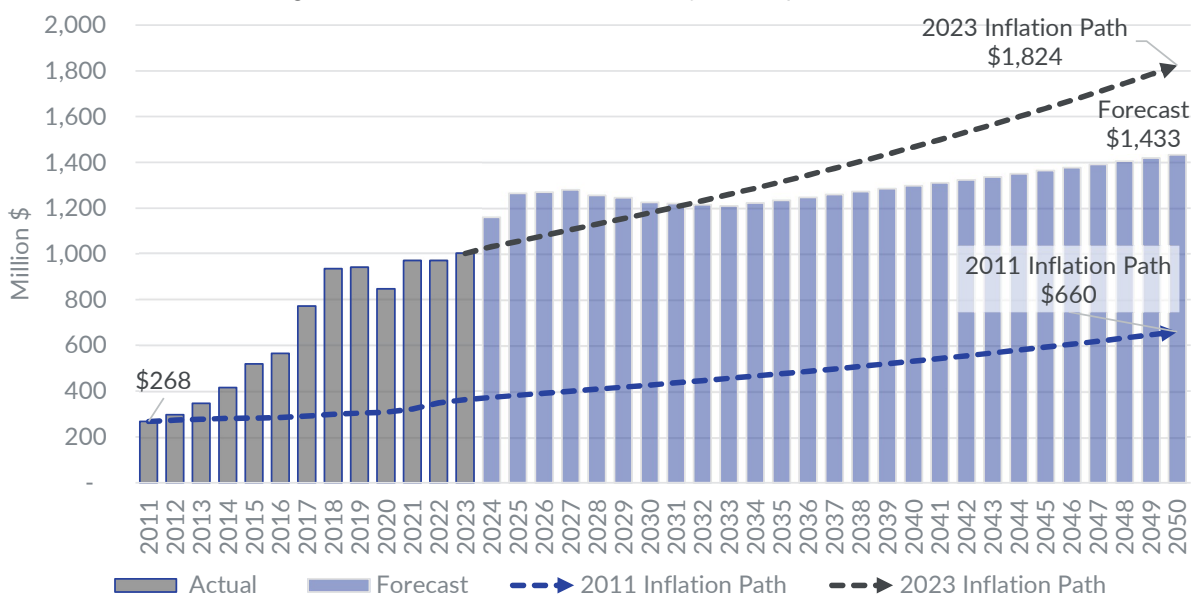
¹² This assumes that company investment plans include some budget adjustment to account for inflation.

¹³ Inflation adjustments are made using the urban consumer price index (CPI-U) as a deflator. The annual average CPI-U published by the Bureau of Labor and Statistics (BLS) is used for 2012 through 2024. Congressional Budget Office (CBO) projections for the CPI-U from [January 2025](#) are used for 2025-2035 and then the CPI-U is assumed to grow at CBO's 2035 annual growth rate (2.3%) from 2036 through 2050.

additions increasing from \$268 million in 2011 to \$1,002 million in 2023, representing an 11.6 percent average annual increase in spending over this 12-year period.

The projections for Consumers' capital expenditures are based on the company's investment plans (Scenario 3). For the period 2024 to 2033, we used the Natural Gas Delivery Plan (NGDP) submitted to the MPSC in Case No. U-21439. This plan outlines approximately \$1,230 million in capital expenditure over the ten-year period. For the years 2034 to 2050, we projected a one percent year-over-year growth in annual capital expenditures. As shown in Figure 2.2, this results in future capital additions (blue bars) increasing from \$1,002 million in 2023 to over \$1,400 million by 2050. Over the 26-year projection period from 2024 to 2050, we estimate expenditures of \$34,869 million from 2024 to 2050.

Figure 2.2: Consumers' Historical and Projected Capital Additions



Source: Consumer's Form P-522 for Years 2010-2023.

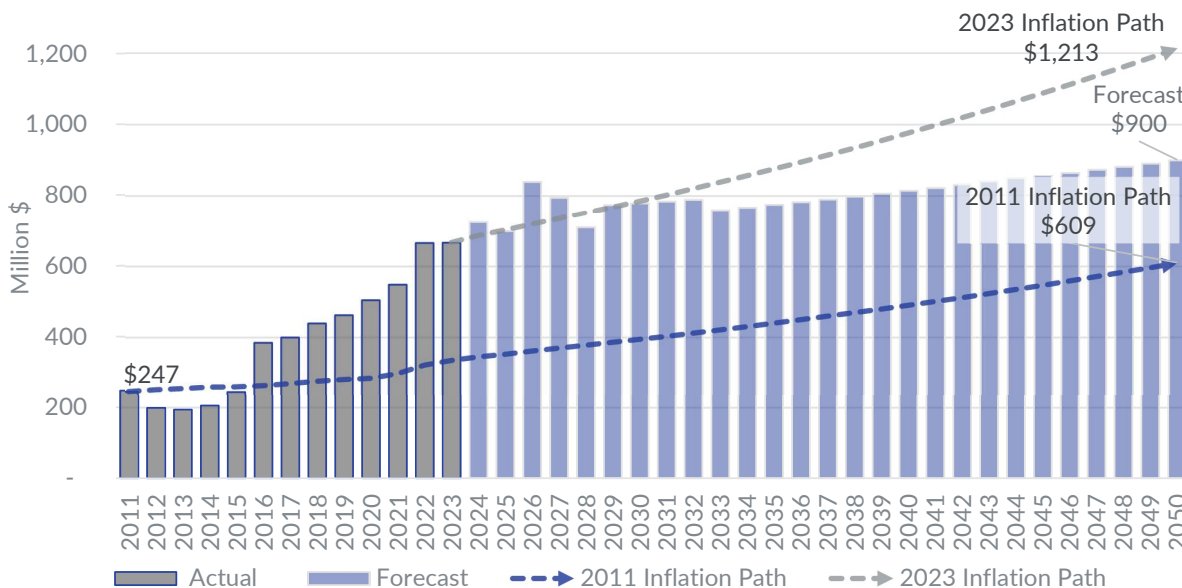
For reference, Figure 2.2 also includes alternative investment pathways of what capital expenditures will be (or would have been) if the company sustained investments at either the 2011 (dark blue dashed line) or 2023 (gray dashed line) levels adjusted for inflation. These lines establish helpful points of comparison to use when considering the investment path used for Consumers in this study. If Consumers were only to grow 2023 expenditure levels at the rate of inflation, the result in 2050 (\$1,824 million) would be \$391 million greater (+27%) than this study's projected 2050 expenditures. This not only demonstrates that our projections are conservative but also reinforces the concerns raised in this study about current spending levels. The 2011 inflation adjusted pathway helps drive this point home by acting as the floor for what investment levels were before the recent rise in expenditures. The fact that in 2050 the inflation trajectory of the 2023 spend levels are three times the inflation trajectory of the 2011 investments (\$660 million) underscores the rapid rise in capital expenditures since 2011.

2.2.2 DTE

Figure 2.3 shows DTE’s historical capital expenditure from 2011 to 2023, followed by projected expenditures from 2024 to 2050. Historical data demonstrate a clear upward trend, with capital additions increasing from \$161 million in 2011 to \$667 million in 2023, representing a 12.6 percent average annual increase in spending over this 12-year period.

DTE’s capital expenditure projections also follow the company investment plans approach (Scenario 3). The 2024 to 2033 projections are derived from DTE’s NGDP submitted to the MPSC in Case No. U-21291. This plan includes approximately \$7.7 billion in capital expenditure over the ten-year period. For 2034 to 2050, we applied a one percent year-over-year growth rate to the annual capital expenditures. As illustrated in Figure 2.3, this projection shows capital additions rising from \$667 million in 2023 to about \$900 million by 2050. Over the 26-year projection period from 2024 to 2050, we estimate expenditures of \$21,807 million from 2024 to 2050.

Figure 2.3: DTE’s Historical and Projected Capital Additions



Source: DTE’s Form P-522 for Years 2010-2023.

The alternative investment pathways in Figure 2.3 also indicate what capital expenditures will be (or would have been) if DTE sustained investments at either the 2011 (dark blue dashed line) or 2023 (gray dashed line) levels adjusted for inflation.¹⁴ Like Consumers, these lines establish points of comparison to use when considering the projected investment path. If DTE were only to grow 2023 expenditures at the rate of inflation the result in 2050 (\$1,213 million) would actually be \$313 million greater (+35%) than this study’s projected 2050 expenditures. Again, this result demonstrates that our projections are on the conservative

¹⁴ Inflation adjustments are made using the urban consumer price index (CPI-U) as a deflator. The annual average CPI-U published by the Bureau of Labor and Statistics (BLS) is used for 2012 through 2024. Congressional Budget Office (CBO) projections for the CPI-U from [January 2025](#) are used for 2025-2035 and then the CPI-U is assumed to grow at CBO’s 2035 annual growth rate (2.3%) from 2036 through 2050.

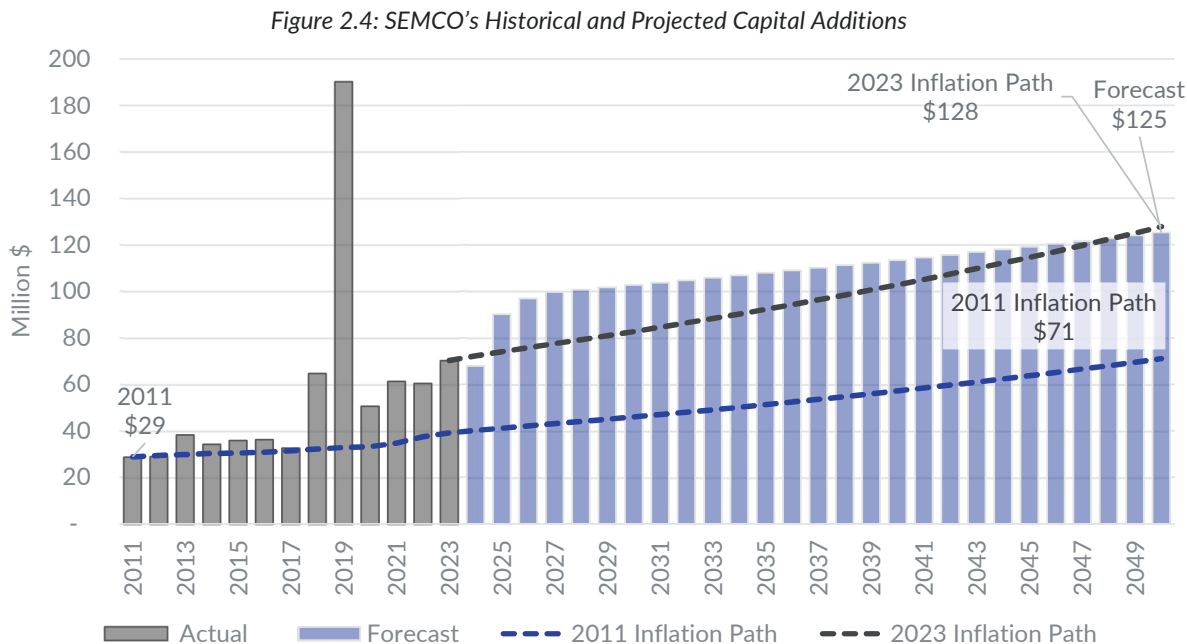
side and underscores the heightened level of current capital expenditures. The 2011 inflation trajectory for DTE also demonstrates the rapid rise in capital expenditures and how their expenditures are projected to continue to rise. The inflation trajectory of 2011 expenditures in 2050 (\$609 million) is 32 percent below our projected 2050 spend and 50 percent below the inflation trajectory of 2023 expenditures.

2.2.3 SEMCO

Figure 2.4 shows SEMCO's capital additions for 2011-2023. These capital additions have an overall upward trend, with small dips in several years and one large increase in 2019. The outlier in 2019 can be attributed to the Marquette Connector, a 42.6-mile, \$159 million transmission project, the majority of which was placed into service in 2019.¹⁵ Over the past 12 years, capital additions have increased by \$43 million (from \$27 million in 2011 to \$70 million in 2023). This amounts to a CAGR of 8.3 percent in spending from 2011 to 2023.

SEMCO capital expenditure projections also use the company investment plans approach (Scenario 3), although the assumptions are different because SEMCO does not have a comprehensive gas delivery plan like Consumers and DTE. For 2024-2027, we used SEMCO's MRP and IRIP plans, which include \$141.8 million in capital expenditures. Based on historical data from 2021 to 2023, where MRP and IRIP represented about 38 percent of total capital expenditures, we estimated total capital expenditures by multiplying the annual MRP and IRIP budgets by 2.63. For 2028-2050, we projected a one percent year-over-year growth in annual capital expenditures. As shown in Figure 2.4, this results in capital additions increasing from \$70 million in 2023 to approximately \$125 million by 2050. Over the 26-year projection period from 2024 to 2050, we estimate expenditures of over \$2,942 million from 2024 to 2050.

¹⁵ Case No. U-20479, Testimony of Daniel J. Forsyth, p.5.; SEMCO 2019 Annual Report



Source: SEMCO's Form P-522 for Years 2010-2023.

Figure 2.4 also shows what the alternative investment pathways for SEMCO's capital expenditures will be if the company sustains investments at either the 2011 (dark blue dashed line) or 2023 (gray dashed line) levels adjusted for inflation.¹⁶ For SEMCO, these lines provide a basis of comparison when considering the investment path used for Consumers in this study. If Consumers were only to grow 2023 expenditures at the rate of inflation, the result in 2050 (\$1,824 million) would be \$391 million greater (+27%) than this study's projected 2050 expenditures. This not only demonstrates that our projections are conservative but also reinforces that current levels are extremely high. The 2011 inflation adjusted pathway helps drive this point home by acting as the baseline for what investment levels were before the recent rise in expenditures.

¹⁶ Inflation adjustments are made using the urban consumer price index (CPI-U) as a deflator. The annual average CPI-U published by the Bureau of Labor and Statistics (BLS) is used for 2012 through 2024. Congressional Budget Office (CBO) projections for the CPI-U from [January 2025](#) are used for 2025-2035 and then the CPI-U is assumed to grow at CBO's 2035 annual growth rate (2.3%) from 2036 through 2050.

SECTION 3 FUTURE REVENUE REQUIREMENTS

This section presents projections of the revenue requirements needed to recover the cost of the forecasted capital additions described in Section 2. The revenue requirement is the total amount of revenue a utility needs to collect through rates to cover its operating costs, taxes, depreciation, and provide a fair return on its investments. It represents the utility's cost of service and is a key component in determining the rates customers pay. In this study, we project future revenue requirements to understand the potential impact of planned capital investments on customer rates. For this purpose, costs are grouped into two categories:

- **Capital-related costs** include any cost component directly impacted by changes in utility plant in service. This includes depreciation, return on rate base, and property taxes.
- **Operating costs** include all other utility operating costs (excluding gas commodity costs).

A Microsoft Excel-based revenue requirement model was used to estimate the capital-related components of the annual revenue requirement based on the outputs of the capital investment projections. These components include return on rate base, depreciation, and property taxes.

The annual revenue requirement projections use assumptions based on a combination of the recent rate case filings and decisions, depreciation case decisions, and annual reports. Table 3.1 shows these assumptions for each LDC.

Table 3.1: CAPEX Revenue Requirement Assumptions

	Consumers	DTE	SEMCO
Depreciation rate (weighted average)	2.53%	2.79%	2.88%
Retirement rate (% of plant in service at the start of the year)	0.64%	0.89%	0.84%
Weighted average cost of capital (pre-tax)	8.77%	8.78%	9.43%
Effective property tax rate (% of start of year plant in service)	1.39%	1.17%	1.29%

Sources: Depreciation rates are composite rates for all plant from each company's most recent depreciation case; Retirement rates are based on the average retirement rate in 2018 to 2023 in annual reports. Rate of return / cost of capital are the rates approved in each company's most recently completed based rate case. Property tax rates were calculated from the test year data submitted in the most recent base rate case filings, including ongoing cases.

Assumptions for the level of operating costs to be included in the annual revenue requirements were based on other operating expenses and taxes included in 2023 annual reports. The 2023 amounts were converted into 2024 dollars using the urban consumer price index (CPI-U) as a deflator. For future years, the Congressional Budget Office (CBO) projections for the CPI-U from January 2025 are used to make inflation adjustments for 2025 to 2035 and then the CPI-U is assumed to grow at CBO's 2035 annual growth rate (2.3%) from 2036 through 2050. Table 3.2 shows the assumptions for operating costs for each company that are used for the entire projection period in 2024 dollars.

Table 3.2: OPEX Revenue Requirement Assumptions, (2024 dollars)

	Consumers	DTE	SEMCO
Non-gas O&M expenses	440,906,211	445,787,271	65,765,138
Federal payroll taxes	13,504,743	45,750,878	7,248,655
State payroll and other non-property local taxes	5,783,933	2,620,801	1,535,490
Other operating expenses	460,194,887	494,158,950	74,549,283

Sources: Form P-522 Annual Report (2023). Other operating expenses calculated as O&M – cost of gas + other local and federal taxes in P-522.

The results of the revenue requirement models for each LDC are described in Section 3.1 (Consumers), Section 3.2 (DTE), and Section 3.3 (SEMCO).

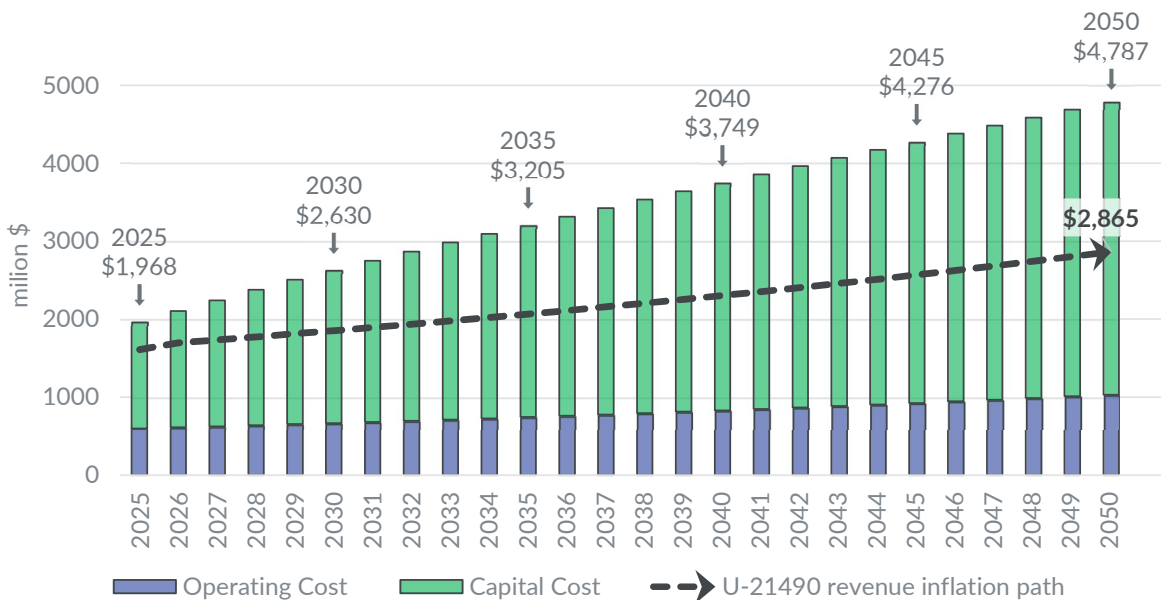
3.1 CONSUMERS

Figure 3.1 shows Consumers' projected revenue requirements for 2025-2050. The projected revenue requirement increases from \$1,968 million in 2025 to \$4,786 million in 2050. For reference, Consumers' current approved revenue requirement from U-21490 (July 2024) is around \$1,574 million.¹⁷ The projected 2050 revenue requirement is \$1,921 million (67 percent) greater than the trajectory of what the U-21490 revenue requirement grown at the rate of forecasted inflation would be in 2050 (\$2,865 million).

Under this projected scenario, customers would be asked to pay a total of \$68,922 million between 2025 and 2050 to cover capital costs alone. Of that amount, 64 percent or \$44,374 million would be payments toward the new investments made starting in 2025.

¹⁷ This amount represents the sum of the revenue reflected in the approved base revenue in the U-21490 settlement agreement and the adjusted other revenues presented by the Company in its initial filing: \$1,574 million = \$1,546 million in total base revenue (U-21490 Order, Att. 2) + \$28 million other utility revenue (U-21490, Exhibit A-13).

Figure 3.1: Consumers Revenue Requirements, 2025-2050



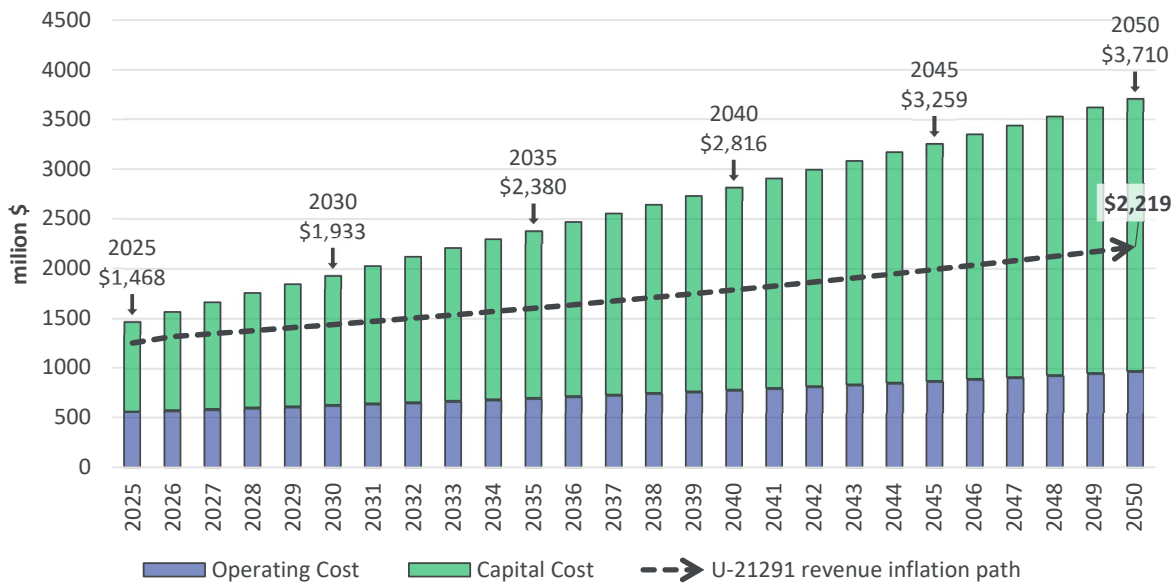
Source: Consultant projections.

3.2 DTE

Figure 3.2 shows DTE’s projected revenue requirements for 2024-2050. The revenue requirement to collect from customers through base rates is projected to increase from \$1,468 million in 2025 to \$3,710 million in 2050. For reference, DTE’s current approved revenue requirement from U-21291 (November 2024) is around \$1,574 million.¹⁸ Under this projected scenario, customers would be asked to pay a total of \$48,051 million between 2025 and 2050 to cover capital costs. Of that amount, 61 percent or \$29,469 million would be payments toward the new investments made after 2024.

¹⁸ \$1,574 million = \$1,086 million in base revenue (U-21291 Order, Att. A) + \$16.80 million in IRM revenue + \$116 million other utility revenue (U-21291, Exhibit A-13).

Figure 3.2: DTE Revenue Requirements, 2025-2050



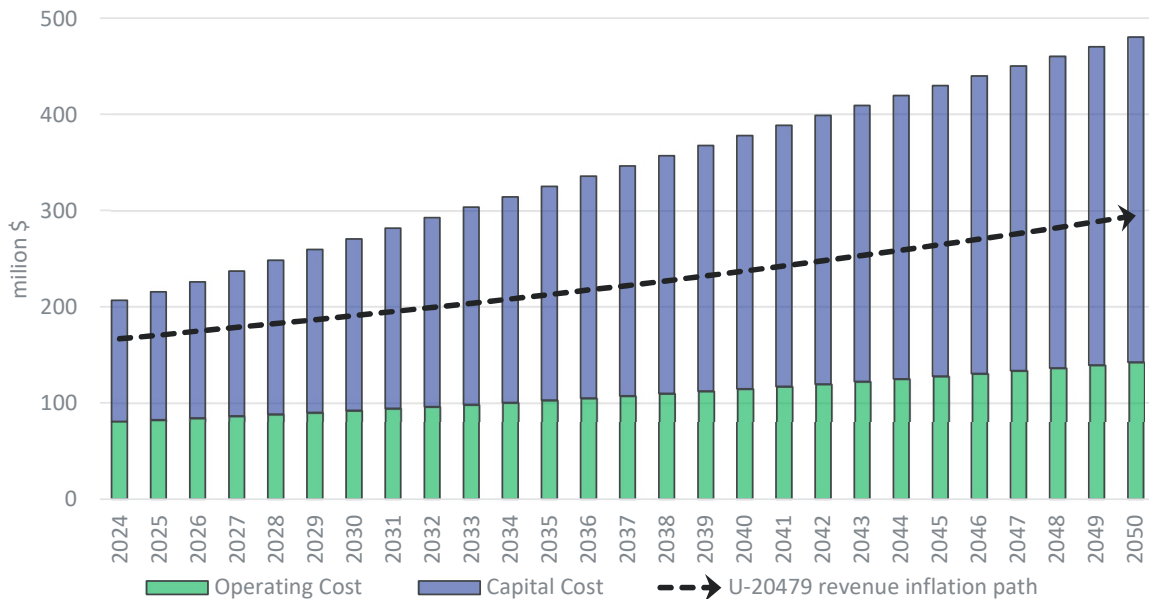
Source: Consultant projections.

3.3 SEMCO

Figure 3.3 shows SEMCO’s projected revenue requirements for 2024-2050. The revenue requirement increases from \$206 million in 2024 to \$480 million in 2050. This represents a \$186 million (63%) increase in revenue compared to the \$294 million in projected revenue if the \$1,629 million revenue approved in SEMCO’s 2019 base rate case (U-20479) simply grew at the rate of inflation.¹⁹ Under the projected scenario, customers would be asked to pay a total of \$6,243 million between 2025 and 2050 to cover capital costs. Of that amount, 64 percent or \$3,976 million would be payments toward the new investments made after 2024.

¹⁹ \$162.1 million = \$292.2 million in total revenue - \$142.2 million in gas commodity sales + \$12.2 million in other utility revenue

Figure 3.3: SEMCO Revenue Requirements, 2025-2050



Source: Consultant projections.

SECTION 4 RATE IMPACTS

This section details the rate impacts (i.e., estimated customer bills) resulting from the projected revenue requirements described in Section 3.

Revenue requirements were allocated among the different rate classes served by each LDC (using the allocation factor). Base rates were then designed to collect that level of revenue from each customer class (using bill determinants). Fixed rates grew at a rate reflecting the growth in fixed charges over the past ten years, and any remaining incremental costs were added to the volumetric rate.

Bill determinants are the specific units of measurement used to calculate a customer's bill. For gas utilities, these typically include the number of customers (for fixed charges) and the volume of gas consumed (for volumetric charges). In this analysis, we use residential customer-months for fixed charges and annual sales volumes (in Mcf or Dth) for volumetric charges. These determinants, combined with the revenue requirement, allow us to project future rates and bill impacts. Table 4.1 lists assumptions for residential class cost allocation factors and other billing determinants, based on recent general rate case filings for each company.

Table 4.1: Rate Design and Bill Determinant Assumptions

	Consumers	DTE	SEMCO
Residential revenue allocation %	71.94%	62.79%	66.61%
Residential customer-months	20,494,128	14,908,548	3,391,116
Sales	158,217,664 Mcf	112,464,000 Mcf	26,985,347 Dth
Starting fixed charge	\$15.00	\$13.50	\$12.25
Growth rate of fixed charges (%/year)	2.58%	2.27%	0.45%
Gas commodity charge	\$3.61/Mcf	\$4.62/Dth	\$4.62/Dth

Source: Allocation factors, sales, and starting fixed charges are from U-21308, U-20940, and U-20479; residential customer-months are from U-21490 - Exhibit E-5, U-21291 - Exhibit E-5, and U-20479 - Exhibit E-5; growth rates of fixed charges are calculated (2011-2025 growth rates).

Gas bills in Michigan currently include other surcharges, such as DTE's Infrastructure Renewal Mechanism (IRM) and SEMCO's MRP and IRIP surcharges, which allow utilities to reconcile or recover some capital costs incurred between base rate adjustments. We assume all capital tracker mechanisms are set to zero during the forecast period and that these costs are recovered through base rates. We do not include any other surcharge mechanisms in the analysis (e.g., energy efficiency charges or revenue decoupling mechanisms), as the purpose of the analysis is to isolate the effect of capital investments on base rates.

Projected volumetric charges for residential customers from 2024 to 2050 and estimated monthly residential base rate bills based on average monthly consumption are presented in Section 4.1 (Consumers), Section 4.2 (DTE), and Section 4.3 (SEMCO).

4.1 CONSUMERS

Table 4.2 shows Consumers' base volumetric charge (i.e., the base delivery charge) calculations for 2026. The base volumetric charge relies on the revenue requirement projections and the allocation factor and bill determinants from Table 4.1. This process was repeated each year from 2027 through 2050.

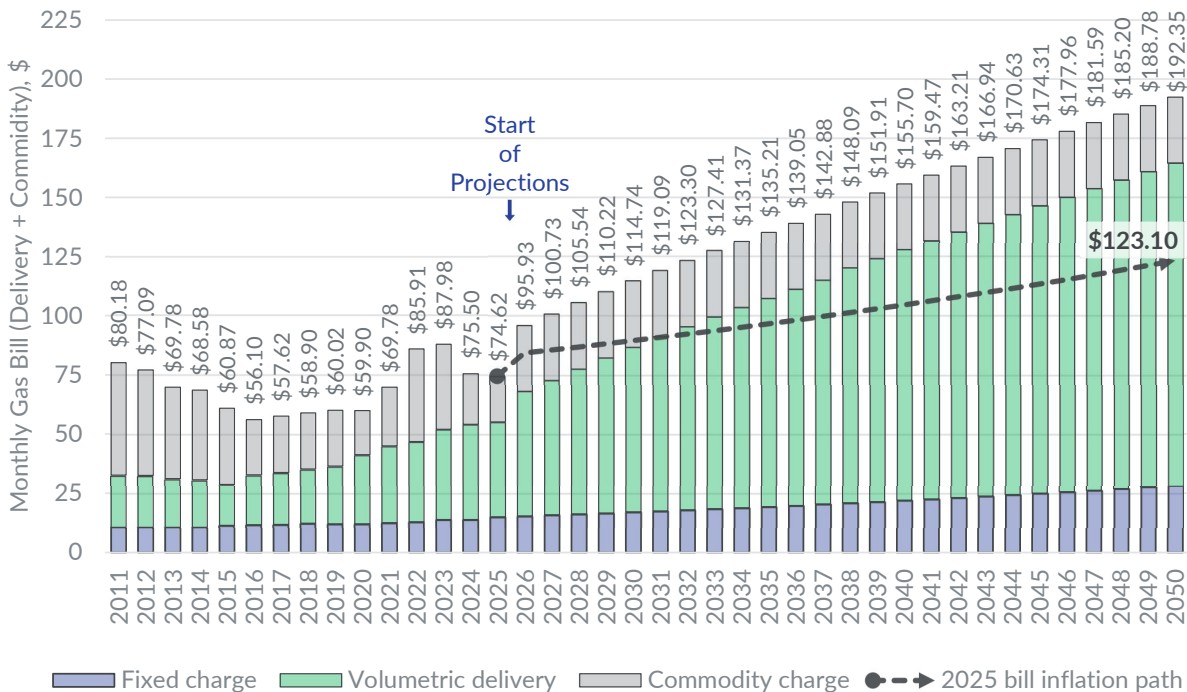
Table 4.2: Consumers Projected Volumetric Rate Calculation, 2025

#	Item	Note	2026
1	Revenue Requirement (million)		\$2,075.54
2	Residential Allocation Factor		71.94%
3	Residential Revenue Requirement Allocation (million)	Line 1 x Line 2	\$1,493.10
4	Monthly Fixed Charge		\$15.78
5	Residential Bills		20,494,128
6	Fixed Revenues (million)	Line 4 x Line 5	\$323.48
7	Volumetric Revenue (million)	Line 3 - Line 6	1,169.61
8	Volumetric Deliveries (Mcf)		158,217,664
9	Base Volumetric Charge	Line 7 / Line 8	\$7.5433

Figure 4.1 shows historical (2011-2025) and projected (2026-2050) typical monthly delivery charges for Consumers' residential customers (i.e., the fixed monthly charge and the base volumetric delivery charge). These charges are based on average monthly residential natural gas consumption for Consumers' customers (7.72 MMcf).²⁰ A typical Consumers' residential bill is projected to increase \$113.50 from \$74.62 in 2025 to \$192.35 in 2050 (a 158 percent increase overall, or 3.86 percent per year). If base rates instead only grew at the rate of projected inflation, the 2050 bill would be \$123.10 - \$69.25, or 36 percent lower than our projections.

²⁰ Historical rates shown are based on final rates (ignoring any interim rates) approved by the MPSC and include the monthly fixed charge (base, IRM, RDM, and VRM), volumetric delivery charge, and commodity charge. Weighted averages are used whenever any rate or rider changes within a calendar year. Projected rates use our projected base volumetric rates (as calculated for each year as shown in Table 4.2), keep the monthly customer charge constant from their latest approved final value, and assume IRM, RDM, and VRM are set to zero (with their costs recovered in base rates instead).

Figure 4.1: Consumers Typical Residential Monthly Bill Projections, 2011-2050



Sources: Historical delivery charges from MPSC’s natural gas rate history document < <https://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/consumer/nat-gas/gasrates.pdf>>. Projected delivery charges are consultant projections.

4.2 DTE

Table 4.3 shows DTE’s base volumetric charge (i.e., the base delivery charge) calculations for 2026. The base volumetric charge relies on the revenue requirement projections, as well as the allocation factor and bill determinants from Table 4.3. This process was repeated each year from 2027 through 2050.

Table 4.3: DTE Typical Residential Monthly Bill Projections, 2011-2050

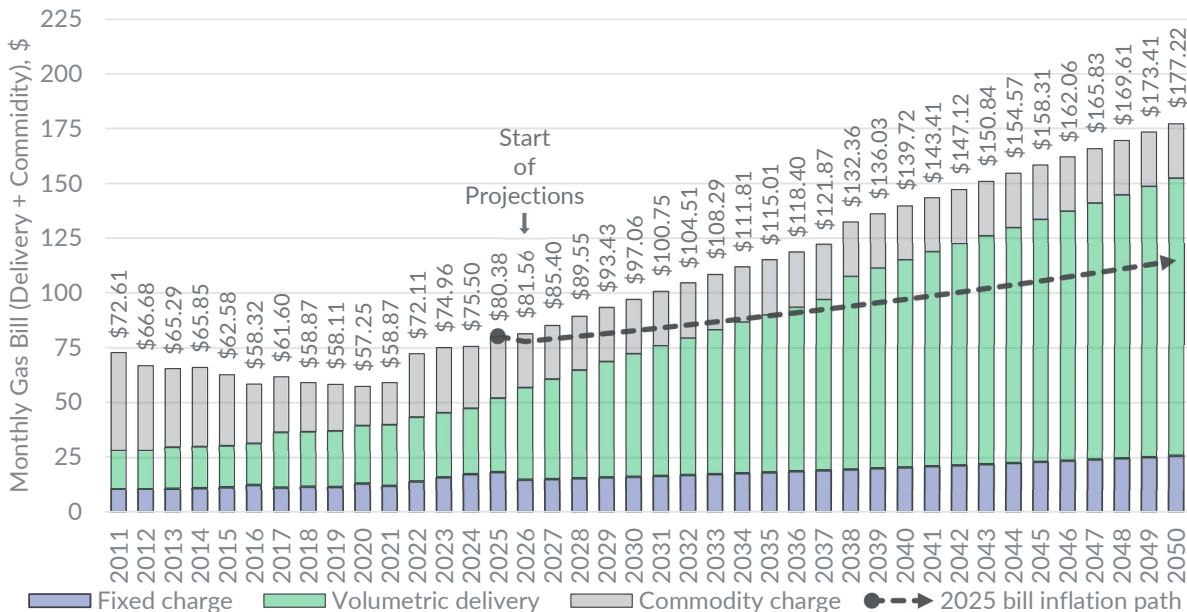
#	Item	Note	2025
1	Revenue Requirement (million)		\$1,341.24
2	Residential Allocation Factor		62.79%
3	Residential Revenue Requirement Allocation (million)	Line 1 x Line 2	\$842.20
4	Monthly Fixed Charge		\$13.81
5	Residential Bills		14,908,548
6	Fixed Revenues (million)	Line 4 x Line 5	\$205.83
7	Volumetric Revenue (million)	Line 3 – Line 6	\$636.36
8	Volumetric Deliveries (Mcf)		112,464,000
9	Base Volumetric Charge	Line 7 / Line 8	\$5.6584

Figure 4.2 shows historical (2011-2025) and projected (2026-2050) typical monthly delivery charges for DTE’s residential customers (i.e., the fixed monthly charge and the base volumetric delivery charge). These charges are based on average monthly residential natural gas consumption for DTE’s customers (7.54 Mcf).²¹

²¹ Historical rates shown are based on final rates (ignoring any interim rates) approved by the MPSC and include the monthly fixed charge (base, IRM, and RDM), volumetric delivery charge, and commodity charge. Weighted averages are used whenever any rate or rider changes

A typical DTE residential customer bill is projected to increase \$96.84 from \$80.37 in 2025 to \$177.22 in 2050 (a 120 percent increase overall, or 3.2 percent per year). If base rates instead only grew at the rate of projected inflation, the 2050 bill would be \$114.55 – \$62.67, or 35 percent lower than our projections.

Figure 4.2: DTE Typical Residential Monthly Bill Projections, 2011–2050



Sources: Historical delivery charges from MPSC’s natural gas rate history document < <https://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/consumer/nat-gas/gasrates.pdf>>. Projected delivery charges are consultant projections.

4.3 SEMCO

Table 4.4 shows SEMCO’s base volumetric charge (i.e., the base delivery charge) calculations for 2025. The base volumetric charge relies on the revenue requirement projections and the allocation factor and bill determinants from Table 4.4. This process was repeated each year from 2026 through 2050.

Table 4.4: SEMCO Rate Calculation Example (2026)

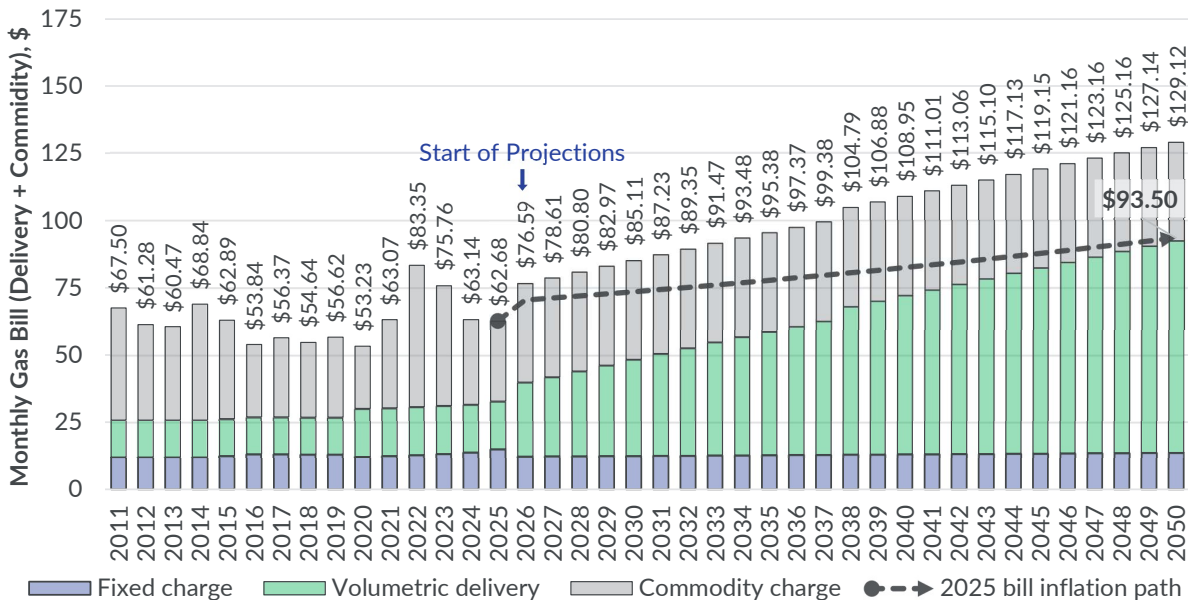
#	Item	Note	2025
1	Revenue Requirement (million)		\$200.71
2	Residential Allocation Factor		66.61%
3	Residential Revenue Requirement Allocation (million)	Line 1 x Line 2	\$133.70
4	Monthly Fixed Charge		\$12.31
5	Residential Bills		3,391,116
6	Fixed Revenues (million)	Line 4 x Line 5	\$ 41.74
7	Volumetric Revenue (million)	Line 3 – Line 6	\$91.95
8	Residential Therms		26,985,347
9	Base Volumetric Charge	Line 7 / Line 8	\$3.4076

Figure 4.3 shows historical (2011-2025) and projected (2026-2050) typical monthly delivery charges for SEMCO’s residential customers (i.e., the fixed monthly charge and the base volumetric delivery charge). These

within a calendar year. Projected rates use our projected base volumetric rates (as calculated for each year as shown in Table 4.2), keep the monthly customer charge constant from their latest approved final value, and assume IRM and RDM are set to zero (with their costs recovered in base rates instead).

charges are based on average monthly residential natural gas consumption for SEMCO's customers (7.96 Dth).²² A typical SEMCO residential customer's bill is projected to increase \$52.26 from \$62.68 in 2025 to \$129.13 in 2050 (a 106 percent increase overall, or 2.93 percent per year). If base rates instead only grew at the rate of projected inflation, the 2050 bill would be \$93.50 - \$35.62, or 28 percent lower than our projections.

Figure 4.3: SEMCO Typical Residential Monthly Bill Projections, 2011-2050



Sources: Historical delivery charges from MPSC's natural gas rate history document < <https://www.michigan.gov/mpsc/-/media/Project/Websites/mpsc/consumer/nat-gas/gasrates.pdf>>. Projected delivery charges are consultant projections.

²² Historical rates shown are based on final rates approved by the MPSC and include the monthly fixed charge (base, IRM, RDM, and TCJA), volumetric delivery charge, and commodity charge. Weighted averages are used whenever any rate or rider changes within a calendar year. Projected rates use our projected base volumetric rates (as calculated for each year as shown in Table 4.2), keep the monthly customer charge constant from their latest approved final value, and assume IRM, RDM, and TCJA are set to zero (with their costs recovered in base rates instead).

SECTION 5 THE FUTURE OF NATURAL GAS IN MICHIGAN

This report has examined several interconnected factors facing Michigan's energy landscape: the LDCs' accelerated investment in natural gas infrastructure, the state's commitment to emissions reductions, and considerations of equity and affordability in utility rates. The following subsections elaborate on the intersection of these factors and what they mean for Michigan's energy future.

5.1 MICHIGAN'S CLIMATE GOALS AND NATURAL GAS EMISSIONS

Michigan has established increasingly ambitious targets for reducing greenhouse gas (GHG) emissions through multiple policy mechanisms. As part of its entry into the US Climate Alliance, Michigan pledged through Executive Directive 2019-12 to reduce emissions to 26-28 percent below 2005 baseline levels by 2025. The 2022 MI Healthy Climate Plan expanded on this commitment, establishing a pathway for Michigan to achieve complete carbon neutrality by 2050, with an interim target of reducing GHG emissions to 52% below 2005 levels by 2030.²³

According to Michigan's 2024 updated baseline calculations, net emissions in 2005 were 198.5 MMT CO₂-equivalent (MMT CO₂-e). Natural gas consumption and distribution contributed 42.2 MMT CO₂-e (21%) to this baseline, with the majority (40.5 MMT CO₂-e) attributed to direct consumption in residential, commercial, and industrial buildings. Distribution system emissions from leaks and flaring accounted for 1.32 MMT CO₂-e, while post-meter leakage on customer premises added another 0.38 MMT CO₂-e.²⁴

Michigan's most recent state GHG inventory from 2019, submitted as part of the state's Priority Action Climate Plan to the EPA in 2024, shows net emissions have fallen 15.99 percent from the 2005 baseline to 166.7 MMT CO₂-e. However, natural gas emissions have not decreased proportionally. EPA inventories indicate natural gas emissions fell only 5.97% between 2005 and 2019, causing natural gas's share of overall emissions to increase from 21.3 percent to 23.8 percent.

The most current EPA GHG Inventory data for Michigan (2022) estimates statewide emissions at 167.2 MMT CO₂-e, with natural gas contributing 38.9 MMT CO₂-e as follows:

- 37.8 MMT CO₂-e (22.6%) from direct consumption in buildings
- 0.69 MMT CO₂-e (0.4%) from distribution system leaks and flaring
- 0.41 MMT CO₂-e (0.2%) from post-meter leakage.

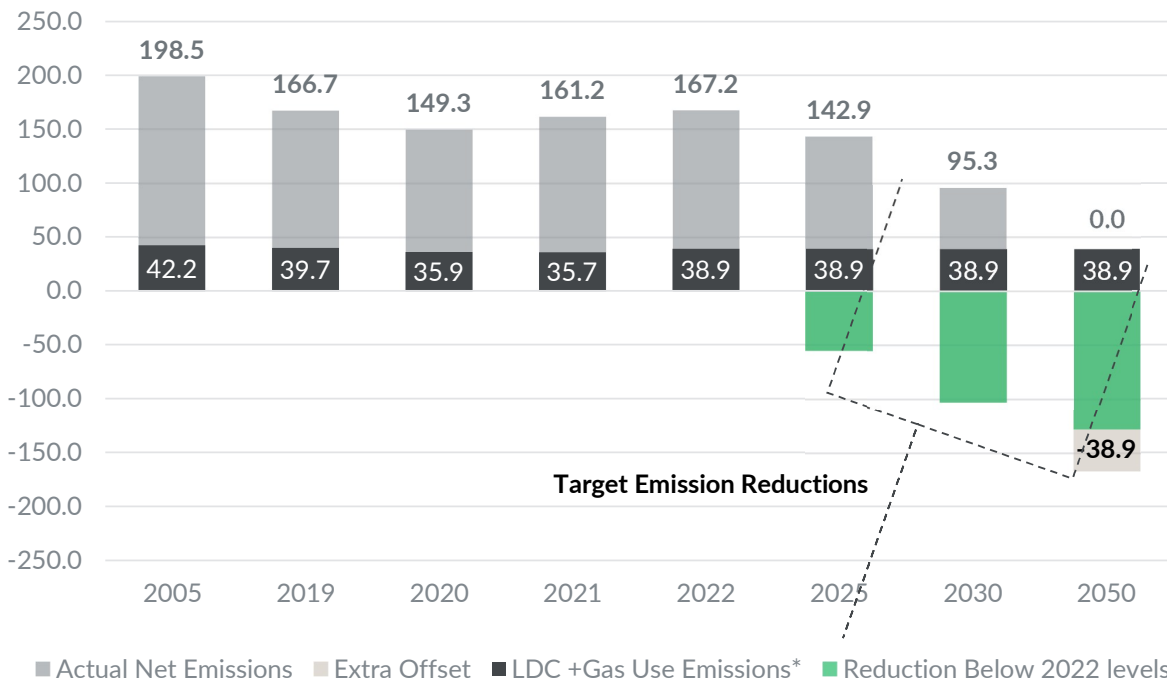
Figure 5.1 shows how recent emission estimates for Michigan compare to the baseline 2005 levels and the state's 2025, 2030, and 2050 targeted emission levels. The actual emission estimates identify the contributions from LDCs and their non-electric generation customers in the respective years. For reference,

²³ Department of Environment, Great Lakes, and Energy, "MI Healthy Climate Plan," April 2022, <https://www.michigan.gov/egle/-/media/Project/Websites/egle/Documents/Offices/OCE/MI-Healthy-Climate-Plan.pdf>.

²⁴ [Explain how we are not including electricity generation emissions in the natural gas emission totals]

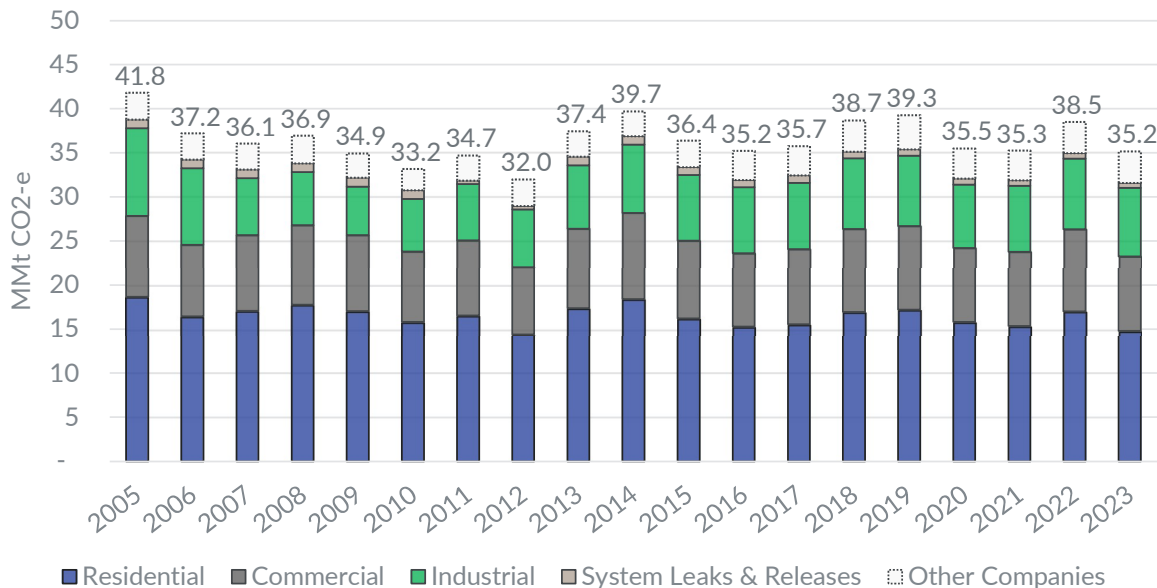
the most recent estimate of LDC emissions (2022) are included with the emission targets to show how sustained gas use at current levels would impact the state's climate goals.

Figure 5.1: Michigan Actual Emissions and Reduction Goals



To further demonstrate how emissions are attributed to LDC operators and their end-use customers in Michigan, Figure 5.2 shows the compositions of LDC sector emissions. The dark shaded bars represent the combined emissions from the three study LDCs attributed to fugitive system gas (brown), residential customer end-use (blue), commercial customer end-use (dark gray), and industrial customer end-use (green). In 2022, Consumers, DTE, and SEMCO accounted for over 93 percent of emissions from gas distribution systems – 22 percent of Michigan's total emissions.

Figure 5.2: Emissions Attributed to LDCs (excluding electric generation)



These figures demonstrate the challenge Michigan faces in meeting its climate commitments while maintaining current natural gas consumption levels. To achieve the 2025 goal, 2022 emissions must be reduced by 14.5 percent (24.3 MMT CO₂-e). If natural gas emissions remain at the 2022 levels (38.9 MMT CO₂-e), reductions from all other sectors would need to be increased by another 3.5 percent (to 19 percent below 2022 levels) to offset the lack of change in emissions from LDCs. The 2030 target becomes even more demanding if LDCs emissions remain at 2022 levels – other sectors would need to reduce emissions by 56 percent to achieve the overall 52 percent reduction if natural gas emissions remain constant.

The state's 2050 carbon neutrality goal requires eliminating or offsetting all emissions: a reduction of 167.2 MMT CO₂-e from 2022 to 2050. To achieve carbon neutrality with natural gas emissions remaining at 2022 levels, all other sectors would not only need to reach zero emissions, but also achieve negative emissions to offset the natural gas 38.9 MMT CO₂-e. A mix of 38.2 MMT CO₂-e combined in additional reductions and negative emissions (carbon capture) would be needed for the state to achieve the carbon neutral goal. A 30 percent increase in emission reductions or offsets will be required from other sectors. Given the scale of these required reductions, it becomes clear that achieving Michigan's climate goals will require significant changes to how natural gas is used and distributed throughout the state.

5.2 GAS SYSTEM INVESTMENTS DURING ENERGY TRANSITION

We show in this study that Michigan's three largest LDCs plan to invest approximately \$60 billion in gas infrastructure between 2024 and 2050. Customers remaining on the gas system are projected to pay about \$125 billion through base rates to cover these investments, with the majority (approximately \$84.5 billion or 68 percent) going toward new investments made after 2024.

These substantial infrastructure commitments would appear to run contrary to the state's climate goals. At the same time, however, we cannot set aside the fact that natural gas meets a significant portion of Michigan's energy needs. Even after excluding natural gas used for electricity generation (317 million MMBTU), all other natural gas use (677 million MMBTU) in Michigan accounts for around 25 percent of the state's total energy consumption.²⁵ As long as customers are being serviced by these networks, some level of investment will be necessary to maintain system safety.

The approach to aligning investment decisions with climate goals must be tailored to the type of infrastructure project being considered. For this discussion we can group gas utility investments into one of three categories: growth and network expansion, infrastructure replacements, and system monitoring and support infrastructure projects. Each category presents different challenges and opportunities for supporting an orderly transition away from natural gas.

5.2.1 GROWTH AND NETWORK EXPANSION PROJECTS

Growth and network expansion projects extend service to new customers or increase system capacity to meet growing demand. These include new distribution mains, service lines to new customers, system reinforcement projects to increase capacity, and related supporting infrastructure like regulator stations needed for expansion areas.

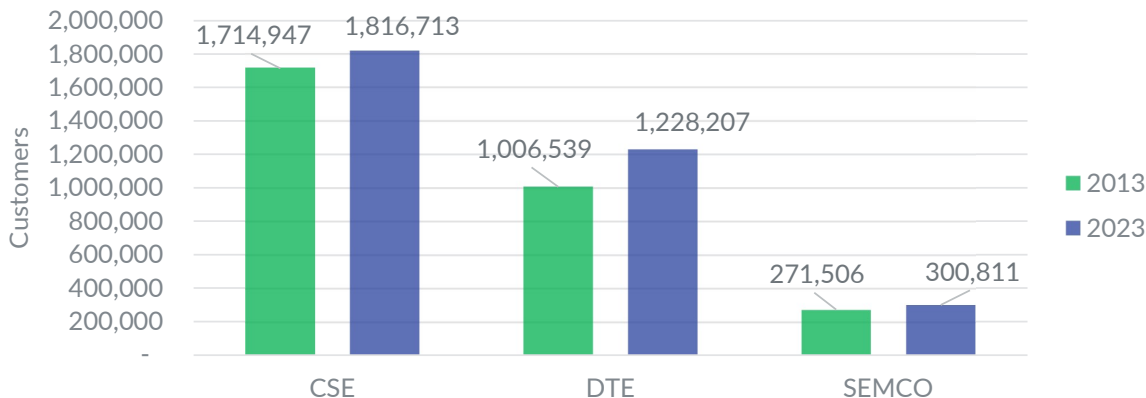
These investments most directly conflict with climate goals as they lock in new fossil fuel infrastructure and create new sources of emissions. Every new customer connected to the gas system represents an incremental rise in annual gas sector emissions that moves Michigan further away from meeting its climate targets. Based on average annual use by customer class in Michigan from 2018 to 2023, a new residential gas customer will emit on average 5 MT-CO₂-e/year; a new commercial customer will emit on average 36 MT CO₂-e/year; and a new industrial customer will emit on average 1,432 MT-CO₂-e/year.²⁶

An inevitable concern when considering approaches to limit network expansion is that such policies might unreasonably constrain consumer energy choices. Examination of current customer growth and gas use trends in Michigan can help inform us of trends in consumer preference. Figure 5.3 shows that while Michigan's gas utilities have seen positive customer growth over the last ten years, the rates have been modest, averaging 0.6 percent for Consumers, 1 percent for SEMCO, and 2 percent for DTE.

²⁵ EIA 2022. <https://www.eia.gov/state/?sid=MI#tabs-1>

²⁶ Emissions per customer were estimated by multiplying average residential (95 MCF/year), commercial (36 MCF/year), and industrial (1,432 MCF/year) consumption in Michigan from 2018-2023 by the emission factor for combusted natural gas (0.0548 per MCF). Source: EIA.

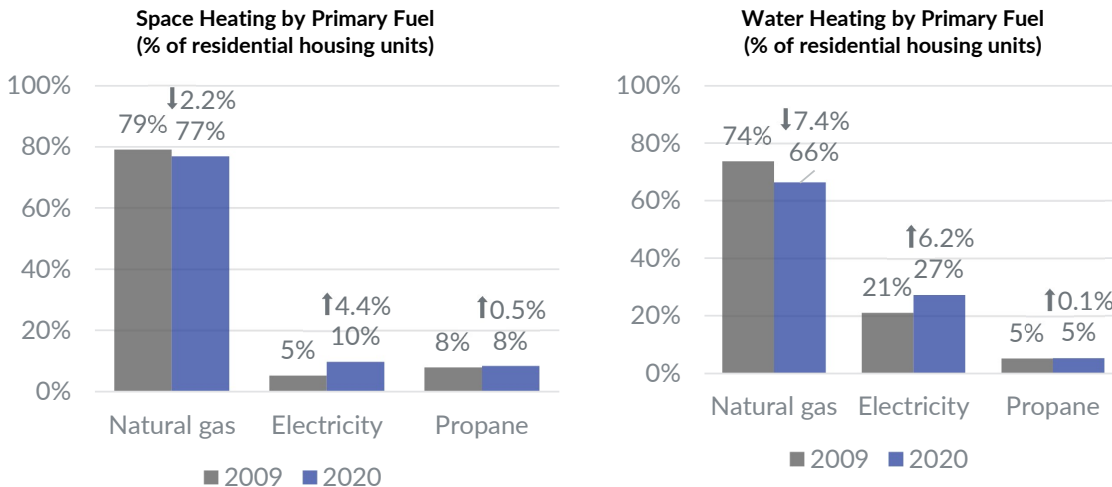
Figure 5.3: LDC Customers, 2013-2023



Source: Customer data compiled from each LDC's annual reports filed for 2013 and 2023.

In contrast to the customer growth trends, data from EIA's Residential Energy Consumption Survey shows that Michigan households' reliance on natural gas for space and water heating declined between 2009 and 2020, even as customer counts increased.

Figure 5.4: Primary Fuels for Residential Space Heating and Hot Water (2009 and 2020)



Source: U.S. Energy Information Administration (EIA), Residential Energy Consumption Survey (RECS), 2009 and 2020.

The modest customer growth and declining usage patterns shown above indicate that consumer preferences may already be shifting away from natural gas. Regulators and policymakers may be inclined to focus on the positive trends in customer growth as evidence that consumer interest in gas remains strong. However, it is important to remember that these numbers are ultimately the product of the prevailing policies in place that may actively promote gas system expansion. An essential step in the energy transition is identifying where state policy and regulation actively promote fossil fuel consumption.

One key opportunity to better align gas system growth with climate objectives is to reform how utilities evaluate line extension projects. Michigan's gas utilities currently evaluate these projects using a Net Present Value (NPV) method that compares expected revenues from new customers against the costs of constructing

infrastructure to serve them. If revenues exceed costs (positive NPV), the project is generally funded through rates paid by all customers. If costs exceed revenues (negative NPV), new customers must pay the difference through monthly surcharges. This framework was designed to facilitate system growth while protecting existing customers from subsidizing uneconomic expansion.

However, this purely economic evaluation fails to account for how new gas infrastructure conflicts with climate goals. The current NPV method only considers expected revenues versus construction costs, creating a framework that encourages expansion whenever customer revenue can justify the investment. To better account for climate impacts and transition risks, the economic test for line extensions could be modified to:

1. Include the social cost of carbon from projected emissions over the life of the infrastructure
2. Factor in potential stranded asset risks if customers later electrify
3. Reduce the time frame used for evaluating future revenues to reflect transition timelines
4. Require comparison with electric alternatives before approving gas extensions.

These modifications would make gas extensions less economically favorable and create stronger incentives for electrification without imposing outright bans.

While reforming line extension policies represents one approach to managing gas system growth, some jurisdictions have opted for more direct measures to limit expansion. Several states have attempted to adopt policies that prohibit or severely limit gas connections in new construction:

- New York became the first state to ban natural gas connections in most new construction, starting in 2026 for smaller buildings and 2029 for larger ones.²⁷
- California has adopted aggressive building electrification codes that effectively phase out natural gas in new construction by 2030.²⁸
- Washington state adopted building energy codes that provide incentives for electric heat pumps in new construction, effectively steering builders toward electrification while avoiding an outright ban on natural gas appliances.²⁹

There are multiple challenges with these attempts to ban or limit new gas connections. Bans can raise public concerns about limitations on consumer choice and regulatory overreach that may undermine the state's climate goals. In Washington, public opposition led to a winning ballot initiative that will likely result in the repeal of building codes that promote electrification over natural gas.³⁰ Gas connection bans have also already faced significant legal challenges, as demonstrated by the Berkeley, California case, where in spring 2023, the

²⁷ Ramirez, Rachel and Ella Nilsen. "New York Becomes the First State to Pass a Law Banning Gas in New Buildings." CNN, 3 May 2023, <https://www.cnn.com/2023/05/03/us/new-york-natural-gas-ban-climate/index.html>.

²⁸ Wells, Caleigh. "California Plans to Phase Out New Gas Heaters by 2030." NPR, 23 Sept. 2022, <https://www.npr.org/2022/09/23/1124511549/california-plans-to-phase-out-new-gas-heaters-by-2030>.

²⁹ Lucia, Bill. "Judge rejects attempt to delay building code update with new heat pump rules." Washington State Standard, 24 March 2024, <https://washingtonstatestandard.com/2024/03/08/judge-rejects-attempt-to-delay-building-code-update-that-includes-new-heat-pump-rules/>.

³⁰ Cornfield, Jerry. "State panel not ready to scrap building codes targeted by gas initiative." Washington State Standard, 15 November 2024, <https://washingtonstatestandard.com/2024/03/08/judge-rejects-attempt-to-delay-building-code-update-that-includes-new-heat-pump-rules/>.

Ninth Circuit federal appeals court overturned the city's ban on natural gas in new construction on grounds of federal preemption.³¹

Rather than outright bans, regulators and policymakers in Michigan should focus on ways to discourage network expansion using other tools such as the modified economic tests for line extensions that account for climate impacts and stranded asset risks. In addition, customer education and campaigns to promote electrification incentive programs are needed to ensure that consumers are well informed about the options available to them when presented with an energy investment decision.

5.2.2 INFRASTRUCTURE REPLACEMENTS / SAFETY AND RELIABILITY

Infrastructure replacement projects involve replacing existing infrastructure that has reached the end of its useful life or poses safety/reliability concerns. These include the replacement of aging or leak-prone pipelines, the rehabilitation of existing mains and services, and the replacement of associated equipment like valves and regulators that serve existing customers.

Infrastructure replacement projects present a complex challenge. While aging infrastructure must be addressed to ensure public safety and maintain reliable service for current customers, these investments effectively extend the operational lifespan of natural gas infrastructure for decades. This creates a fundamental tension between immediate safety obligations and climate policy goals that requires rethinking traditional approaches to infrastructure replacement. Stakeholders must work to find a strategic balance that ensures both public safety and alignment with long-term climate objectives.

This balance will require a move away from the current infrastructure replacement approach. Each of the Michigan LDCs currently operates long-term replacement programs designed to systematically upgrade aging infrastructure components:

- Consumers operates the **EIRP**.³² The EIRP is a 25-year program originated in MPSC Case No. U-16855 with an Order approving a Settlement Agreement that established the program with an annual funding level of \$56 million. Projects in the EIRP primarily focus on replacing higher-risk gas distribution mains, including all cast iron, wrought iron, copper, X-trube, threaded and coupled (T&C), bare steel, and oxyacetylene welded steel pipe.³³ The program also includes replacement of metallic service lines associated with main replacements, transmission pipelines in high consequence areas, and certain mains not made of the targeted materials operating at low pressure. The program has been continued and modified through settlement agreements in multiple subsequent rate cases (U-17882, U-18124, U-18424, U-20322, U-20650, U-21148 and U-21308). The most recent extension came in Case No. U-21490, where a July 2024 Order approved a Settlement Agreement continuing

³¹ Kempe, Ysabelle. "9th Circuit Declines to Reconsider Decision Rejecting Berkeley, California, Natural Gas Ban." Utility Dive, 3 Jan. 2024, <https://www.utilitydive.com/news/berkeley-natural-gas-ban-lawsuit-request-rehearing-en-banc-denied-federal-appeals/703514/>.

³² Originally the EIRP was called the Main Replacement Program.

³³ Several of these main replacement categories in the EIRP refer to pipes that are higher-risk due to the technique used to join pipes together that has demonstrated higher rates of failure over time: "X-trube" is the commercial name for a type of steel pipe that used a compression-style mechanical fitting to join pipes together; "thread and coupled" (T&C) refers to steel or cast iron pipes which were joined together using a threaded coupling that connected to threaded grooves cut into the ends of each pipe; and "oxyacetylene" is a welding technique that was used on steel pipes.

the program with a spending level of \$215.3 million for the 12 months ending September 30, 2025. A unique aspect of Consumers' EIRP is that it is not associated with any advanced cost recovery mechanism, unlike DTE or SEMCO. Instead, the costs of the program have been rolled into base rates on a near annual basis through frequent base rate filings.

- DTE currently operates two infrastructure replacement programs: the **GRP** and the **Pipeline Integrity Program (PIP)**. The GRP focuses on DTE distribution system improvements through replacement of cast iron and unprotected steel mains and relocating indoor meters to outdoor locations.³⁴ The GRP has a goal to replace all remaining cast iron and unprotected steel main and services by 2035. The PIP encompasses transmission pipeline integrity management, including in-line inspections, remote control valve installations, and records management system development. These are all activities driven by federal and state pipeline safety requirements. The programs were first approved in Case No. U-16999 (2013) in conjunction with the approval of an IRM, a surcharge that allows DTE to recover the costs of GRP and PIP projects in between base rate proceedings. Both programs and the IRP have been reconsidered and reapproved in each of DTE's subsequent base rate proceedings (U-17999, U-18999, U20940), including Case No. U-21291 that concluded in November 2024.
- SEMCO has the **MRP** and the **IRIP**. The MRP was first approved in 2011 (Case No. U-16169) as a five-year program (2011-2015) focused on addressing the accelerated replacement of all remaining unprotected steel and cast-iron mains and services. The program has since been extended and modified multiple times to add new pipe materials to the list of eligible replacements.³⁵ Most recently, the MRP was extended and expanded in scope in August 2024 via an approved settlement agreement in Case No. U-21624. The expanded scope for the MRP includes increasing annual replacement from 26 to 31 miles of main and the addition of pre-1983 vintage plastic and pre-1960 coated steel pipe to the list of qualifying materials. The IRIP was approved by the Commission in Case No. U-20479 in 2020 to support larger-scale system reliability and redundancy projects. The original program included five specific projects to reinforce system reliability with a budget of \$54.5 million over six years (2020-2025). In Case No. U-21624, SEMCO received approval to extend the IRIP through 2027 and add two new projects: the Harris Compression Station Replacement and the Thumb Reinforcement Project. The Harris project will replace aging compressors to maintain storage field operations, while the Thumb project will install approximately 19 miles of pipeline to provide supply redundancy.

The current paradigm of the LDCs' main replacement programs focuses on wholesale replacement of entire pipe populations. As Table 5.1 shows, these programs represent long-term commitments that will extend well into the 2030s and 2040s, with each utility targeting specific pipe materials and vintages for systematic replacement.

³⁴ Previously, the main replacement and meter move out activities were completed under separate programs: the Main Renewal Program (MRP) and Meter Move Out (MMO) program. These programs were recently consolidated into the GRP in Case No. U-21291.

³⁵ In 2013 (Case No. U-17169) the MRP was extended for three additional years and expanded to include the replacement of vintage plastic pipe installed prior to 1978 ("Pre-1978 plastic"). In 2015 (Case No. U-17824) the MRP was extended through 2020. In 2019 (Case No. U-20479), it was extended from 2021-2025.

Table 5.1: Overview of Michigan LDC Accelerated Main Replacement Programs

Company/ Program	Approval Status (date through)	Eligible Replacement Materials	Start Year	Remaining Main (miles)	Annual Miles	Anticipated End ³⁶
CE EIRP	Sept. 2025 (U-2149)	cast iron, bare steel, unprotected steel, oxyacetylene steel, threaded & coupled steel, copper	2012	1674.1 (Actual 12/2023)	141.4	2035
DTE GRP	2027 (U-2164)	unprotected steel, cast iron	2012	2196 (Actual 12/2023)	190	2035
SEMCO MRP	2027 (U-2164)	unprotected steel, vintage pre-1983 plastic, pre-1960 coated steel	2011	681.4 (Estimated 12/ 2024)	31	2046

The current paradigm of wholesale pipe replacement needs fundamental reform. The strategy underlying these programs is problematic in several ways. First, by targeting entire populations of pipe materials and vintages for replacement, utilities commit to decades of infrastructure investment without considering whether all of that infrastructure will be needed in a decarbonized future. Second, these programs often evolve to continually identify new categories of pipe for replacement, creating an endless cycle of infrastructure renewal that assumes the gas system will operate indefinitely.³⁷ Third, the programs' success metrics focus on miles of pipe replaced rather than actual risk reduction achieved, potentially leading to replacement of pipes that could be safely maintained through other means. Finally, this wholesale replacement approach locks in billions in capital investment that customers will pay for through rates over multiple decades, creating a financial barrier to transitioning away from natural gas.

Rather than maintaining this replace-every-pipe approach, utilities and regulators need to develop more strategic replacement criteria that consider short-term safety needs and long-term climate objectives.

The approach to infrastructure replacement must shift from wholesale replacement of entire pipe populations to a more nuanced strategy that prioritizes safety while acknowledging the reality of the energy transition. Core elements of such a program might include:

- Risk-Based Project Selection:** Rather than pursuing wholesale replacement of entire pipe populations, utilities should develop and apply risk-based criteria that prioritize truly necessary replacements based on empirical safety data and system conditions. This ensures that limited resources target the highest-risk infrastructure while avoiding unnecessary replacements of serviceable assets.
- Alternative Solutions:** The traditional assumption that replacement is the only solution for aging infrastructure needs to be challenged. Utilities should be required to evaluate alternatives that can maintain safety without wholesale replacement, such as:

³⁶ The anticipated end is based on either the specific end date already identified for the program (DTE) or the estimated remaining duration of the program.

³⁷ The propensity for replacement programs to continue to grow is illustrated by SEMCO's recent MRP extension in Case No. U-2164. As SEMCO neared completion of its initial scope targeting cast iron, unprotected steel, and pre-1978 plastic pipes, rather than winding down the program, it proposed expanding to include pre-1983 plastic and pre-1960 coated steel materials—adding 500 miles of pipeline and extending the program by another 20 years. This pattern demonstrates how replacement programs perpetually evolve to target the next category of potentially leak-prone materials, effectively creating an endless cycle of infrastructure renewal that continually extends the life of the gas system.

- Enhanced monitoring and maintenance programs
 - Targeted repairs rather than full replacement
 - Non-pipe alternatives (NPAs) that can meet customer needs without traditional gas infrastructure.³⁸
3. **Economic Tests:** Given that replacement projects effectively restart the lifecycle of gas services, these investments should be subject to economic tests similar to those used for new customer connections. These tests should:
- Include the social cost of carbon from continued emissions
 - Factor in potential stranded asset risks
 - Consider the timeline of climate policy goals
 - Compare costs against electric alternatives.
4. **Electrification Coordination:** Infrastructure replacement projects represent natural intervention points for promoting electrification. LDCs should be required to:
- Conduct proactive outreach to customers in areas scheduled for replacement
 - Provide information about electrification options and available incentives
 - Coordinate with electric utilities to identify opportunities for strategic electrification
 - Consider targeted retirement of gas infrastructure where electrification is viable.

Recent regulatory proceedings in Michigan suggest growing recognition of these issues. Stakeholders in DTE's 2023 base rate filing (U-21291) advocated for NPAs, consideration of repair versus replacement options, and more rigorous analysis frameworks. The MPSC's response, directing DTE to consider NPAs and update its Gas Delivery Plan to account for the energy transition, represents a step toward more strategic infrastructure planning.

However, while the Commission's recent actions represent progress, the timeline and scope of required changes lack necessary urgency. The December 2025 deadline for DTE's updated Gas Delivery Plan allows BAU replacement programs to continue for years. Moreover, the Commission missed opportunities to establish consistent requirements across utilities when it approved settlement agreements for SEMCO and Consumers in 2024 without similar provisions. A more comprehensive and expedited regulatory response is needed to ensure that infrastructure replacement decisions support rather than hinder the transition away from natural gas.

5.2.3 SYSTEM MONITORING AND SUPPORT INFRASTRUCTURE

This third category is a broader group intended to capture all other system monitoring and support infrastructure investments, enhance operations, improve monitoring capabilities, or support general utility functions without expanding or replacing the pipeline network. These include investments in leak detection technology, pressure monitoring equipment, information technology (IT) systems, and operational support facilities.

³⁸ A non-pipeline alternative (NPA) refers to investments or activities designed to defer, reduce, or avoid the need for constructing or upgrading natural gas pipeline infrastructure. These solutions can include energy efficiency measures, demand response programs, beneficial electrification (such as the adoption of electric heat pumps), and other strategies that decrease reliance on traditional gas delivery systems. <Lawrence Berkeley National Laboratory, Non-Pipeline Alternatives to Natural Gas Utility Infrastructure Investments, October 2020. Available at: <https://eta.lbl.gov/publications/framework-non-pipeline-alternatives>.>

These investments are already challenging for regulators to evaluate under traditional frameworks. Unlike pipelines where costs can be clearly tied to specific customers or areas, support infrastructure often serves the entire system. Benefits can be difficult to quantify, especially for IT projects or new monitoring technologies. The rapid pace of technological change also means that assumptions about useful life and future capabilities may prove incorrect.

These challenges become even more complex when considering the energy transition. Some investments may support the transition while others could impede it. For example, installation of enhanced leak detection devices may support efforts to prioritize replacement projects around risk. Conversely, investments in long-term operational facilities or systems designed around assumptions of continued growth may no longer represent prudent choices.

There is an added layer of complexity when investment decisions are made at the enterprise level and shared across business units. This situation occurs at multi-service utilities (like DTE and Consumers) and utilities owned by a parent company with multiple other affiliated utilities (like SEMCO). The business case and cost allocation for enterprise-level projects must consider risks of customer migration from the outset. A project justified based on current customer counts or assuming stable gas revenues may no longer be prudent if significant customer migration occurs. Utilities should be required to demonstrate that corporate investment decisions and cost allocations account for various transition scenarios rather than assuming BAU conditions will persist.

Stakeholders should be considerably skeptical of any large-scale investments not intended to address specific safety or reliability concerns. The MPSC needs to establish that any investment in infrastructure or equipment with long-term service lives (5+ years) will be reviewed with increased scrutiny. For investments to be considered prudent, the LDCs should be expected to demonstrate the decision was based on some of the following:

- Scenario analysis considering different customer migration patterns
- Clear identification of how investments support the energy transition
- Enterprise cost allocation methodologies that consider transition timing
- Regular reassessment of assumptions as the transition progresses.

5.3 POLICY AND PLANNING CONSIDERATIONS

The MPSC's November 2024 Order in DTE's base rate case (U-21291) illustrates the growing tension between infrastructure investment and climate goals. While acknowledging the state's climate goals and need for change, the Commission's Order still largely supported continued system expansion and infrastructure replacement strategies.

The conflicting messages in the Order illustrate how existing regulatory frameworks in Michigan and states across the country are straining to address the challenges of the energy transition. The MPSC Act requires the MPSC to ensure utilities recover "reasonable and prudent" costs while maintaining safe and reliable service, but provides limited guidance for addressing declining usage, customer departures, or alignment with climate goals.

Addressing these challenges requires careful consideration of three interrelated policy areas:

1. How to evolve rate design and cost recovery approaches that were built for growing systems?
2. How to ensure equity and affordability during a potentially lengthy transition period?
3. How to coordinate infrastructure planning across gas and electric systems to support decarbonization goals?

Below these three policy and planning considerations are briefly discussed and possible tools or solutions are proposed. Please note that this section is not meant to be an exhaustive assessment of the regulatory issues that need to be addressed but rather is intended to support future stakeholder dialogue.

5.3.1 RATE DESIGN AND COST RECOVERY

A fundamental policy consideration is how regulation of gas utilities needs to evolve during a transition away from natural gas. Current regulatory frameworks, designed around assumptions of growing or stable gas demand, may no longer be appropriate as climate policies and market forces drive electrification. This creates two key challenges: (i) ensuring fair cost recovery for utilities while protecting customers from excessive rates; and (ii) managing the risk of stranded assets.

Base rate projections in Section 4 show substantial increases even assuming a stable customer base - with residential bills increasing between 81 percent and 148 percent by 2050 across the three utilities. However, these projections likely underestimate actual rate impacts as they do not account for customer migration away from natural gas. The gas distribution system has high fixed costs that must be recovered regardless of how many customers remain.

The challenge is magnified by current regulatory approaches that allow utilities to recover capital investments over 60-70 years. Many investments being made today would still be in rate base well beyond 2050, when Michigan aims to achieve carbon neutrality. This creates significant stranded asset risk if climate policies or market forces drive customer migration faster than anticipated.

Several regulatory tools could help address these challenges:

- Modified rate design approaches that better align fixed cost recovery with system usage
- Shortened depreciation schedules for new investments to reduce stranded asset risk
- Regular reassessment of infrastructure investment plans based on updated transition scenarios
- Creation of regulatory frameworks that provide utilities incentives to maintain rather than replace and expand their systems.

5.3.2 EQUITY AND AFFORDABILITY

Energy transitions often raise significant equity concerns, as the costs and benefits of change tend to be unevenly distributed across society. The transition away from natural gas is likely to follow patterns seen in other energy technology adoptions, where access to capital and ownership status heavily influences who can participate in the transition and when. This creates a risk that vulnerable populations could bear a disproportionate share of transition costs while facing greater barriers to accessing benefits.

Experience with electric vehicle and rooftop solar adoption shows that higher-income households typically transition first to new technologies. This pattern raises particular concerns about the gas transition, as

remaining customers bearing increasing fixed costs are more likely to be lower-income households with limited ability to electrify or invest in efficiency improvements.

Several structural barriers contribute to this dynamic:

- Limited upfront capital for electrification investments
- Higher proportion of renters with less control over heating systems
- Older, less efficient housing stock requiring more extensive upgrades
- Limited access to financing options
- Split incentives between landlords and tenants

Addressing these equity challenges requires developing support mechanisms focused on vulnerable customers and communities:

- Income-based rates or bill assistance programs specifically designed for the transition period
- Targeted electrification incentives prioritizing low-income households
- Rental property programs that address split incentive barriers
- Small business support programs combining energy audits with financing assistance
- Requirements for utilities to track and report on demographic distribution of transition impacts
- Creation of dedicated transition assistance funds from utility bill surcharges
- Neighborhood-scale transition programs to achieve economies of scale
- Partnerships with community organizations to enhance program reach.

5.3.3 INFRASTRUCTURE PLANNING COORDINATION

The transition away from natural gas requires a fundamental shift in how utilities plan and deploy infrastructure investments. Traditional planning approaches that evaluate gas system investments in isolation are no longer sufficient when considering climate goals and increasing electrification. The MPSC's September 2024 Order in Case No. U-20147 provides valuable guidance for developing more comprehensive planning frameworks. While focused on electric distribution planning, the Order establishes several principles equally relevant to gas system planning:

- Development of transparent long-term visions aligned with state policy goals
- Integration of climate risks into scenario planning
- Clear demonstration of alignment with state emissions targets
- Thorough justification of spending proposals with robust affordability analysis
- Requirements for community engagement
- Coordination across various infrastructure planning efforts.

The key for the gas sector is ensuring that while critical safety and reliability needs continue to be met, infrastructure planning supports rather than hinders the transition to a low-carbon energy system. This requires moving beyond project-by-project evaluations to consider how individual investments fit within broader transition pathways. Several regulatory and policy tools could help ensure better alignment of infrastructure planning with state goals:

- Joint gas-electric system planning requirements to identify efficient electrification opportunities
- Modified economic tests for infrastructure investments that incorporate transition timelines
- Requirements to evaluate NPAs including district heating systems and geothermal networks

- Development of clear metrics for measuring planning alignment with climate goals
- Creation of stakeholder advisory groups to guide planning processes
- Regular updates to planning requirements based on transition progress
- Coordination mechanisms between utility infrastructure plans and local/regional development plans.

SECTION 6 NEXT STEPS

This report has analyzed the potential rate impacts of BAU investment in gas infrastructure by Michigan's three largest LDCs. The analysis shows that Michigan's LDCs plan to invest approximately \$60 billion in gas infrastructure between 2024 and 2050. Under this scenario, customers would pay about \$125 billion through base rates to cover these investments, with the majority (approximately \$84.5 billion) going toward new investments made after 2023. These investments would drive substantial bill increases, even assuming a stable customer base:

- Consumers residential bills increasing 148 percent by 2050
- DTE residential bills increasing 100 percent by 2050
- SEMCO residential bills increasing 81.4 percent by 2050.

These rate impacts must be considered alongside Michigan's climate commitments, including a 52 percent reduction in emissions by 2030 and carbon neutrality by 2050. Natural gas currently accounts for about 23 percent of Michigan's greenhouse gas emissions, with the vast majority coming from direct consumption rather than system leakage. Meeting climate targets while maintaining current gas consumption levels would require unrealistic reductions from other sectors - requiring a 56 percent drop in other emissions by 2030 if gas emissions remain constant.

While natural gas will certainly play a crucial role in Michigan's energy system over the next decade, its role by 2050 is less certain. Rather than forcing an abrupt transition, the key is to create frameworks that allow for evolution to occur organically as customers and utilities face investment decisions. As households replace aging furnaces, businesses upgrade facilities, and utilities maintain infrastructure, each decision point presents an opportunity to evaluate alternatives to traditional gas service. However, making these decisions effectively requires addressing several critical questions.

- **How should gas infrastructure planning evolve to align with climate goals?**
- **Are there limits that should be established on system expansion or growth projects? If so, how do these limits differ for new connections on the existing system versus new customers connecting to a system expansion?**
- **Should the line extension policies be changed in any way?**
- **When do gas infrastructure replacement projects represent opportunities to promote electrification?**
- **What are the scenarios or circumstances when a replacement project does not represent an opportunity to promote electrification?**
- **Should expectations be established that when LDCs develop the list of construction activities to be pursued each year, replacement projects will focus only on the assets with the highest risk of failure?**
- **Are there reporting requirements that can be adopted to support the MPSC and stakeholders in monitoring directives to prioritize project selection around risk and system safety?**
- **What regulatory changes are needed to manage stranded asset risks?**

- **How can the transition be managed to protect vulnerable customers?**
- **How should transition costs be allocated?**
- **What other types of energy services or business models might the LDCs be able to pivot to in the future?**

These questions cannot be answered in isolation – they require coordinated efforts from policymakers, regulators, utilities and stakeholders. The findings of this report suggest that continuing BAU investment in gas infrastructure creates risks for both ratepayers and utilities while potentially hindering the achievement of state climate goals. However, with proper planning and policy frameworks, Michigan has an opportunity to manage an orderly transition that ensures safety and reliability while advancing climate goals and protecting vulnerable customers.

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)
CONSUMERS ENERGY COMPANY)
for authority to increase its rates for the)
distribution of natural gas and for other relief.)
_____)

Case No. U-21490

REDACTED
DIRECT TESTIMONY
OF
STEVEN Q. MCLEAN
ON BEHALF OF
CONSUMERS ENERGY COMPANY

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1 **Q. Please state your name and business address.**

2 A. My name is Steven Q. McLean, and my business address is One Energy Plaza, Jackson,
3 Michigan 49201.

4 **Q. By whom are you employed and what is your present position?**

5 A. I am employed by Consumers Energy Company (“Consumers Energy” or the “Company”)
6 as the Director of Customer Regulatory and Compliance in the Customer Strategy and Data
7 Analytics Department.

8 **Q. Please review your educational background.**

9 A. I earned a Bachelor of Science in Political Science and Economics from Central Michigan
10 University in May 2003. I earned a Master of Arts in Economics from Central Michigan
11 University in December 2007.

12 **Q. Please review your business experience.**

13 A. In January 2006, I joined the Michigan Public Service Commission (“MPSC” or the
14 “Commission”) where I held various positions of increasing responsibility. In 2011, I was
15 promoted to the Manager of the Rates and Tariffs section. The responsibilities of that
16 section included, but were not limited to, analyzing utility reports, financial records, and
17 rate case filings to determine the appropriate level of rates for regulated energy utilities
18 utilizing laws, regulations, and Commission policies. In August of 2014, I was hired by
19 SEMCO Energy Gas Company (“SEMCO”) as the Rates and Regulatory Affairs Manager.
20 In December of 2016, I was promoted to Director of Regulatory Affairs. As Director of
21 Regulatory Affairs, I was responsible for all state and federal regulatory matters for
22 SEMCO. In addition, I was responsible for SEMCO’s Energy Waste Reduction (“EWR”)
23 Program. In September of 2019, I was hired by Consumers Energy as the Director of

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1 Customer Experience Regulatory Strategy, Reporting and Quality within the Clean Energy
2 Department, and in October 2021, I was promoted to Director of Customer Regulatory and
3 Compliance.

4 **Q. What are your responsibilities as the Director of Customer Regulatory and**
5 **Compliance?**

6 A. In this position, I am responsible for coordinating the regulatory filing and planning
7 processes associated with the Company's EWR Plans, Renewable Energy Voluntary Green
8 Pricing programs, and Demand Response ("DR") programs. In addition, I am responsible
9 for corporate compliance within the Customer Experience and Customer Operations
10 departments.

11 **Q. Have you previously testified before the MPSC?**

12 A. Yes. I testified in the Company's general rate cases, Case Nos. U-20650, U-20697,
13 U-21148, and U-21224; the Company's 2019 and 2020 DR Reconciliations, Case Nos.
14 U-20766 and U-21080, respectively; the Company's 2021 Integrated Resource Plan
15 ("IRP"), Case No. U-21090; and the Company's 2021 EWR Plan, Case No. U-20875.
16 Additionally, I have testified before the MPSC in numerous general rate cases, Gas Cost
17 Recovery cases, EWR cases, and other miscellaneous proceedings on behalf of the MPSC
18 Staff ("Staff") and SEMCO.

19 **Q. What is the purpose of your direct testimony in this proceeding?**

20 A. The purpose of my direct testimony is to describe the Customer Experience and
21 Operations ("CX&O") organization and how the work performed within this organization
22 benefits the Company's residential and business gas customers today and into the future.
23 As part of my direct testimony, I will address the operating and maintenance ("O&M")

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1 expenses and capital investments associated with executing this work in the test year
2 ending September 2024. In addition, I will discuss the proposed terms of the sale of the
3 Company's unregulated Home Products Program, which is currently under negotiation.

4 **Q. Are you sponsoring any exhibits?**

5 A. Yes, I am sponsoring the following exhibits:

6 Exhibit A-12 (SQM-1) Schedule B-5.8 Actual and Projected Capital
7 Expenditures – Customer Experience
8 & Operations;

9 Exhibit A-91 (SQM-2) Summary of Actual & Projected
10 O&M Expenses – Customer
11 Experience & Operations; and

12 Exhibit A-92 (SQM-3) Summary of Actual & Projected
13 O&M Expenses – Home Products
14 Margin

15 **Confidential** Exhibit A-93 (SQM-4)



17 **Q. Were these exhibits prepared by you or under your supervision?**

18 A. Yes.

19 **Q. Please describe Exhibit A-12 (SQM-1), Schedule B-5.8.**

20 A. Exhibit A-12 (SQM-1), Schedule B-5.8, details the capital expenditures related to direct
21 work within the CX&O organization, which total \$501,558 in historical and \$275,753 for
22 the projected bridge period ending September 30, 2024. This reflects a financial forecast
23 based on the work plan and designated development activities for each Customer area.

24 Please note that this testimony also discusses the Customer benefit of the capital
25 spend sponsored by the IT Company witness Stacy H. Baker.

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1 **Q. Please describe Exhibit A-91 (SQM-2).**

2 A. Exhibit A-91 (SQM-2) details the O&M expenses related to work within the CX&O
3 organization, which total \$33,670,828 for the test year ending September 30, 2025.

4 **Q. Please describe Exhibit A-91 (SQM-2), page 4.**

5 A. Exhibit A-91 (SQM-2), page 4, presents the amounts of the projected O&M expenses that
6 were developed by applying either an inflation rate or a merit increase rate to historical
7 O&M expense. Column (b) shows the historical O&M expense. Column (c) shows the
8 historical amount to which an inflation rate or merit increase rate was applied. Columns (e)
9 and (g) show the amounts to which an inflation rate or merit increase rate were applied for
10 each bridge period, respectively. Columns (d), (f), and (h) show the merit and inflation
11 increases for each respective period. Amounts that were projected using other methods are
12 included in column (i). Column (j) is the projected test year O&M and is the sum of
13 columns (b), (d), (f), (h), and (i).

14 **Q. Please describe Exhibit A-92 (SQM-3) and Confidential Exhibit A-93 (SQM-4).**

15 A. Exhibit A-92 (SQM-3) shows the actual expenses, revenue and resulting margin from the
16 unregulated Home Energy Products program for the historical year ending December 31,
17 2022. As discussed later in my testimony, the Company is in negotiations to sell its
18 unregulated Home Energy Products program to an unaffiliated third party. In anticipation
19 of this transaction closing in a manner consistent with the terms currently under
20 negotiation, no projected expenses or revenue are included in the test year for the Home
21 Energy Products program. [REDACTED]

22 [REDACTED]

23 [REDACTED]

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1 **Q. Please provide a summary of the CX&O O&M expenses and capital investments**
2 **projected in the test year.**

3 A. CX&O is projecting a total of \$777,312 in historical and bridge year capital expense, as
4 mentioned above, and \$33.7 million in O&M expense for the test year ending
5 September 30, 2025. This amount comprises \$24.1 million of O&M expenses for
6 Customer Interactions, and \$9.6 million for Billing and Payment. The CX&O O&M
7 expenses are presented in detail on Exhibit A-91 (SQM-2). The historical and projected
8 capital costs for these programs are included in Exhibit A-12 (SQM-1), Schedule B-5.8.

DEPARTMENT	CAPITAL	O&M
Customer Interactions	\$0.692 million	\$24.1 million
Billing & Payment	\$0.086 million	\$9.6 million
Total	\$0.777 million	\$33.7 million

9 The Company is also projecting \$1,292,439 dollars for customer capital
10 investments in the test year to support the CX&O IT infrastructure. All IT-related capital
11 costs discussed herein are in the IT budget and discussed by Company witness Stacy H.
12 Baker.

13 **Q. How is the remainder of your testimony organized?**

14 A. My testimony is organized as follows:

15 I. Customer Experience and Operations

16 A. Customer Interactions

17 B. Billing and Payment

18 II. Home Energy Products Program

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1 **I. Customer Experience and Operations**

2 **Q. Please describe CX&O.**

3 A. The activities of the CX&O organization strive to optimize the positive experience natural
4 gas customers have when interacting with the Company. It has two major segments—
5 Customer Interactions and Billing & Payment. Customer Interactions ensures that
6 customers are equipped to connect with the Company in their preferred channel (phone,
7 Interactive Voice Response (“IVR”), website, mobile app, or digital correspondence—such
8 as text messages). Billing & Payment provides customers with accurate, punctual energy
9 bills and consistent payment processes, and arranges personalized payment plans or
10 settings (e.g., inability to pay arrangements, pay by phone/website, payment alerts, choose
11 your own bill due date) for individual customers.

12 These two core strategies are fundamental to accomplishing the Company’s
13 customer experience goals. The Company relies on its array of customer experience
14 offerings to ensure that customers are satisfied when interacting with Consumers Energy
15 and are, therefore, positively inclined to enroll in its clean energy programs. The Company
16 recognizes the energy industry is increasingly expected and committed to pursuing clean
17 energy and believes that customer engagement and participation is critical to realizing this
18 future.

19 **Q. Is the Company’s IT witness sponsoring any Customer projects?**

20 A. Yes. Company witness Baker is sponsoring test year funding for three Customer-related
21 technology projects totaling \$1,292,439 in capital expenditures and \$297,697 in O&M
22 expenses. Please see Ms. Baker’s testimony for additional information.

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1 The IT Department is a critical partner in CX&O’s plans and initiatives - relying
 2 on the expertise provided by IT to help develop and implement necessary digital solutions
 3 as identified in CX&O. IT maintains the Company’s technology systems, ensuring they
 4 operate efficiently, reliably, and free from cybersecurity risks. IT also supports analytic
 5 platforms and solutions that provide deeper insight into customer needs and enables CX&O
 6 to establish appropriate targets for metrics, products, and customer programs, which are
 7 necessary to allow CX&O to select the most cost-effective and beneficial solutions for
 8 customers. Together, these departments ensure customers receive secure, reliable, and
 9 positive experiences across all channels of interaction with the Company. Continued
 10 investment in technology requires additional ongoing funding to initiate, support and
 11 maintain these platforms. Support for the CX&O business technology drivers is
 12 documented in the IT Digital Three-Year Plan, which is included as Exhibit A-17 (SHB-1).
 13 Cross-references to CX&O projects are noted below.

PROJECT	CAPITAL	O&M	SQM-Testimony Reference
Customer Order Service Tracker	\$856,507	\$178,155	DCO – page 15
Customer Work Request Web Portal	\$435,932	\$119,542	DCO – page 16
Total	\$1,292,439	\$297,697	

14 **A. Customer Interactions**

15 **Q. Please provide an overview of Customer Interactions.**

16 A. Customer Interactions is responsible for the execution and ownership of the various
 17 channels of customer interactions as identified above. This work includes the following

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1 areas of focus: Digital Customer Operations (“DCO”), Customer Contact Center, Business
2 Customer Care (“BCC”), Credit and Assistance, and Analytics & Outreach. All five are
3 aligned to the larger department goals of: (i) providing customers the opportunity to serve
4 in their channel of choice; (ii) continuously improving the customer experience to allow
5 customers to choose new programs and products to meet their energy needs; and
6 (iii) allowing the Company to achieve its clean energy goals. To effectively perform in
7 these areas, the Company is projecting \$24.1 million of O&M expenses for the test year
8 ending September 30, 2025, as shown on Exhibit A-91 (SQM-2).

9 **1. Digital Customer Operations**

10 **Q. Please provide an overview of DCO.**

11 A. DCO is responsible for the operation and continuous improvement of the Company’s
12 customer-facing digital applications, including the website and mobile application. The
13 DCO team collects over 3,900 points of customer survey feedback every month, which
14 drive the team’s priorities in four simultaneous work cycles: (1) small, agile digital changes
15 using available tools; (2) managing the design, development, and launch of monthly
16 releases to add new features or modify user flows; (3) leading major technology projects
17 that add new or modify existing functionality to better serve customers; and (4) executing
18 the implementation of programs online to help accrue energy savings and clean energy
19 opportunities for customers.

20 To continue this work, the Company is projecting \$2.2 million of O&M expenses
21 for the test year ending September 2025. As shown on Exhibit A-91 (SQM-2), this
22 represents a decrease in O&M expenses of \$1.5 million from the \$3.7 million expended in
23 2022. Lower contractor costs account for the majority of this decrease.

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1 **Q. What types of transactions do customers complete online?**

2 A. The most common reasons customers use the Company's website and mobile app are to
3 check the billing status of their account (13.7 million views in 2022), make payments
4 (14.2 million views in 2022), report an outage, or view the status of an outage (4.1 million
5 outage page views in 2022), check energy usage information (1.2 million page views in
6 2022), and investigate additional service information—such as auto-pay, eBill enrollment,
7 budget billing, and information on products and services. The Consumers Energy website
8 also serves as the principal vehicle to enable customers to sign up for clean energy program
9 rebates, enroll in energy saving programs, and save money with energy-efficient products.

10 **Q. Please explain why the Company is continuing to invest in multiple digital methods**
11 **to allow customers to complete transactions or find information in their channel of**
12 **choice.**

13 A. Customer needs vary widely, whether they are interested in reducing their energy use for
14 environmental reasons, having their billing questions answered, or setting up the right day
15 and time for their move-in. Continued investments are needed to keep pace with changes
16 in customer habits and expectations as use continues trending toward more integrated and
17 sophisticated digital services, as well as ensuring channel parity so that customers can
18 complete all transactions in all channels.

19 Additionally, expanding the Company's digital channel enables customers to
20 complete a variety of activities on a smartphone or computer at a time that may be more
21 convenient than the limited call center service hours, shifting costs to the more
22 cost-effective channel. Customers paid \$2.4 million of bills through the web and
23 \$1.4 million via the mobile app daily. Both channels are on track to see \$1.4 billion in

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1 payments yearly. Online transactions cost approximately \$0.11 versus \$9.22 per live agent
2 call (utilizing internal contact center resources), making this a cost-effective alternative to
3 expanding the call center service hours. The Company's digital channels are critical
4 systems requiring proper levels of support to ensure they function when and how customers
5 need them.

6 It is important to note that—like most peer institutions for which this has become
7 the customer expectation - the Company continues to support several channels in response
8 to customer needs and choices for communicating and completing transactions to meet
9 customers where they are. The Company's IVR System currently co-exists in the digital
10 platform space with the website/mobile website and the mobile app. Similarly, the
11 Company maintains call centers and direct payment offices for customers who prefer to
12 communicate or pay face-to-face. Many of these channels are maintained in service of the
13 wide variety of customer needs given generational and socio-economic factors.

14 **Q. Please describe the DCO capital costs included in the historical and bridge period.**

15 A. The capital dollars identified for the bridge period are to support the DCO's data collection
16 automation efforts. It will enable automated data analysis, metric generation, and
17 operational tracking activities used to measure, benchmark, and assess the customer
18 experience, which have up to now been manual. Additionally, automating new data
19 processing from new sources helps avoid the costs of the 2-3 new full-time employees that
20 would otherwise be required to complete the manual processes, and avoid the errors
21 introduced by manual processing.

22 As the Company continually seeks to further its ability to understand customer
23 demands and more efficiently resolve issues, these efforts require a rich data set that can

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1 be utilized to ensure customer offerings effectively and efficiently align to customer needs.
2 The existing customer research system is designed to support these efforts; however,
3 improvements can be made by better utilizing data to supporting new, more targeted, and
4 more cost-effective customer offerings. This continued investment will automate further
5 data collection including vendor and internal systems information, reformat it to conform
6 to data standards, and incorporate it to the existing data repository.

7 This ensures the customer data available to internal business partners is centralized,
8 streamlined, and visualized, reducing defects and rework, and increasing their ability to
9 make the kind of connections that lower costs (e.g. reducing calls to the Contact Center)
10 and reduce customer pain points (e.g. website speed during an outage) when interacting
11 with the Company. Continuing to refine and add data sources will improve the ability of
12 Customer Experience teams to assess customer sentiment, identifying the best course of
13 action for addressing customer feedback and improving the experience overall.

14 Completing this automation and integration activity further supports the
15 Company's ability to efficiently identify the right opportunities for customers who may
16 require assistance, such as the Company's low-income demographic. With the robust data
17 set, we can connect with the customer and target the right plan through the preferred
18 communication channel.

19 **Q. Is the CX&O Department proposing test year IT costs related to DCO projects?**

20 A. Yes. Company witness Baker is sponsoring test year capital IT costs for two DCO projects:
21 (i) \$1,292,439 in capital and \$297,697 in O&M in the test year for the Company's
22 Customer Order Service Tracker and Customer Work Request Web Portal. Please see

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1 Ms. Baker's testimony for additional information. The customer benefit of each project is
2 discussed below.

3 **CUSTOMER WORK REQUEST PORTAL**

4 **Q. Please detail the Customer Work Request Portal.**

5 A. The Customer Work Request Web Portal project provides a comprehensive web interface
6 which will allow customers to originate and view the status of new business service and
7 service alteration requests and will provide the ability to obtain information about work
8 orders and status updates at any time of day without having to contact a customer service
9 representative. This project was developed in response to direct feedback from customers
10 collected through Customer Experience data which indicated low scores in the 'Keeping
11 You Updated' and 'Accommodating Your Schedule' categories due to the customer's
12 inability to obtain timely work order status updates.

13 **Q. Is this service already available on any of the Company's other digital channels?**

14 A. No. For most types of customer-initiated work, the customer must contact the Energy
15 Request Center via phone during normal business hours to schedule or reschedule work or
16 to receive status updates. For certain requests (mainly new builds), the Company's website
17 does offer limited self-service options for work order status updates—primarily for the
18 Customer Energy Management ("CEM") team which does not target residential customers.

19 **Q. What are the other benefits this project provides?**

20 A. This project provides value for the Company and its customers by allowing customers and
21 builders to start and submit new service requests from their web browser, use the submitted
22 information to complete internal forms, pay service invoices, and display status updates for
23 service requests and property restoration items. Today, these actions all must be initiated

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1 by the customer through the call center, necessitating customers' manual tracking of
2 various notification numbers during the process. Additionally, today, new service invoices
3 are generated manually and sent by email or postal mail making them difficult to keep track
4 of, resulting in delayed or unpaid invoices.

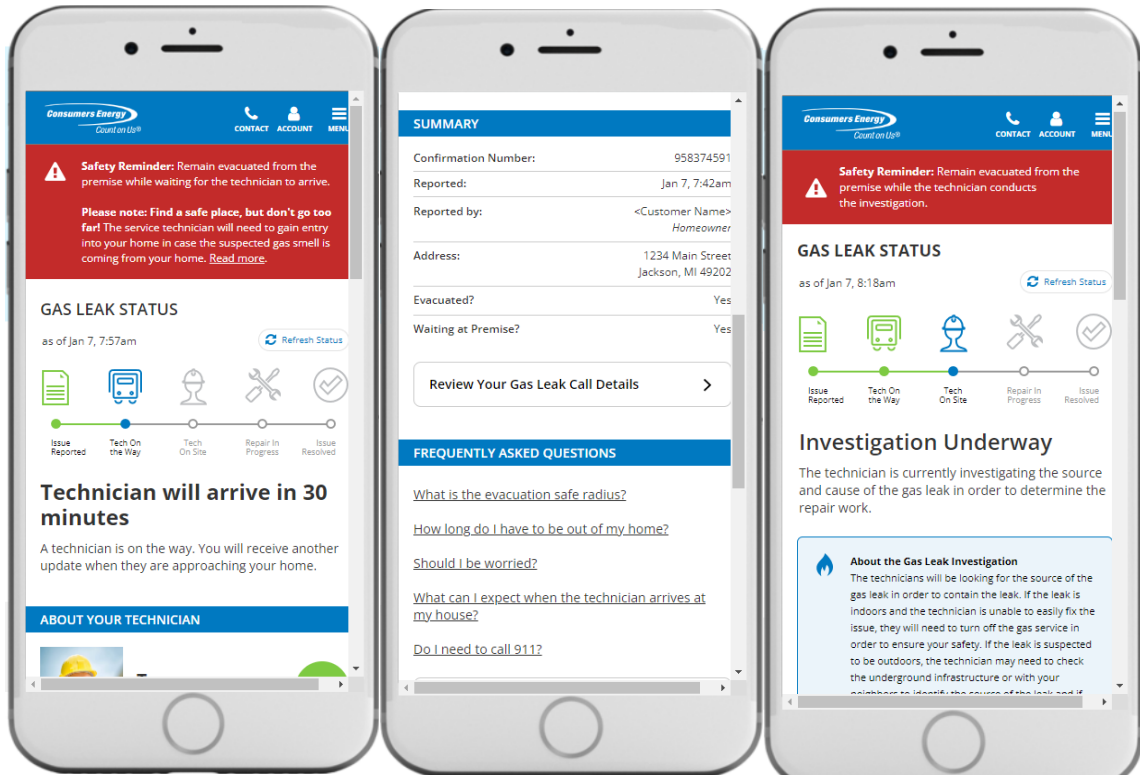
5 **CUSTOMER ORDER SERVICE TRACKER**

6 **Q. Please detail the Customer Order Service Tracker.**

7 A. The Customer Order Service Tracker will implement a service order status tracker to
8 provide both transparency to customers and oversight to internal teams supporting utility
9 service orders across Company service areas. The tracker will provide timely and accurate
10 service order updates, creating a more robust customer experience for tracking service
11 order status and crew location updates, as well as an interactive digital channel for use by
12 dispatch, scheduling, and field crews.

13 Helping the customer to understand where their request is in the process reduces
14 frustration by providing a clear view into their order. This project seeks to offer a simple,
15 informative option which the customer can easily access and check. The images below are
16 mock-ups of the potential user experience flow, designed around a mobile device user in a
17 gas leak emergency.

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1 Q. Why is this project important in the customer space?

2 A. "Short cycle" orders include emergencies, forestry, meter services, and new construction,
3 and they account for many of the incoming customer inquiries to the contact centers.
4 Customers have very limited visibility into when Company-assigned crews will be on
5 premise for this work because this information can only be obtained via phone calls to
6 customer service representatives, resulting in approximately 346,000 annual contact center
7 calls related to these short cycle requests. This leads to overall customer dissatisfaction due
8 to lack of visibility into scheduled and ongoing short cycle work.

9 Current lack of visibility by dispatchers increases truck rolls because they are
10 unaware of crew locations and routes which can cause crews to be assigned improperly.
11 Enabling a digital channel for utility service order communication for both customers and

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1 dispatchers will improve customer experience and reduce the waste of repetitive crew
2 dispatching.

3 **Q. Are there additional benefits to the Customer Order Service Tracker?**

4 A. At its fundamental level, this project will provide transparency on the timing and location
5 of the assigned crew completing utility short cycle service orders. As a result, use of the
6 tracker will reduce calls from customers seeking clarification by scheduling and
7 communicating arrival timeframes and providing notifications when crews are in-route;
8 improve resource assignment, decreasing wasted truck rolls; and allow crews to connect
9 with customers through digital channels.

10 **HISTORICAL/BRIDGE YEAR IT PROJECTS**

11 **MIMO (Move-In, Move Out) EE**

12 **Q. Please provide additional information for the Move in Move Out (“MIMO”) – Energy**
13 **Efficiency (“EE”) project.**

14 A. The Company incurred additional costs for the implementation of the MIMO project, as
15 detailed in Company witness Baker’s testimony. MIMO offers a customer benefit via
16 extending the Company’s customer self-service functionality to customers seeking to
17 transfer or enroll in EE programs during MIMO transactions. Customers can access a
18 digital portal that allows them to transfer or sign up for new programs for which their
19 account remains eligible after their move, select a rate and a bill due date that works best
20 for them, and reschedule a move date if needed. Previously, customers were not able to
21 independently enroll or retain enrollment in EE or demand response programs when
22 moving. Rather, they needed to call the Contact Center, driving up call volume and

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1 potentially driving their customer experience down if the Contact Center hours are not
2 convenient for them.

3 **MOBILE APPLICATION**

4 **Q. Please describe customer interaction in the Company's Self-Service Mobile**
5 **Application since its launch.**

6 A. Since the December 2021 launch, there have been over 504,000 downloads of the
7 Company's Self-Service Mobile application, and use of the app has continued to grow,
8 with 1.5 million bill payments, 15,000 outages reported, 18,000 eBill enrollments,
9 56,000 notification alert signups, 31,200 auto pay enrollments, and 12,125 budget plan
10 enrollments—a feature recently made available on the app. Since adoption, the mobile app
11 has accounted for 18.5% of all customer interactions and ranks as the second (out of 10)
12 most popular customer communication channel. This growth is evidence that customers
13 are swiftly moving toward app utilization as one channel of choice.

14 **Q. Please describe the customer benefits of the Mobile Application.**

15 A. The Mobile App uses a completely separate logic from the legacy digital products to allow
16 for intuitive, quick, and efficient transactions, including simple login, direct access, and
17 faster speed, offering customers a streamlined experience that allows them to complete the
18 most common interactions on their phone. The Mobile App does not include the entirety
19 of the website's information, but neither does it have the website's structural complexity,
20 making it faster and easier to use by putting the most requested, or used, items on another
21 device that most customers have access to 24 hours a day. The Mobile Application can
22 also load without the use of a web browser, making it accessible in situations where web
23 access is not available (e.g. a web outage).

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1 Additionally, having the Mobile App available during potential website downtime
2 or outages provides a consistent and reliable bridge platform for routine customer
3 transactions while events are underway. Customers would have the convenience and
4 simplicity of completing routine transactions, such as bill payment, in the Mobile App in
5 the event unforeseen issues arise.

6 **Q. Why is the Company continuing to pursue further development of the Mobile**
7 **Application?**

8 A. As detailed above, the Mobile Application is proving to be a popular and useful channel of
9 choice for customers. The Company seeks recovery of funding spent in response to the
10 initial and subsequent launches of the Application, responding to customer feedback,
11 implementing additional usability and reliability, and enhancing the overall customer
12 experience. Please see additional discussion of the related work in Company witness
13 Baker's testimony.

14 **CUSTOMER SELF-SERVICE ONLINE WORK SCHEDULING**

15 **Q. Why is the Company continuing to invest in the online work scheduling platform?**

16 A. The Company has incurred additional costs for the implementation of the Customer
17 Self-Service Online Work Scheduling project, as detailed in Company witness Baker's
18 testimony.

19 Continued investment in the Customer Self-Service Online Work Scheduling Tool
20 helps the Company to maintain a reduced call volume and an increased customer
21 experience for "new business" services and alterations. Customers who require scheduled
22 utility work at their premises for new services are able to self-serve much of the information
23 they wish to provide to or obtain from the Company. The Company has updated the online

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1 customer self-service portal to enable online submissions of new requests and forms, which
2 avoids the need for customers to call for information such as scheduled time of work, phase
3 of the process, identifying which forms are required, and status updates.

4 This project will help to increase the Company's efficiency by reducing the manual
5 work needed to directly communicate with customers. Since the initial launch, the
6 Company has seen a 60% reduction in calls regarding new business services. It is further
7 expected that further updates will provide a technical and business process foundation for
8 other similar initiatives in the future.

9 **BUSINESS CUSTOMER INTERVAL WEB PORTAL**

10 **Q. Why is the Company continuing to invest in the Business Customer Interval Web**
11 **Portal?**

12 **A.** The Company has incurred additional costs for the implementation of the Business
13 Customer Interval Web Portal project, as detailed in Company witness Baker's testimony.
14 The Business Customer Interval Web Portal project developed an Interval Web Platform
15 for Business Customers to provide insight into their energy usage.

16 The Energy Dashboard, launched in 2019, is the newer generation of the legacy
17 Interval Web Portal, which was originally developed to provide customers a self-service
18 option for understanding the details of their energy use, including the ability to download
19 usage data. This type of insight tool is a common customer offering within the energy
20 industry and elsewhere, allowing the Company to build trust and transparency with
21 customers.

22 This project continues to provide value to both the Company and its business
23 customers through increased customer engagement and satisfaction through self-service

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1 capability focused on energy use reduction, and reduced calls and contacts with the
2 Company regarding energy usage and energy use reduction options.

3 **CX&O IT ENHANCEMENTS**¹

4 **Q. Please describe how CX&O IT enhancements are identified and implemented.**

5 A. CX&O IT enhancements are technology improvements which benefit customers and are
6 implemented in response to the launch of a channel, customer tool, project completion
7 and/or direct customer feedback. Depending on the need identified, enhancement dollars
8 could be utilized to support the enhancement of any customer supporting feature and/or
9 capability, often as emerging requests. These items are small-scope items with a reduced
10 budget and fewer resource requirements in comparison to larger capital investments.
11 Having the flexibility to implement CX&O IT enhancements enables the Company to meet
12 emerging needs without the longer lead time of rate case submissions.

13 Examples of enhancements include improving overall functionality of the channel
14 or tool, analytics on platform usage, addressing issues identified internally or via customer
15 feedback, adding relevant or customer-driven capability, and performance monitoring.

16 **Q. How do CX&O IT enhancements benefit the Company's customers?**

17 A. Enhancements assist the Company in providing a better, more optimized customer
18 experience for customers through improved understanding of how they use the channels or
19 tools, which features are important to their experience, and how the channels or tools are
20 performing. Specific enhancements are discussed throughout my testimony in the
21 corresponding business area and IT Company witness Baker's testimony.

¹ For 2021 and 2022 the actual project name was Enhancements-CX&O-Capital and starting in 2023 the project is named **Product Family Enhancements-Customer-Capital**.

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1 on Exhibit A-12 (SQM-1), Schedule B-5.8, the Company had \$469,668 of capital
2 expenditures in the historical test year. These expenditures were used to develop the
3 infrastructure necessary to compensate sales employees as they drive enrollment in
4 Company programs such as EWR, DR, VGP and others.

5 **4. Credit and Assistance**

6 **Q. Please provide an overview of Credit and Assistance.**

7 A. Credit and Assistance consists of: (1) Theft Investigations, (2) Revenue Operations, and
8 (3) Energy Assistance, which collectively manage the Company's collections cycle and
9 support its most vulnerable customers by connecting them with Company-sponsored
10 payment plans and public assistance funding to help customers pay their bills.

11 The Theft Investigation Team provides the critical service of identifying and ending
12 energy theft in the Company's service territory – important both for maintaining the safety
13 and integrity of the Company's system and minimizing all customers' costs. In 2022, the
14 team identified 1,310 confirmed cases of theft and billed for \$672,115.99 in unauthorized
15 use and investigation costs – a decrease of 327 cases and an increase of about \$86,000
16 billed over the previous year.

17 Revenue Operations addresses past due customer accounts or those involved in
18 bankruptcy. Employees within this area manage the collections cycle, beginning with
19 issuing a notice to customers and ending with visiting their premises to disconnect service.
20 This group also manages contracts with outside collection agencies to recover payments
21 from customers with outstanding balances. In 2022, the Company contracted with outside
22 collection agencies for \$2.1 million (covering recovery for both gas and electric accounts).
23 Consequently, the agencies recovered \$7.5 million of previously written-off customer

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1 balances, of which \$2.4 million accounted for *gas-only* recoveries (33% of total).
2 Recovery of these payments directly offsets the uncollectible expense discussed in the
3 testimony of Company witness Matthew J. Foster.

4 The Energy Assistance team is responsible for administering the Company's
5 Consumers Affordable Resource for Energy ("CARE") Program, which supports
6 low-income customers who may be struggling to pay their monthly energy bills. By
7 coordinating with other organizations in fiscal year 2022 this team obtained \$10.28 million
8 of assistance for its customers requested through the Michigan Energy Assistance Program
9 ("MEAP") – which helps provide customers with either a one-time bill assistance payment
10 or on-going support via enrollment into an Affordable Payment Plan. These plans offer
11 customers reduced monthly bills and gradually pays down any arrears brought into the
12 program. In addition to MEAP assistance, customers received \$20.3 million in State
13 Emergency Relief payments and \$11.5 million in Home Heating Credit assistance.

14 To continue the work in this area, the Company is projecting \$2.7 million in O&M
15 expenses for the test year ending September 2025. As shown on Exhibit A-91 (SQM-2),
16 page 3, this request represents an increase of about \$100,000 in O&M expenses from the
17 \$2.5 million expended in 2022.

18 **5. Analytics and Outreach**

19 **Q. Please provide an overview of the Analytics and Outreach area.**

20 A. The Analytics and Outreach team provides a suite of functions which include customer
21 research, data analytics, and customer outreach. Work performed by this team supports
22 the entire CX&O organization and the Company in general.

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1 By collecting and analyzing data from customers or syndicated and industry
2 sources, the team can provide insights that allow the Company to improve overall customer
3 experience, develop new service options, respond to regulatory reporting, and pursue more
4 effective customer communications—communicating and engaging customers with the
5 right offer, with the right message, and in the right channel.

6 The Company is projecting \$3.0 million of O&M expenses for the test year ending
7 September 2025, as shown on Exhibit A-91 (SQM-2). This represents a decrease of
8 \$60,000 from the \$3.1 million expended in 2022. This decrease is attributed to the
9 department's expenses now being carried by the teams who request their marketing and
10 market research services (Demand Response, Energy Waste Reduction, etc.) and are
11 reflected on those budgets.

12 **B. Billing and Payment**

13 **Q. Please provide an overview of Billing and Payment.**

14 **A.** Billing and Payment is responsible for leveraging customer feedback to ensure payment
15 processes are consistent and simple, monthly energy bills are accurate and easy to
16 comprehend, and customers receive their bills in a timely fashion. The work in this
17 department is divided between Customer Billing and Customer Payment Programs. The
18 Company is projecting \$ 9.6 million of O&M expenses for the test year ending September
19 2025. As shown on Exhibit A-91 (SQM-2), this represents a decrease in O&M expenses
20 of about \$8.0 million from the \$17.5 million expended in 2022. This decrease is mainly
21 due to the Company's policy shift in assessing credit card fees.

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1 **1. Customer Billing**

2 **Q. Please provide an overview of Customer Billing.**

3 A. Customer Billing manages the exceptions process, which is a quality control process
4 designed to review unusual bills (both digital and paper) and bill for unique programs
5 before they are sent to customers. This review may involve contacting customers to gather
6 additional information or to inform them of a potential billing issue. Bills may be corrected
7 through the billing adjustment process, or meters maybe reread as part of the validation
8 process. Rigorous improvement efforts to ensure every customer bill is accurate results in
9 the Customer Billing team continually optimizing its processes and technology to aid in
10 the review of billing exceptions. Ensuring that customers receive the right bill every time
11 is critical. To continue this work, the Company is projecting \$8.2 million of O&M
12 expenses for the test year ending September 2025. As shown on Exhibit A-91 (SQM-2),
13 this represents a decrease of \$200,000 from the \$8.4 million expended in 2022.

14 **Q. Please explain the costs within Customer Billing.**

15 A. The cost for stationery, forms, and postage related to the Company's billing and dunning
16 communication processes is included in Customer Billing. In 2022, the Company mailed
17 nearly 21 million paper bills, and approximately 2.4 million dunning notices. As illustrated
18 in Figure 1 below, the Company has incurred increased postage rates in recent years, and
19 the increased costs of additional dunning notices being mailed.

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Figure 1. Current and Projected Dunning and Postage Costs



1 To mitigate these cost increases, the Company has taken action to increase customer
 2 enrollment in electronic billing, or eBill. Consumers has successfully increased eBill
 3 participation from <27% in 2017 to 46% as of Q2 of 2023, which is 1st quartile
 4 performance.² This growth has offset postage costs by over \$2.5 million annually by
 5 reducing the number of pieces mailed.

6 However, cost per piece of postage has steadily increased over the past three years
 7 (6% in 2022) and is expected to continue to increase due to US Postal Service postage
 8 increases, offsetting the savings realized from growing eBill enrollment. Without eBill
 9 enrollment increases in the cost for postage would cause cost for customer billing to
 10 steadily rise in total. In addition, as shown on Exhibit A-91 (SQM-1) the Company spent
 11 \$85,753 during the projected bridge period on printers used for customer bills. Two of the

² 2022 YE FirstQuartile Consulting

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1 Company's printer reached end of life during 2023 and it was necessary to replace them to
2 continue to be able to bill customers.

3 **2. Customer Payment Programs**

4 **Q. Please describe the CX&O Customer Payment Programs group.**

5 A. Customer payments are among the most sensitive and frequent touchpoints the Company
6 has with customers, with approximately 34 million payments made annually. The
7 Company's Customer Payment Strategy focuses on removing payment difficulties,
8 providing payment options that customers expect, and ensuring all customers have the
9 same easy payment experience regardless of how they choose to pay their bill. This has
10 resulted in a significant reduction of payment-related calls and complaints and
11 improvement in customer experience. The Company continues to make it a priority to
12 accommodate customer preferences with a variety of desirable options to meet current
13 customer expectations and to maintain a single set of customer-friendly payment rules that
14 apply across all payment options.

15 **Q. Please describe the costs associated with the Customer Payment Programs.**

16 A. The Company is projecting \$1.3 million in 2025 test year O&M expenses shown on Exhibit
17 A-91 (SQM-2). This represents a \$7.7 million decrease from the \$9.0 million expended in
18 2022. The decrease is mostly due to ending the socialization of credit card fees. Operating
19 costs associated with customer payments continue to evolve with changes in customer
20 behaviors and preferences.

21 **Q. What are the anticipated payment processing fees costs for the test year?**

22 A. Within the \$1.3 million of Customer Payment Programs test year O&M, the Company is
23 projecting \$477,507 in payment processing fees O&M expenses for the test year.

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1 Additional payment-related fees over the \$477,507 above include bank lock box
2 fees in the amount of \$372,499 and approximately \$473,662 in Direct Payment Office
3 (“DPO”)-related payment fees.

4 **Q. What payment fees are included in the case?**

5 A. Additional payment-related fees over the \$1.3 million above include bank lock box fees in
6 the amount of \$356,474 and approximately \$849,440 in DPO-related expenses.

7 **Q. Are there additional changes to the way the Company collects payment processing
8 fees?**

9 A. The Company has implemented a policy change which asses customers a payment card
10 service fee when paying by debit or credit card.

11 **Q. Are the payment fees recovered from all customers?**

12 A. The various forms of payment the Company accepts include Electronic – Web Banking,
13 Digital – ACH (CE.com, Mobile App, IVR, Text), Electronic – Business eLockbox, C&I
14 Business – Electronic Data Exchange (CTX), Mail (checks), Electronic Business Portal
15 (BillTrust), Digital Card (CE.com, Mobile App, IVR, Text), In Person – Paystations
16 (Authorized Pay Agent), CE Payment Office – Check, CE Payment Office – Cash, and CE
17 Payment Office – Card. All are recovered from all customers except for Authorized Pay
18 Agents and Card Processing. Outside of Direct Payment Offices, these two categories
19 represent the highest per transaction costs for payment processing.

20 **Q. Does the Company anticipate any revenues generated by assessing payment card
21 service fees to customers continuing to pay with a credit/debit card?**

22 A. No, the Company does not anticipate or forecast any revenue being generated from the card
23 payment processing fees.

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1 **Q. Please provide an overview of DPOs.**

2 A. Consumers Energy has eight DPOs around the state of Michigan, all located within existing
3 Company facilities, making them a cost-effective option for customers to pay their bills in
4 person. These offices serve some of the Company's most vulnerable customers, such as
5 seniors and low-income customers, providing them with a community resource that can
6 connect them with billing options and assistance opportunities.

7 **Q. Does the Company offer other in-person payment options in addition to the remaining**
8 **DPOs?**

9 A. Yes. The Company has maintained its relationship with an authorized pay agent, that
10 accepts payments at stations such as Wal-Mart, Kroger, and other associated store fronts.
11 These pay stations serve as de facto DPOs. This provides customers with the continuity
12 and convenience of being able to pay their bill without having to locate a DPO. Customers
13 are charged a fee to pay their bill in these locations, which covers the costs of the processing
14 fee the Company is charged to have this option.

15 **Q. Does the Company itself collect the payment fee?**

16 A. It does not. The authorized pay agent implements and collects the fee from the customer
17 utilizing their services.

18 **Q. Will the fee remain \$1.75?**

19 A. No. Going forward the fee will be \$1.50 per the agreement between the vendor and the
20 Company.

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1 **II. HOME ENERGY PRODUCTS PROGRAM**

2 **Q. Please describe the proposed terms of the sale of the Company’s Home Energy**
3 **Products Program and Home Products credit, currently under negotiation.**

4 A. The Company has chosen to sell the unregulated Home Energy Products business to an
5 unaffiliated third-party. Home Energy Products refers to a portfolio of unregulated value-
6 added products and services (“VAPS”) which consists of the Company’s Appliance
7 Service Plan (“ASP”), appliance repair, and the AllConnect Mover Program. Negotiations
8 are ongoing regarding an unaffiliated third-party’s purchase of the Company’s Home
9 Energy Products Program portfolio. As part of these negotiations there is a proposal for
10 Consumers Energy to enter into a third-party contract, or the Long-Term Service
11 Agreement (“LTSA”), with the buyer, which will permit the continued offering of these
12 services to customers. Going forward, if this transaction closes in a manner consistent with
13 the terms currently under negotiation, this contractual arrangement will allow the Company
14 to continue to connect customers to these services provided by the third party, earning a
15 monthly per-customer revenue share and call transfer fee.

16 **Q. What are the impacts to projected revenues and expenses?**

17 A. The Company has chosen to remove all projected revenue and expenses from the Home
18 Energy Products Program from the revenue requirement calculation in this case. I will
19 describe the Company’s proposal for addressing the proceeds from the sale and future
20 revenue sharing.

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1 **Q. Please describe how the proceeds of the sale will be shared with the Company's**
2 **customers?**

3 **A.** If the transaction closes in a manner consistent with the terms currently under negotiation,
4 customers will receive a one-time voluntary sharing of approximately 50% of the up-front
5 payment related to the pending sale of the Home Energy Products Program after financial
6 transaction costs have been deducted. As described by Company witness Heidi J. Myers,
7 this will be amortized and given to customer over a five-year period.

8 The proceeds for the test year includes an assumption for the financial transaction
9 costs. In future years, the gain share will be adjusted to reflect actual transaction costs.

10 [Redacted]

11 [Redacted]

12 [Redacted]

13 [Redacted]

14 [Redacted]

15 [Redacted]

16 [Redacted]

17 [Redacted]

18 [Redacted]

19 [Redacted]

20 [Redacted]

21 [Redacted]

22 [Redacted]

23 [Redacted]

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1 [REDACTED]
2 [REDACTED]
3 [REDACTED]
4 [REDACTED]
5 [REDACTED]

6 **Q. Please describe how, under the proposed transaction, the revenue will be shared with**
7 **the Company’s customers?**

8 A. If the transaction closes consistent with the terms currently under negotiation, going
9 forward, 100% of proceeds from the LTSA would be shared with customers via future
10 general rate cases.

11 **Q. How has the Company included the proposal to voluntarily share proceeds from the**
12 **pending sale and the ongoing revenue from this transaction in the revenue**
13 **requirement and proposed rates?**

14 A. In anticipation that that transaction will close in a manner consistent with the terms
15 currently under negotiation, the Company has excluded all revenue and expenses
16 associated with the future operation and sale of the Home Products Program from the
17 revenue requirement and, instead, the Company is proposing to share proceeds from the
18 sale, revenue sharing, and call transfer fee through a volumetric bill credit (“Home Products
19 Credit”) to all customers. Accordingly, the Company’s proposed Cost-of-Service Study
20 and Rate Design do not include any Home Products revenue or expenses. Company
21 witnesses Yong F. Keyes provides an allocation of the credit by rate class. Company
22 witness S. Austin Smith includes the calculation of the volumetric Home Products Credit
23 included as Confidential Exhibit A-109 (SAS-9).

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1 **Q. How will this transaction and ongoing relationship affect the Company's ability to**
2 **remain in compliance with the MPSC Code of Conduct rules?**

3 A. If this transaction closes in a manner consistent with the terms currently negotiated, the
4 sale would reinforce the boundary between regulated utility services and non-regulated
5 customer offerings, removing the Company from direct provision of non-regulated services
6 without restricting customer awareness of and easy access to those products.

7 **Q. Does this conclude your direct testimony?**

8 A. Yes.

U-21806 Exh CUB-6) Sales-normalized labor cost adjusted for Inflation and Productivity

Witness Rick Bunch

page 1/4

Projection of labor costs, normalized to sales plus inflation and productivity offsets

Cost description	a	b	c	d	e	f
	2023-2024 historical average actual labor expense	12 mo. ending 12/31/2026 based on historical + PAI	12 mo. Ending 12/31/2026 projected labor expense	Absolute variance from PAI- adjusted labor	% variance from PAI- adjusted labor intensity	
				$e = d - c$	$f = e / d$	
1 O&M labor	142,952	147,323	160,655	13,332	109.0%	
2 Capitalized labor	328,223	338,259	445,866	107,607	131.8%	
3 Total labor	471,174	485,583	606,521	120,939	124.9%	
4 Test year vs 2023-2024 avg		124.9%	128.7%			

Productivity-Adjusted Inflation (PAI) by year

Factor	2024	2025	2026	Compounded		
				2024-2026	2025+2026	
5 Projected inflation	3.2%	2.40%	2.50%	8.32%	4.96%	source: Rayl direct, p12
6 Labor Productivity factor	<u>0.79%</u>	<u>0.79%</u>	<u>0.79%</u>	<u>2.39%</u>	<u>1.59%</u>	
7 Unit Labor Cost growth	2.41%	1.61%	1.71%	5.93%	3.37%	
8 Total Factor Productivity factor	<u>0.83%</u>	<u>0.83%</u>	<u>0.83%</u>	<u>2.51%</u>	<u>1.67%</u>	
9 Total Factor Productivity growth	2.37%	1.57%	1.67%	5.81%	3.29%	

U-21806 Exhibit CUB-6
 BLS productivity factors
 page 2/4

Annual labor productivity by state and region, N.A. = data not available
 Data released May 30, 2024; Bureau of Labor Statistics, Office of Productivity and Technology

						a	b	c	d	e	f	g	h	i	j	k
	Sector	Area	Basis	Measure	Units	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Average
1	Private nonfarm	Michigan	All workers	Labor productivity	Index (2017=100)	100.086	99.44	99.928	100	101.029	102.219	110.268	110.553	106.325	107.504	
2	Private nonfarm	Michigan	All workers	Labor productivity	% Change from previous year	0.2	-0.6	0.5	0.1	1	1.2	7.9	0.3	-3.8	1.1	0.79

Annual total factor productivity and related measures for major sectors, N.A. = data not available
 Data released March 21, 2025; Bureau of Labor Statistics, Office of Productivity and Technology

	NAICS	Sector	Basis	Measure	Units	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Average
3	XG	Private nonfarm business sector	All workers	Total factor productivity	% Change from previous year	0.90	-0.10	0.70	0.60	1.30	-0.50	3.80	-1.10	1.40	1.30	0.83

U-21806 Exh CUB-6 modification of U-21806 WP A-12 (HLR-35), Sch B-5, p1
 page 3/4

CUB additions to A-12 (HLR-35) are highlighted

MICHIGAN PUBLIC SERVICE COMMISSION
 Consumers Energy Company
 Capital Expenditures Summary
 For the Projected 12-Month Period Ending October 31, 2026
 (\$000)

Case No.: U-21806
 Exhibit No.: A-12 (HLR-35)
 Schedule: B-5
 Page: 1 of 1
 Witness: HLRayt
 Date: December 2024

Line No.	Description	Source	(c)		(e)	(f)	(g)	(h)	(i)	(j)-(q)									
			Historical	Projected	12 Months Ending 12/31/2023	12 Months Ending 12/31/2024	10 Months Ending 10/31/2025	22 Months Ending 10/31/2025	12 Months Ending 10/31/2026	12 Months Ending 9/30/2025	12 Months Ending 9/30/2025	Actual Labor, 12 mo. Ending 12/31/2023	Actual Labor, 12 mos. Ending 12/31/2024	2023-2024 Average Actual Labor	Projected Labor, 12 mo. Ending 12/31/2026	CUB proposed labor with productivity-adjusted inflation 12 mo. ending 10/31/2025 = (l) * 1.061	CUB proposed labor with productivity-adjusted inflation 12 mo. Ending 10/31/2026 = (n) * 1.071	CUB-proposed labor using Productivity-Adjusted Inflation factor 12 mo. Ending 12/31/2026 = (n)/(6+(o))*5/6	Difference, CUB proposal vs projected = (l)-(k)
1	Distribution and transmission	See Note (1)	837,567	820,199	717,805	1,538,004	943,729	-	841,499	272,169	311,147	291,658	401,444	296,354	301,421	300,577	(100,867)	broken out below	
2	Compression and storage	Exhibit No.: A-12 (TKJ-5), Sch B-5.7	113,046	175,339	184,056	359,395	182,039	-	220,382	24,441	37,045	30,743	33,941	31,238	31,772	31,683	(2,258)	Exhibit No.: A-12 (TKJ-5), Sch B-5.7	
3	Information technology and security	Exhibit No.: A-12 (SHB-4), Sch B-5.1	27,620	32,046	28,724	60,770	50,693	-	28,076	3,170	5,593	4,382	9,242	4,452	4,528	4,515	(4,727)	Exhibit No.: A-12 (SHB-4), Sch B-5.1	
4	Fleet	Exhibit No.: A-12 (CEB-1), Sch B-5.2	9,405	9,925	7,048	16,973	13,532	-	9,835	-	-	-	-	-	-	-	-	-	Exhibit No.: A-12 (CEB-1), Sch B-5.2
5	Operations support	See Note (2)	17,303	25,579	29,066	54,645	21,145	-	27,085	1,368	1,512	1,440	1,239	1,463	1,488	1,484	245	broken out below	
6	Customer experience and operations	Exhibit No.: A-12 (JRB-1), Sch B-5.3	111	1,078	12	1,090	1,960	-	-	-	-	-	-	-	-	-	-	-	Exhibit No.: A-12 (JRB-1), Sch B-5.3
7	Total capital expenditures	Sum of Lines 1 through 6	1,005,053	1,064,167	966,711	2,030,878	1,193,098	-	1,126,877	301,148	355,297	328,223	445,866	333,507	339,210	338,259	(107,607)		
Notes										-	-	-	-	-	-	-	-	-	-
[1] Distribution and transmission by witness										-	-	-	-	-	-	-	-	-	-
	Michael P. Griffin	Exhibit No.: A-12 (MPG-2), Sch B-5.5	350,582	313,829	176,781	490,610	219,855			55,940	60,756	58,348	89,227	59,287	60,301	60,132	(29,095)		
	Kristine A. Pascarello	Exhibit No.: A-12 (KAP-3), B-5.8	274,046	301,775	313,809	615,583	402,755			120,162	157,071	138,617	181,242	140,848	143,257	142,855	(38,387)	WP A-82, KAP4, A-83 KAP-5	
	Lincoln D. Warniner	Exhibit No.: A-12 (LDW-1), Sch B-5.9	212,938	204,596	227,215	431,811	321,119			96,067	93,320	94,694	130,975	96,218	97,863	97,589	(33,386)	A-12 (LDW-1), Sch B-5.9, p2	
[2] Operations support by witness										-	-	-	-	-	-	-	-	-	-
	Matthew J. Foster	Exhibit No.: A-12 (MJF-12), Sch B-5.4	1,271	631	195	826	238			99	55	77	24	78	80	79	55		
	Quentin A. Guinn	Exhibit No.: A-12 (QAG-1), Sch B-5.6	16,032	24,948	28,871	53,819	20,907			1,269	1,457	1,363	1,215	1,385	1,409	1,405	190		

[3] Case No. U-21490 resulted in a settlement agreement that did not state the approved capital spending for all spending categories

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of
CONSUMERS ENERGY COMPANY for
 authority to increase its rates for the
 distribution of natural gas and for other relief.

U-21806

PROOF OF SERVICE

On the date below, an electronic copy of **Direct Testimony and Exhibits of Richard J. Bunch on behalf of Citizens Utility Board of Michigan (Exhibit CUB-1 through CUB-6)** was served on the following:

Name/Party	E-mail Address
ALJ James M. Varchetti	varchettij@michigan.gov
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The statements above are true to the best of my knowledge, information and belief.

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