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JOEL W. GILLARD  
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March 5, 2019

Ms. Kavita Kale  
Executive Secretary  
Michigan Public Service Commission  
P.O. Box 30221  
Lansing, MI 48909

**Via - E-Filing**

Re: Alpena Power Company – Integrated Resource Plan (Amendment to)  
Case No.: U-20300

Dear Ms. Kale:

Enclosed for filing is Alpena Power Company's Amendment to its Integrated Resource Plan initially filed January 25, 2019. The purpose of this amendment is to provide Exhibits which were inadvertently omitted from its plan.

A Proof of Service is being filed indicating service upon Benjamin Holwerda, Heather M.S. Durian, and Hon. Kandra K. Robbins.

If you have any questions, please advise.

Sincerely,

GILLARD, BAUER, MAZRUM, FLORIP, SMIGELSKI & GULDEN

James D. Florip  
Attorney for Alpena Power Company

JDF/tsm  
Enclosures

cc: **Via Email:**  
Benjamin Holwerda, Esq. (w/encs.)  
Heather M.S. Durian, Esq. (w/encs.)  
Hon. Kandra K. Robbins (w/encs.)  
G. Graham (w/encs.)  
V. Goodburne (w/encs.)

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of **Alpena Power Company's** )  
submittal of its first Integrated Resources )  
Plan in conformance with MCL 460.6w, )  
section 6t in PA 341 of 2016. )  
\_\_\_\_\_ )

Case No. U-18461  
Case No. U-20300

**ALPENA POWER COMPANY'S  
AMENDMENT TO ITS INTEGRATED RESOURCE PLAN**

Alpena Power Company (APC) submitted its Integrated Resource Plan to the Michigan Public Service Commission on January 25, 2019. Inadvertently omitted from the filed plan were those exhibits listed in the Table of Exhibits on Page 2 of the plan, as follows:

**TABLE OF EXHIBITS**

1. Michigan Public Service Commission Memorandum dated November 8, 2018.
2. Alpena Renewable Energy Plan Summary, Case No. U-18230, Exhibit A-1.
3. Electric Capacity Demonstration, Case No. U-20154, Exhibit 1: Peak Demand Bundled Service.
4. Electric Capacity Demonstration, Case No. U-20154, Exhibit 2: Capacity Planned Resources.

The above referenced Exhibits are attached hereto.

Dated: March 5, 2019

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ALPENA POWER COMPANY

CASE NO.: U-20300

EXHIBIT 1

Michigan Public Service Commission Memorandum dated November 8, 2018



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
PUBLIC SERVICE COMMISSION

SHELLY EDGERTON  
DIRECTOR

NORM SAARI  
COMMISSIONER

SALLY A. TALBERG  
CHAIRMAN

RACHAEL EUBANKS  
COMMISSIONER

## MEMORANDUM

DATE: November 8, 2018  
TO: Michigan Public Service Commission  
FROM: Roger Doherty – Engineer, Resource Adequacy and Retail Choice  
SUBJECT: U-20300 In the matter of Alpena Power Company’s request for a waiver from certain Integrated Resource Plan filing requirements

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On September 6, 2018, Alpena Power Company filed a request to waive several formal IRP filing requirements. Alpena shows that from 2018 through 2024 it will meet the electric capacity needs of its customers through a combination of power supply contracts and demand response. Alpena states that, prior to the expiration of the Consumers power purchase agreement, it will solicit a new long-term agreement with another full-requirements power supplier.

The Michigan Public Service Commission Staff has met with Alpena to discuss the requested waivers. Due to the unique power supply situation at Alpena, Staff recommends Alpena be granted a waiver to all the IRP filing requirements (U-18461) except for the following:

1. Executive Summary  
Executive Summary should be suitable for distribution to the public containing an informative, non-technical description of the preferred resource plan and resource acquisition strategy.
2. Table of Contents
3. Table of Figures  
As needed.
4. Introduction  
Alpena should describe resource plans to satisfy at least the objectives and priorities identified in MCL 460.6t. Alpena may also identify and/or describe additional planning objectives that the resource plan will be designed to meet.
5. Existing Supply-Side (Generation) Resources  
Alpena should include a detailed account of projected energy and capacity purchased or produced by the Company’s contracted resources.
6. Demand-Side Resources  
Alpena should include historical and projected load management and demand response programs for the utility in terms of MW and Midcontinent Independent Systems Operator, Inc., Zonal Resource Credits (ZRCs) and the projected costs for those programs.

LARA is an equal opportunity employer/program.

Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.  
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7. Renewables and Renewable Portfolio Standards Goals

Alpena should provide projected energy purchased or produced by the utility from a renewable energy source.

8. Peak Demand and Energy Forecasts

A long-term forecast of Alpena's sales and peak demand should be included in the filing. This forecast should include details regarding the Company's plan to eliminate energy waste, including the total amount of energy waste reduction expected to be achieved annually, and the cost of the plan.

9. Capacity and Reliability Requirements

Alpena should indicate how it complies, and will comply, with all applicable state, federal, ISO, RTO capacity and reliability regulations, laws, rules and requirements, (such as planning reserve margins, system reliability and ancillary service requirements) including the projected costs/revenues of complying with those regulations, laws, and rules.

10. Proposed Course of Action

Alpena should include a detailed description of:

Plans for meeting current and future capacity needs with the cost estimates for all proposed major investments, including transmission or distribution infrastructure that would be required to support the proposed construction or investment, and power purchase agreements; and

How the utility will meet local, state, and federal laws, rules, and regulations under the proposed course of action.

11. Exhibits and Workpapers

Alpena's IRP filing should include any relevant exhibits and workpapers.

ALPENA POWER COMPANY

CASE NO.: U-20300

EXHIBIT 2

Alpena Renewable Energy Plan Summary, Case No. U-18230, Exhibit A-1

**Alpena Power Company  
Renewable Energy Plan Summary**

Case No.: U-18230  
Exhibit: A-1  
Page: 1 of 1  
Witness: Goodburne

Row No.		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
1	Sales and Requirement Calculation														
2	Method: Weather Normalized or 3 Year Average														
3	If Selected Weather Normalized														
4	Current Year Sales to Retail Customer														
5	Current Year Weather Normalization Factor														
6	Current Year Weather Normalized Sales														
7	If Selected 3 Year Average														
8	Current Year Retail Sales to Customers	\$50,941	\$58,831	\$58,114	\$57,397	\$56,683	\$55,969	\$55,257	\$54,547	\$53,838	\$53,130	\$52,424	\$51,719	\$51,015	\$50,313
9	3 Year Average of Retail Sales	\$41,690	\$48,342	\$51,039	\$55,962	\$58,114	\$57,398	\$56,683	\$55,970	\$55,258	\$54,547	\$53,838	\$53,130	\$52,424	\$51,719
10	RFS Required Energy Credits (For 2017 and 2018 enter the same amount as 2015 requirement in MIRECS, for 2019 and 2020 enter 12.5% of row 6 or 9, for 2021 enter 15% of row 6 or 9)														
11	Energy Credits														
12	Energy Credit Beginning Balance														
13	Through Generator/BOT/PPA														
14	Through Energy Credits Obtained Through REC Purchases														
15	Plus: Energy Credits Obtained (Row 13+14+15)														
16	Less: Energy Credits Sold														
17	Available Energy Credits (Row 12+16-17)														
18	Compliance Requirement (Row 10)														
19	Less: Energy Credits Expired														
20	Energy Credit Ending Balance (Row 18-19-20)														
21	Revenue Requirement														
22	Build/BOT	\$/thous	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	PPA	\$/thous	-	-	-	-	-	-	-	-	-	-	-	-	-
24	REC Purchases (Sales)	\$/thous	14.5	15.0	15.0	16.0	15.0	15.0	15.0	15.0	146.3	146.0	145.7	145.4	145.1
25	Cost of Administration of Renewable Energy Plan	\$/thous													
26	Less: Revenue obtained from RE Sales (from retail)	\$/thous													
27	Total Revenue Requirements	\$/thous	14.5	15.0	15.0	15.0	15.0	15.0	15.0	15.0	146.3	146.0	145.7	145.4	145.1
28	Meter (or Customer) Forecast														
29	Residential		13,798	13,780	13,800	13,815	13,820	13,825	13,828	13,830	13,828	13,831	13,835	13,837	13,875
30	Secondary		3,974	3,974	3,974	3,974	3,974	3,974	3,974	3,974	3,974	3,974	3,974	3,974	3,974
31	Primary		9	9	9	9	9	9	9	9	9	9	9	9	9
32	Total		17,691	17,763	17,783	17,798	17,803	17,808	17,811	17,813	17,811	17,814	17,818	17,820	17,958
33	Cost Recovery														
34	Planned Surcharge Rate														
35	Residential	\$/month	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
36	Secondary (Weighted Average)	\$/month	-	-	-	-	-	-	-	-	-	-	-	-	-
37	Primary (Weighted Average)	\$/month	-	-	-	-	-	-	-	-	-	-	-	-	-
38	Planned Surcharge														
39	Residential	\$/month	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Secondary	\$/month	-	-	-	-	-	-	-	-	-	-	-	-	-
41	Primary	\$/month	-	-	-	-	-	-	-	-	-	-	-	-	-
42	Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
43	Regulatory Account Balance														
44	Forecast		0	0	0	0	0	0	0	0	0	0	0	0	0
45	Carrying Charges (Short-term interest)		15.4	20.6	20.8	21.0	21.2	21.5	21.7	21.9	22.2	17.8	13.3	8.7	3.9
46	Adjustments		53.2	(15.0)	(15.0)	(15.0)	(15.0)	(15.0)	(15.0)	(15.0)	(146.3)	(146.0)	(145.7)	(145.4)	(145.1)
47	Total Year End Regulatory Balance	\$ 520.6	\$ 589.2	\$ 594.8	\$ 600.7	\$ 606.7	\$ 612.9	\$ 619.4	\$ 626.0	\$ 633.0	\$ 508.9	\$ 380.7	\$ 248.4	\$ 111.7	\$ (29.5)

ALPENA POWER COMPANY

CASE NO.: U-20300

EXHIBIT 3

Electric Capacity Demonstration, Case No. U-20154,  
Exhibit 1: Peak Demand Bundled Service



ALPENA POWER COMPANY

CASE NO.: U-20300

EXHIBIT 4

Electric Capacity Demonstration, Case No. U-20154,  
Exhibit 2: Capacity Planned Resources

**Planning Reserve Margin Requirements and Planning Resources to be Acquired (ZRC)**

(a)	(b)	(c)	(d)	(e)
	PY 2019-2020	PY 2020-2021	PY 2021-2022	PY 2022-2023
1 Forecasted Bundled (or AES) Non-Coincident Peak Demand, MW (from Ex. 1)	41,000	41,000	41,000	41,000
2 Internal Demand Response Programs that are applied as an adjustment to the Peak forecast, MW	-	-	-	-
3 Adjusted Forecasted Bundled (or AES) Non-Coincident Peak Demand, MW (line 1 - line 2)	41,000	41,000	41,000	41,000
4 Load Diversity Factor coincident to MISO, %	0.00%	0.00%	0.00%	0.00%
5 Adjusted Forecasted Bundled (or AES) Coincident Peak Demand, MW (line 3 x line 4)	-	-	-	-
6 Transmission Losses, %	0.00%	0.00%	0.00%	0.00%
7 Planning Reserve Margin % UCAP Basis	7.90%	8.00%	8.00%	8.10%
8 Total Planning Reserve Margin Requirement, ZRC ((line 5) x (1 + line 6) x (1 + line 7))	44,239	44,280	44,280	44,321
9 Company Owned, In-State, Non-Intermittent, ZRC	-	-	-	-
10 Company Owned, Out-of-State, Non-Intermittent, ZRC	-	-	-	-
11 Company Owned, In-State, Non-Intermittent (BTMG), ZRC	-	-	-	-
12 Company Owned, Out-of-State, Non-Intermittent (BTMG), ZRC	-	-	-	-
13 Company Owned, In-State, Intermittent, ZRC	-	-	-	-
14 Company Owned, Out-of-State, Intermittent, ZRC	-	-	-	-
15 Company Owned, In-State, Intermittent (BTMG), ZRC	-	-	-	-
16 Company Owned, Out-of-State, Intermittent (BTMG), ZRC	-	-	-	-
17 Total Company Owned Generation, ZRC (sum of lines 9-16)	-	-	-	-
18 Total Load Modifying Resources, Treated as Capacity, ZRC (from Ex. 4)	-	-	-	-
19 PPA, In-State, Non-Intermittent, ZRC	-	-	-	-
20 PPA, Out-of-State, Non-Intermittent, ZRC	-	-	-	-
21 PPA, In-State, Non-Intermittent (BTMG), ZRC	-	-	-	-
22 PPA, Out-of-State, Non-Intermittent (BTMG), ZRC	-	-	-	-
23 PPA, In-State, Intermittent, ZRC	-	-	-	-
24 PPA, Out-of-State, Intermittent, ZRC	-	-	-	-
25 PPA, In-State, Intermittent (BTMG), ZRC	-	-	-	-
26 PPA, Out-of-State, Intermittent (BTMG), ZRC	-	-	-	-
27 Other Forward Capacity Contract, ZRC - In-State	45,000	45,000	45,000	45,000
28 Other Forward Capacity Contract, ZRC - Out-of-State	-	-	-	-
29 Total PPA, ZRC (sum of lines 19-28)	45,000	45,000	45,000	45,000
30 Total Planning Resources, ZRC (line 17 + line 18 + line 29)	45,000	45,000	45,000	45,000
31 UCAP Surplus/(Shortfall), MW (line 30 - line 8)	761	720	720	679



**SERVICE LIST**

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Hon. Kandra K. Robbins  
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