

CLEAN AND RENEWABLE ENERGY AND ENERGY WASTE REDUCTION ACT (EXCERPT)
Act 295 of 2008

460.1073 Waste reduction plan; approval by commission; review; contested case hearing; proposed amendment; rejection of plan and amendments; applicability of section after December 31, 2024.

Sec. 73. (1) For a provider whose rates are regulated by the commission, the provider's energy waste reduction plan shall be filed with and reviewed, approved or rejected, and enforced by the commission. For a provider whose rates are not regulated by the commission, the provider's energy waste reduction plan shall be filed with and reviewed and approved or rejected by its governing body, and the plan shall be enforced as provided in section 99. Notwithstanding any other provision of this subpart, the commission shall allow municipally owned electric utilities to design and administer energy waste reduction plans in a manner consistent with the administrative changes approved in the commission's April 17, 2012 order in case nos. U-16688 to U-16728 and U-17008 or any subsequent orders adopted by the commission.

(2) The commission shall not approve a proposed energy waste reduction plan unless the commission determines that the energy waste reduction plan meets the utility system resource cost test and is reasonable and prudent. In determining whether the energy waste reduction plan is reasonable and prudent, the commission shall review each element and consider whether it would reduce the future cost of service for the provider's customers. In addition, the commission shall consider at least all of the following:

(a) The specific changes in customers' consumption patterns that the proposed energy waste reduction plan is attempting to influence.

(b) The cost and benefit analysis and other justification for specific programs and measures included in a proposed energy waste reduction plan.

(c) Whether the proposed energy waste reduction plan is consistent with any long-range resource plan filed by the provider with the commission.

(d) Whether the proposed energy waste reduction plan will result in any unreasonable prejudice or disadvantage to any class of customers.

(e) The extent to which the energy waste reduction plan provides programs that are available, affordable, and useful to all customers.

(3) Every 2 years after initial approval of an energy waste reduction plan under subsection (2) until 2025, the commission shall review the plan. Subject to subsection (6), a provider whose rates are not regulated by the commission shall adopt a plan in 2025, and shall readopt the plan or adopt a new plan every 4 years thereafter. Pursuant to a filing schedule established by the commission, an electric provider or an electric and natural gas provider whose rates are regulated by the commission shall file a plan in 2025, and, after 2025, shall file a plan not less than 8 months after receiving a final order on an integrated resource plan as provided under section 6t of 1939 PA 3, MCL 460.6t, unless otherwise authorized by the commission. A natural gas provider whose rates are regulated by the commission shall file a plan by 2025, and every 4 years thereafter, pursuant to a filing schedule established by the commission. For a provider whose rates are regulated by the commission, the commission shall conduct a contested case hearing on the plan in accordance with the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328. After the hearing, the commission shall approve, with any changes consented to by the provider, or reject the plan and any proposed amendments to the plan.

(4) If a provider proposes to amend its plan at a time other than during the review process under subsection (3), the provider shall file the proposed amendment with the commission. After the hearing and within 90 days after the amendment is filed, the commission shall approve, with any changes consented to by the provider, or reject the plan and the proposed amendment or amendments to the plan.

(5) If the commission rejects a proposed plan or amendment under this section, the commission shall explain in writing the reasons for its determination.

(6) Until December 31, 2024, this section does not apply to an electric provider whose rates are not regulated by the commission.

History: 2008, Act 295, Imd. Eff. Oct. 6, 2008;—Am. 2016, Act 342, Eff. Apr. 20, 2017;—Am. 2023, Act 229, Eff. Feb. 13, 2024.

Compiler's note: Enacting section 1 of Act 295 of 2008 provides: "Enacting section 1. As provided in section 5 of 1846 RS 1, MCL 8.5, this act is severable."