

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of	)	
CONSUMERS ENERGY COMPANY	)	
for a financing order approving the securitization of	)	Case No. U-17473
qualified costs.	)	
_____	)	

At the July 22, 2016 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Sally A. Talberg, Chairman
Hon. Norman J. Saari, Commissioner

ORDER

In its December 6, 2013 order, the Commission authorized Consumers Energy Company (Consumers) to securitize up to \$389.6 million of qualified costs. Among other issues addressed by the order, the Commission concluded that there must be periodic true-ups of the securitization charges to ensure that the amounts collected are sufficient to service the securitization bonds. The Commission stated:

True-ups of the securitization charges shall be conducted periodically, in accordance with the schedule and the methodology approved in this order. Mid-year true-up results may be implemented immediately for any mid-year true-up that is uncontested.

December 6, 2013 order in Case No. U-17473, p. 64 (footnote omitted).

On June 14, 2016, Consumers filed its second annual routine true-up adjustment report to reflect new surcharges for the period August 2016 through July 2017. The current and proposed surcharges are outlined on page 2 of Attachment A of Consumers' application.

The Commission Staff (Staff) reviewed the proposed adjustments and concluded that the adjustments were routine, the calculations were accurate, and the proposed adjustments conform to the methodology approved by the Commission.

After considering Consumers' filing and the Staff's review, the Commission agrees that the proposed adjustments are routine, the calculations are accurate, and the proposed adjustments conform to the approved methodology. Consumers is therefore authorized to implement the adjustments effective for bills rendered on and after the August 2016 billing month.

THEREFORE, IT IS ORDERED that:

A. For bills rendered on and after the August 2016 billing month, Consumers Energy Company shall implement the new securitization surcharges set forth in Attachment C.

B. Prior to the August 2016 billing month, Consumers Energy Company shall file with the Commission tariff sheets essentially the same as those set forth in Attachment C.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any person desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel. Electronic notifications should be sent to the Executive Secretary at mpscedockets@michigan.gov and to the Michigan Department of the Attorney General - Public Service Division at pungp1@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Sally A. Talberg, Chairman

Norman J. Saari, Commissioner

By its action of July 22, 2016.

Kavita Kale, Executive Secretary

POWER PLANT SECURITIZATION CHARGE

The actual Securitization Charge is authorized pursuant to Rule C9.2, Power Plant Securitization Charge, Initial Implementation and True-up Methodology. The Power Plant Securitization Charge is billed to all full service customers, shown in the rate schedules identified below, based upon usage. This charge shall be shown separately on the customer's bill.

The actual Power Plant Securitization Charge applied to customers' bills is as follows:

Power Plant Securitization Charge (Case No. U-17473) Effective beginning with the <u>August 2016 Billing Month</u>	
<u>Rate Schedule</u>	
Rate RS	\$ 0.001246/kWh
Rate RT	0.001246/kWh
Rate REV-1	0.001246/kWh
Rate REV-2	0.001246/kWh
Rate GS	0.001247/kWh
Rate GSD	0.001247/kWh
Rate GP	
CVL 1	0.000892/kWh
CVL 2	0.000892/kWh
CVL 3	0.000892/kWh
Rates GPD, GPTU, EIP and GSG-2	
CVL 1	0.000892/kWh
CVL 2	0.000892/kWh
CVL 3	0.000892/kWh
Rate GML	0.000608/kWh
Rate GUL	0.000608/kWh
Rate GU-XL	0.000608/kWh
Rate GU	0.000608/kWh
Rate PA	NA
Rate ROA-R ⁽¹⁾	NA
Rate ROA-S ⁽¹⁾	NA
Rate ROA-P ⁽¹⁾	NA

⁽¹⁾ Customers taking ROA service on December 6, 2013 are excluded from the Power Plant Securitization Charges. This exclusion does not apply to customers first taking ROA service after December 6, 2013 or to customers taking service on December 6, 2013 who discontinue taking ROA service any time after December 6, 2013. Customers who discontinue taking ROA service any time after December 6, 2013 and who return to ROA service will pay the Power Plant Securitization Charges applicable to the customer's otherwise applicable Company Full Service Rate Schedule.

Issued XXXXX XX, 2016 by
 J. G. Russell,
 President and Chief Executive Officer,
 Jackson, Michigan

Effective for bills rendered on and after
 the August 2016 Billing Month

Issued under authority of the
 Michigan Public Service Commission
 dated XXXXXX XX, 2016
 in Case No. U-17473

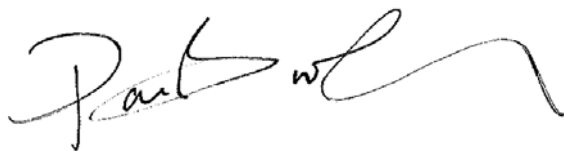
PROOF OF SERVICE

STATE OF MICHIGAN)

Case No. U-17473

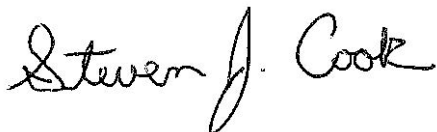
County of Ingham)

Paige Bialke being duly sworn, deposes and says that on July 22, 2016 A.D. she served a copy of the attached Commission order by first class mail, postage prepaid, or by inter-departmental mail, to the persons as shown on the attached service list.



Paige Bialke

Subscribed and sworn to before me
this 22nd day of July 2016



Steven J. Cook
Notary Public, Ingham County, Michigan
As acting in Eaton County
My Commission Expires: April 30, 2018

Association of Businesses Advocating Tariff Equity
(ABATE)
Brubaker & Associates, Inc.
16690 Swingley Ridge Road, Suite 140
Chesterfield MO 63017

Christopher M. Bzdok
Olson Bzdok & Howard PC
420 East Front Street
Traverse City MI 49686

Laura A. Chappelle
Varnum Law
201 N. Washington Square, Suite 810
Lansing MI 48933

Consumers Energy Company
Vice President & Corporate Secretary
One Energy Plaza
Jackson MI 49201

Donald E. Erickson
Michigan Dept. of Attorney General
ENRA - 6th Floor Williams Bldg.
525 W. Ottawa Street
Lansing MI 48909

Sharon L. Feldman
DLARA/MAHS - MPSC Hearings
7109 W. Saginaw Hwy.
I. D. M A I L
Lansing MI 48917

Kelly M. Hall
Consumers Energy Company
One Energy Plaza
EP11-230
Jackson MI 49201

Emerson J. W. Hilton
Olson Bzdok & Howard PC
420 E. Front Street
Traverse City MI 49686

John A. Janiszewski
Michigan Dept. of Attorney General
G. Mennen Williams Bldg., 6th Floor
525 W. Ottawa Street
Lansing MI 48933

Timothy J. Lundgren
Varnum, Riddering, Schmidt & Howlett LLP
333 Bridge Street, N.W.
Grand Rapids MI 49504

Service List U-17473

Jon R. Robinson
VP Utility Law & Regulation
Consumers Energy Company
One Energy Plaza Drive, Rm 11-224
Jackson MI 49201

Leland R. Rosier
Clark Hill PLC
212 E. Grand River Avenue
Lansing MI 48906

Eric J Schneidewind
Varnum, Riddering, Schmidt & Howlett, LLP
The Victor Center, Suite 810
210 N. Washington Square
Lansing MI 48933

Robert A.W. Strong
Clark Hill PLC
151 S. Old Woodward Avenue, Suite 200
Birmingham MI 48009

Bret A. Totoraitis
Room EP11-229
Consumers Energy Company
One Energy Plaza
Jackson MI 49201