

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * *

In the matter of the application of)
CONSUMERS ENERGY COMPANY)
for approval of its integrated resource plan)
pursuant to MCL 460.6t and for other relief)
_____)

Case No. U-20165

QUALIFICATIONS AND DIRECT TESTIMONY OF

SARAH A. MULLKOFF

MICHIGAN PUBLIC SERVICE COMMISSION

October 15, 2018

QUALIFICATIONS OF SARAH A. MULLKOFF
CASE NUMBER U-20165
PART I

1 Q. Please state your full name and business address for the record.

2 A. My name is Sarah A. Mullkoff, and my business address is 7109 W Saginaw Highway,
3 Lansing, MI 48917.

4 Q. By whom are you employed and in what capacity?

5 A. I am employed in the Energy Resources Division of the Michigan Public Service
6 Commission (MPSC). I am an analyst in the Generation and Certificate of Need (GCON)
7 Section, which is responsible for assisting in the implementation of PA 341 and PA 342
8 and evaluating applications for transmission siting pursuant to Public Act 30 of 1995.

9 Q. What is your educational background?

10 A. I earned a Bachelor of Arts in International Relations with a Specialization in Science,
11 Technology, Environment, and Public Policy from the James Madison College at Michigan
12 State University (MSU) in 2009. I am currently pursuing a Master of Energy Regulation
13 and Law at the Vermont Law School.

14 In addition, I have attended training programs sponsored by the National
15 Association of Regulatory Utility Commissioners (NARUC) and MSU, including the
16 Annual Regulatory Studies Program (August 2017), Grid School (April 2018), and select
17 sessions of IPU's Advanced Studies Program. (October 2018).

18 Q. What are your professional experiences?

19 A. In 2008 I began working as a Student Assistant in the State Energy Office, within the
20 Department of Labor and Economic Growth. I maintained energy data, created
21 presentations and materials, maintained the website, and other tasks as assigned.

QUALIFICATIONS OF SARAH A. MULLKOFF
CASE NUMBER U-20165
PART I

1 Upon graduation from MSU in 2009, I began working as a Campaigns Coordinator
2 for Michigan Clean Water Action where I developed and implemented campaigns on
3 energy and environmental health programs.

4 In 2012, I accepted a position as the Midwest Energy and Climate Policy
5 Coordinator for the National Wildlife Federation in the Great Lakes Regional Office.
6 There, I expanded my scope of work to include coordination of climate campaigns
7 throughout the Midwest.

8 In 2014, I accepted a position as the Energy Program Director at the Michigan
9 Environmental Council. My responsibilities included legislative strategy pertaining to
10 energy efficiency and renewable energy, as well as campaign development and coalition
11 organization.

12 In 2017, I accepted a position as a Departmental Analyst in the Michigan Energy
13 Office at the Michigan Agency for Energy (MAE). My primary responsibility was grant
14 management for the community energy management program, which assisted Michigan
15 cities with tools and resources for reducing energy consumption. In addition, I was project
16 lead for developing a pilot program that combined weatherization with community solar to
17 assist economically disadvantaged households become energy self-sufficiency.

18 In February of 2018, I accepted a position as a Departmental Analyst role in the
19 GCON of the MPSC.

20 Q. Have you previously presented testimony before the Commission?

21 A. No, I have not. However, I assisted in the development and review of testimony in the
22 most recent Consumers Energy Electric Rate Case, Case No. U-20134.

DIRECT TESTIMONY OF SARAH A. MULLKOFF
CASE NUMBER U-20165
PART II

1 Q. What is the purpose of your testimony?

2 A. The purpose of my testimony is twofold. First, I present the Michigan Public Service
3 Commission Staff's (Staff) position regarding the guidance set forth in the Integrated
4 Resource Plan (IRP) Filing Requirements¹, and whether Consumers Energy (the Company)
5 satisfied the stakeholder engagement outreach requirement set forth in the Michigan
6 Integrated Resource Planning Parameters (MIRPP)². Second, I present the Staff's
7 recommendation for the Company's annual reporting requirement pursuant to MCL
8 460.6t(14).

9 Q. Are you sponsoring any exhibits in this proceeding?

10 A. Yes, I am sponsoring **Exhibit S-3, IRP 3-Year Reporting Template**. This is a template
11 which provides a format for the Company to file projected, actual, and variance in costs
12 for all generation, and projected megawatts (MW) by resource for projects included in the
13 initial three years of the IRP.

14 Q. Was the exhibit prepared by you or under your direction?

15 A. Yes.

16 **Public Outreach and Stakeholder Engagement**

17 Q. Has the Commission established recommendations for Company-led stakeholder
18 engagement and public outreach?

19 A. Yes. The IRP filing requirements approved in Case No. U-15986 provide guidance for
20 stakeholder engagement and public outreach. Documentation demonstrating the public

¹ Integrated Resource Plan Filing Requirements Pursuant to Public Act 341 of 2016, Section 6t, Commission order in Case No. U-15896, Exhibit A, December 20, 2017.

² Michigan Integrated Resource Planning Parameters Pursuant to Public Act 341 of 2016, Section 6t, Commission order in Case No. U-18418, November 21, 2018.

DIRECT TESTIMONY OF SARAH A. MULLKOFF
CASE NUMBER U-20165
PART II

1 outreach process undertaken may include but is not required to include: workshop dates
2 and times, evidence that the notice of workshops was provided to the public, meeting
3 minutes, meeting or workshop attendance lists, participant comments on the last approved
4 IRP and/or inputs into the proposed IRP application, and discussion indicating if or how
5 the public outreach process influenced the IRP.

6 Q. Did the Company conduct stakeholder engagement workshops? If so, what format did it
7 use?

8 A. Yes. The Company held four stakeholder meetings. Public outreach events took place on
9 January 29, 2018 in East Lansing, and February 12, 2018 in Grand Rapids. Two technical
10 workshops were also held, taking place December 12, 2017 and February 27th. Both were
11 held at Consumers Energy Headquarters in Jackson.

12 In Figure 2.1 of Appendix 2 of the Company’s IRP titled “Stakeholder Engagement
13 Report”, the Company defined technical workshops as providing higher technical level
14 presentations, a focus on modeling details, a questions and answer period, and an
15 opportunity for formal commenting. In contrast, public outreach events were designed to
16 educate and inform the public, provide opportunity for questions and answers, allow
17 opportunities for formal comments, and highlight customer program interest topics.³

18 Q. Did the Company give public notice of the workshops?

19 A. Yes. The Company used different marketing techniques for the open house style public
20 meetings and the technical meetings. To advertise the public open house events, the
21 Company used a variety of traditional and social media outlets to inform its customers.⁴ In

³ Direct testimony and exhibits of Richard Blumenstock, Exhibit A-2 Appendix 02.

⁴Direct testimony and exhibits of Richard Blumenstock, Exhibit A-2 Appendix 02: “Stakeholder Engagement Report”pp.200-204.

DIRECT TESTIMONY OF SARAH A. MULLKOFF
CASE NUMBER U-20165
PART II

1 addition, the Company included the information in its internal newsletter, and the
2 Government Affairs division extended communication to elected officials asking them to
3 share information with their constituents.

4 Q. Did the Company provide sufficient marketing for its public engagement events?

5 A. Yes. Based upon Staff's review, the Company adequately advertised its public engagement
6 events.

7 Q. Did the Company provide meeting or workshop attendance lists and meeting minutes?

8 A. Yes. The Company provided a registration list for each of the East Lansing and Grand
9 Rapids public outreach events in Appendix 2A, and an invitation list and attendee list for
10 both technical workshops in Appendix 2B.⁵

11 Q. Did the Company provide comments from the last approved IRP and/or inputs into the
12 proposed application?

13 A. The Company did not provide comments from the last approved IRP, as the current IRP is
14 the Company's first IRP application filed under MCL 460.6t. Inputs into the proposed
15 application such as scenarios and sensitivities compiled from stakeholders were
16 incorporated into modeling and analytical work. Throughout this process, the Company
17 continued interaction with stakeholders by addressing questions, concerns, and providing
18 further clarification.⁶

19 Q. Did the public outreach process impact the Company's IRP filing and Proposed Course of
20 Action (PCA)?

⁵ Direct testimony and exhibits of Richard Blumenstock, Exhibit A-2 Appendix 02.

⁶ Direct testimony and exhibits of Richard Blumenstock, p. 18.

DIRECT TESTIMONY OF SARAH A. MULLKOFF
CASE NUMBER U-20165
PART II

1 A. Yes. The Company discussed in detail how it reflected feedback within the decision to run
2 specific modeling scenarios. Company Witness Richard T. Blumenstock describes the
3 recurring themes including support for delivery of resources at affordable prices to meet
4 voluntary sustainability goals, limiting reliance on natural gas fired power plants, and
5 expanding localized non-carbon emission resources to advance a distributed generation
6 system.⁷ Company Witness Blumenstock states that, “of the feedback received, the
7 Company took action or responded to all comments”.⁸

8 Q. Does Staff have additional recommendations?

9 A. Yes. While the Company followed the guidance provided for stakeholder engagement,
10 Staff recommends the Company should improve its process for collecting comments by
11 offering additional mediums for stakeholder participation. Involvement in the technical
12 workshops was limited to stakeholders who had previously intervened in the Company’s
13 rate cases, while an additional 53 individuals attended the public workshops. However,
14 there was limited opportunity for the public to engage outside of attending the four
15 meetings that took place.⁹ While the Company supplied an email address for participants
16 to submit comments to the IRP plan, opportunity to provide written comments throughout
17 the IRP process outside of the four meetings was not made explicitly clear nor encouraged.
18 In future IRP cases, Staff recommends the Company develop a web page to allow for
19 ongoing stakeholder engagement and increased transparency.

⁷ Direct testimony and exhibits of Richard Blumenstock, pp. 20-21.

⁸ Direct testimony and exhibits of Richard Blumenstock, pp. 20-21.

⁹ Direct testimony and exhibits of Richard Blumenstock, Exhibit A-2 Appendix 02,
p. 200.

DIRECT TESTIMONY OF SARAH A. MULLKOFF
CASE NUMBER U-20165
PART II

1 Staff makes its recommendation based upon case studies from other states with
2 different methods to conduct stakeholder engagement, ranging from formal intervention,
3 informal comments, or a combination thereof. Common IRP stakeholder participants
4 include large commercial and industrial power users, environmental advocates, consumer
5 interest groups, and technology specific advocates (e.g. solar or wind technology vendors).

6 Some states use ongoing stakeholder engagement to keep customers involved with
7 the planning processes. For instance, Portland General Electric has voluntary ongoing
8 quarterly meetings with stakeholders as an outgrowth of its IRP process.¹⁰ Hawaii requires
9 an Independent Entity ensure that the utility provides consideration about IRP model input,
10 guidance, and recommendations from Advisory Group members and the public. The
11 determination about whether or not the utility should consider comments is based on
12 whether they are deemed in “the Independent Entity’s discretion, [to] merit
13 consideration.”¹¹ In Indiana, “...customers or interested parties must comment in writing,
14 and must be received by the Commission within ninety (90) days from the date a utility
15 submits its IRP to the commission.”¹² In Oregon, “the utility must present the findings of
16 its plan to the Commission at a public meeting prior to the deadline for written public
17 comment.” Stakeholders also have the opportunity to present at public meetings.¹³
18 Stakeholder engagement may reduce regulatory risk to the utility and promote a continued
19 open line of communication among stakeholders.

¹⁰ “Michigan Public Service Commission Integrated Resource Planning Stakeholder Group Meeting”. Aug 8, 2017. Lawrence Berkeley National Laboratory, p. 20.

¹¹ Id.

¹² Id.

¹³ Id., Order 07-002.

DIRECT TESTIMONY OF SARAH A. MULLKOFF
CASE NUMBER U-20165
PART II

1 Based upon Staff’s research, it is recommended that the Company establish an
2 interactive web platform allowing stakeholders to contribute feedback to the plan before
3 and during the IRP filing process. The Company should publish updated materials on IRP
4 development on a publicly accessible website and consider publishing all questions and
5 answers received during the process. These measures would help provide ongoing
6 education about the timeline of the IRP filing, continuous open dialogue for soliciting
7 feedback, and increased general transparency.

8 **Reporting Requirements**

9 Q. What reporting requirements are included in PA 341 for utility-filed IRPs?

10 A. Subsection (14) requires that, “[a]n electric utility shall annually, or more frequently if
11 required by the commission, file reports to the commission regarding the status of any
12 projects included in the initial 3-year period of an integrated resource plan approved under
13 subsection (7)”.

14 Q. Has the Company described how it plans to comply with the IRP reporting requirements
15 pursuant to MCL 460.6(t)(14)?¹⁴

16 A. Yes. In Company witness Clark’s direct testimony, he describes the Company’s
17 proposition that it will file annual reports with the Commission by May 31 of each year,
18 starting in 2020. This is also stated in the IRP Report.¹⁵ This proposal complies with MCL
19 460.6t(14).

20 Q. Does Staff have any recommendations for the Company regarding annual reporting
21 requirements?

¹⁴ MCL 460.6t(14).

¹⁵ Direct testimony and exhibits of Richard Blumenstock, Exhibit A-2 Appendix 02.

DIRECT TESTIMONY OF SARAH A. MULLKOFF
CASE NUMBER U-20165
PART II

1 A. Yes. Staff recommends that the Company file annually in this docket, or more frequently
2 if required by the Commission, reports to the Commission regarding the status of any
3 project (resource addition) for which an IRP has been approved. The annual update should
4 include at a minimum, the status of the approved resources additions with any cost,
5 schedule, or megawatt (MW) size updates including any deviations from the original
6 projections in the 3-year period for which IRP costs are approved.

7 Q. Has Staff proposed guidelines for how the report should be filed?

8 A. Yes. Exhibit S-3 provides a template for reporting the estimated and actual Capital and
9 Operation and Maintenance (O & M) costs, capacity additions in MW, and zonal resource
10 credits (ZRC) by resource addition for the full three-year outlook. Resources would be
11 listed by program names as listed in the Company's testimony. For the first year of
12 reporting filed approximately one year after the IRP is approved or at a date specified by
13 the Commission. Categories are listed in the template as follows: EWR, CVR, Dynamic
14 Peak Pricing, Direct Load Administration, C & I DR. Staff recommends the Company fill
15 out the reporting template and include it with a supplemental narrative report to be filed
16 annually in this docket. Staff expects the Company will provide detailed narrative that
17 explains any adjustments in status and changes in scope, timing, size, or expected costs.
18 Furthermore, the Company should explain any changes from the approved plan including
19 enough detail to convey the logic and decision-making process the Company used to
20 support any deviations. Staff's recommendation is consistent with the Commission order
21 in Case No. U-18419.¹⁶

¹⁶ Commission Order in Case No. U-18419, April 27, 2018, p 137.

**DIRECT TESTIMONY OF SARAH A. MULLKOFF
CASE NUMBER U-20165
PART II**

1 Staff seeks to maintain an open and transparent dialog with the Company
2 throughout the duration of three-year period of resource additions. Staff also recommends
3 the Company provide immediate communication to Staff and the Commission if there is a
4 significant change or anticipated change to the expected cost, timing, or size of any
5 resource additions in its IRP.

6 Q. Does this conclude your testimony?

7 A. Yes.