



Dykema Gossett PLLC
Capitol View
201 Townsend Street, Suite 900
Lansing, MI 48933

WWW.DYKEMA.COM

Tel: (517) 374-9100

Fax: (517) 374-9191

Richard J. Aaron

Direct Dial: (517) 374-9198

Direct Fax: (855) 230-2517

Email: RAaron@dykema.com

December 14, 2017

Kavita Kale
Executive Secretary
Michigan Public Service Commission
7109 West Saginaw Highway
3rd Floor
Lansing, MI 48917

Re: U-16653
Wolverine Power Marketing Cooperative, Inc.

Dear Ms. Kale:

Enclosed for electronic filing in the above-referenced matter, please find Wolverine Power Marketing Cooperative Inc.'s Application for Renewable Energy Plan.

If you have any questions, please contact me.

Sincerely,

DYKEMA GOSSETT PLLC

Richard J. Aaron

Digitally signed by: Richard J. Aaron
DN: CN = Richard J. Aaron email =
raaron@dykema.com C = US O = Dykema
Gossett PLLC
Date: 2017.12.14 17:22:07 -05'00'

Richard J. Aaron

Attachment

4849-9063-7912.1
086489\000002

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter, on the Commission's own motion,)
regarding the regulatory reviews, revisions,)
determinations, and/or approvals necessary for) **Case No. U-16653**
WOLVERINE POWER MARKETING COOPERATIVE, INC.,)
to fully comply with Public Acts 286 and 295 of 2008.)
_____)

**APPLICATION FOR
RENEWABLE ENERGY PLAN**

Wolverine Power Marketing Cooperative, Inc. ("Applicant"), pursuant to Michigan Public Service Commission ("Commission") orders dated December 4, 2008, in Case No. U-15800, and March 28, 2017 in Case No. U-16653, respectfully submits this Renewable Energy Plan Application ("Application"). In support thereof, Applicant represents the following:

1. The March 28, 2017 order required that the Applicant file its Renewable Energy Plan by December 15, 2017.

2. In compliance with Public Act 295 of 2008 as amended by 2016 PA 342 and the March 28, 2017 order, Applicant provides the prefiled testimony of Kimberly B. Molitor testifying to the following:

A. The Commission approved the Applicant's original Renewable Energy Plan on April 16, 2009 in Case No. U-15847, its 2011 plan on July 12, 2011, its 2013 plan on June 28, 2013 and its 2015 plan on June 15, 2015.

B. Applicant does not intend to substantively amend its Renewable Energy Plan as approved.

C. Because there is no substantive amendment to Applicant's Renewable Energy Plan, the Applicant proposes to meet its Renewable Portfolio Standard

percentage requirements with renewable power supply purchases, renewable energy credit ("REC") purchases, banked renewable power supply, or a combination of those options.

D. Applicant will meet its renewable energy requirements through applicable banked RECs and ongoing renewable power supply purchases from a renewable resource located in the state of Michigan.

E. If REC purchases are required, Applicant may assess incremental charges, if any, up to but not exceeding the allowed caps specified in Section 45(2) of \$16.58 per month for commercial secondary customers and \$187.50 per month for commercial primary or industrial customers per meter.

WHEREFORE, Wolverine Power Marketing Cooperative, Inc. respectfully requests that this Honorable Commission:

A. Accept this Renewable Energy Plan ("Plan"), consisting of this Application, prefiled testimony and worksheets;

B. Approve Applicant's Plan as complying with 2008 PA 295 as amended by 2016 PA 342; and

C. Grant such further relief as other and additional relief as may be deemed appropriate.

Respectfully submitted,

DYKEMA GOSSETT PLLC

Attorneys for Wolverine Power Marketing
Cooperative, Inc.

Richard J.

Digitally signed by: Richard J. Aaron
DN: CN = Richard J. Aaron email =
raaron@dykema.com C = US O =
Dykema Gossett PLLC
Date: 2017.12.14 17:21:51 -05'00'

By **Aaron**

Dated: December 14, 2017

Richard J. Aaron (P35605)
Dykema Gossett PLLC
201 Townsend, Suite 900
Lansing, MI 48933
Phone: (517) 374-9198

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter, on the Commission's own motion,)
regarding the regulatory reviews, revisions,)
determinations, and/or approvals necessary for)
WOLVERINE POWER MARKETING COOPERATIVE, INC.,)
to fully comply with Public Acts 286 and 295 of 2008.)

Case No. U-16653

DIRECT TESTIMONY

OF

KIMBERLY B. MOLITOR

ON BEHALF OF

WOLVERINE POWER MARKETING COOPERATIVE, INC.

December 14, 2017

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter, on the Commission's own motion,)
regarding the regulatory reviews, revisions,)
determinations, and/or approvals necessary for) **Case No. U-16653**
WOLVERINE POWER MARKETING COOPERATIVE, INC.,)
to fully comply with Public Acts 286 and 295 of 2008.)

DIRECT TESTIMONY OF KIMBERLY B. MOLITOR

Q₁ PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A₁ My name is Kimberly B. Molitor. My business address is 10125 W. Watergate Road, PO Box 100, Cadillac, Michigan 49601.

Q₂ BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

A₂ I am the President & Chief Executive Officer of Wolverine Power Marketing Cooperative, Inc. ("WPMC").

Q₃ PLEASE DESCRIBE WPMC.

A₃ WPMC is a Michigan non-profit corporation engaged in the sale of electric energy to electric Choice member-customers in Michigan. WPMC was licensed as an Alternative Electric Supplier ("AES") by the Michigan Public Service Commission ("Commission") on November 7, 2000 in Case No. U-12723. WPMC has been selling electric energy to Choice member-customers in Michigan since April 2001.

Q₄ HOW MANY MEMBER-CUSTOMERS DOES WPMC HAVE?

A₄ WPMC currently has 20 member-customers.

Q₅ WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THE PROCEEDING?

A₅ The purpose of my testimony is to describe how WPMC will meet the renewable portfolio standards ("RPS") in Public Act 295 of 2008 ("PA 295"). Specifically, my testimony addresses PA 295's requirement that WPMC file its renewable energy plan with the Commission every two years.

Q₆ HAS WPMC OBTAINED COMMISSION APPROVAL OF A RENEWABLE ENERGY PLAN?

A₆ Yes. On April 16, 2009, the Commission approved WPMC's first renewable energy plan in Case No. U-15847. On July 12, 2011, the Commission approved WPMC's first renewable energy plan in Case No. U-16653. On June 28, 2013, the Commission approved WPMC's second renewable energy plan in Case No. U-16653. On June 15, 2015, the Commission approved WPMC's current renewable energy plan ("The Plan") in this docket.

Q₇ IS WPMC PROPOSING TO AMEND ITS RENEWABLE ENERGY PLAN?

A₇ WPMC does not intend to amend its Plan, with one exception. The Plan approved by the Commission on June 15, 2015 provided that WPMC had 22 member-customers. As noted above, WPMC now has 20 member-customers.

Q₈ PLEASE DESCRIBE HOW WPMC HAS IMPLEMENTED THE COMMISSION-APPROVED PLAN TO DATE.

A₈ As permitted by PA 295, WPMC uses banked and purchased Renewable Energy Credits ("RECs") to comply with PA 295's RPS. WPMC applies available banked RECs toward the renewable energy requirements on a rolling-month first-in, first-out basis, and is on track to satisfy all of PA 295's requirements.

Q₉ DO YOU BELIEVE THAT THE APPROVED PLAN WILL ALLOW WPMC TO MEET PA 295'S REQUIREMENTS?

A₉ Yes. After available banked RECs have been exhausted WPMC will meet its renewable energy requirements through REC purchases and renewable power supply purchases from renewable resources located in the state of Michigan. WPMC will assess incremental charges, if any, up to but not exceeding the allowed caps specified in Section 45(2) of PA 295, of \$16.58 per month for commercial secondary customers and \$187.50 per month for commercial primary or industrial customers per meter.

Q₁₃ DOES THIS CONCLUDE YOUR TESTIMONY?

A₁₃ Yes, it does.

RENEWABLE ENERGY PLAN SUMMAR

Row No.		20	20	20	20	2020	2021	2022	2023	2024	2025	2026	2027	2028	202
	Sales and eement Calculation														
2	Method: Weather Normalized or 3 Year Average	3 Year Average	3 Year Average	3 Year Average	3 Year Average	3 Year Average	3 Year Average	3 Year Average	3 Year Average	3 Year Average	3 Year Average	3 Year Average	3 Year Average	3 Year Average	3 Year Average
3	If Selected Weather Normalized:														
4	Current Year Sales to Retail Customers														
5	Current Year Weather Normalization Factor														
	Current Year Weather Normalized Sales (Row Number 4 * 5)														
	If Selected 3 Year Average:														
	Current Year Retail Sales to Retail Customers	1,330,822	1,325,000	1,321,104	1,321,104	1,247,855	1,247,855	,1 12,245	42 ,6 09	42 ,6 09	285,609	4,6	152,3	152,3	152,3
	3 Year Average of Retail Sales	2 ,6	1,082,0 0	1,213,845	1,325,642	1,322,403	1,29 ,6	1,272,2	1,202,652	2 ,9 03	5 ,1 54	38 ,6 09	2 ,6	204,201	5 ,7
0	RPS Required Energy Credits (For 2017 and 20 enter the same amount as 2015 requirement in MIRECS, for 20 and 2020 enter 12.5% of row 6 or 9, for 2021 enter 15% of row 6 or 9)	,715	,715	,715	5,705	5,300	4,503	0,841	0,3	3 ,4 5	,573	5 ,24	44,492	30,630	23,96
	Energy Credits														
2	Energy Credit Beginning Balance		4	13,243	35,712	,1	,0 5	,7 56	4,0	,8 5	,5 4	3 5	,81	45,990	,024
3	Energy Credits Obtained Through Generation/BOT	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Energy Credits Obtained Through PPA	23,175	,8 09	2 ,1 4	2 ,1 4	2 ,1 4	2 ,1 4	2 ,1 4	2 ,1 4	2 ,1 4	92,384	3,664	3,664	3,664	3,664
5	Energy Credits Obtained Through REC Purchases	75,000	0	0	10,000	50,000	5,000	5,000	5,000	5,000	0	0	0	0	0
	Plus: Energy Credit Obtained (Row 13+14+15)	,175	,8 09	2 ,1 4	3 ,1 4	,1 4	,1 4	,1 4	,1 4	3 ,1 4	92,384	3,664	3,664	3,664	3,664
	Less: Energy Credits Sold	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Available Energy Credits (Row 12+16-1)	,864	,9 58	134,427	,8	2,3 5	203,259	4,940	0,2 3	4 ,0	,96	4,05	0,482	,6 54	2,6
	Compliance Requirement (Row 10)	,715	,715	,715	5,705	5,300	4,503	0,841	0,3	3 ,4 5	,573	5 ,24	44,492	30,630	23,96
20	Less: Energy Credit Expiration	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Energy Credit Ending Balance (Row 1 - -20)	149	13,243	35,712	,1	,0 5	,7 56	4,0	,8 5	,5 4	3 5	,81	45,990	,024	3 ,7
22	Revenue eement														
23	Cost of Renewable Energy Generation/BOT														
24	Cost of Renewable Energy PPA														
25	Cost of Renewable Energy Credit Purchases														
26	Costs of Administration of Renewable Energy Plan														
27	Less: Revenue obtained from Renewable Energy Sales (non-retail)														
28	Total Revenue Requirement for Renewable Energy Plan (Row 23+24+25+26-2)														
29	Cost Recovery														
30	Forecasted Transfer Price per MWH														
31	MWH of Renewable Energy														
32	Amount Recovered Through the PSCR (Row 30 * 31)														
33	Incremental Cost of Compliance (Row 28-32)														
34	Non-Volumetric S rcharge Meter (o c stome) Forecast														
35	Residential														
36	Secondary														
37	Primary														
38	Total (Row 35+36+37)														
39	Planned S rcharge Revenue														
40	Residential														
41	Secondary														
42	Primary														
43	Total (Row 40+41+42)														
44	Year End Regulatory Liability Balance														
45	Current Year Regulatory Liability Balance (Row 43-33)														
46	Forecasted Ending Balance Prior to Current Year Interest (Row 48 for prior year + Row 45 of current year)														
47	Carrying Charges (Short-term interest)														
48	Total Balance (Row 4 + 47)														

RE E B LE E ERGY CREDIT FORECAST																										
	2017		2018		2019		2020		2021		2022		2023		2024		2025		2026		2027		2028		2029	
	RECs	Percen	RECs	Percen	RECs	Percen	RECs	Percen	RECs	Percen	RECs	Percen	RECs	Percen	RECs	Percen	RECs	Percen	RECs	Percen	RECs	Percen	RECs	Percen	RECs	Percen
Technology M																										
Wind	111,809	100%	121,184	100%	121,184	92%	121,184	71%	121,184	62%	121,184	65%	121,184	65%	121,184	89%	92,384	100%	73,664	100%	73,664	100%	73,664	100%	73,664	100%
Solar																										
Biomass																										
Steam																										
Geothermal																										
Municipal Solid Waste																										
Landfill Gas																										
Hydroelectric																										
Incentive																										
Other	0	0%	0	0%	10,000	8%	50,000	29%	75,000	38%	65,000	35%	65,000	35%	15,000	11%	0	0%	0	0%	0	0%	0	0%	0	0%
Totals	111,809	100%	121,184	100%	131,184	100%	171,184	100%	196,184	100%	186,184	100%	186,184	100%	136,184	100%	92,384	100%	73,664	100%	73,664	100%	73,664	100%	73,664	100%
Program Type																										
PURPA																										
Net Metering																										
Feed-in Tariffs																										
Co-unity Solar																										
Other																										
Total																										

*RECs generated and obtained during the year less RECs sold or expired.