

# **Utility Rate Case Status Report**

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# WPS Rate Case Outcomes

## Fixed charges - residential/small business classes 2015-2016

Proposal (Rg-1) – (\$10.30 → \$25)

Proposal (Cg-1) – (\$12.50 → \$35)

- ✓ Ruling (Rg-1) → \$19/mo.
- ✓ Ruling (Cg-1) → \$25/mo. (single phase)

# Meanwhile in Michigan,

On October 17\*, WPS filed an application with the Michigan PSC to increase residential base charges on its 9,000+ U.P. customers (from \$9.00 to \$12.00) and increase the energy rate (see next slide).

Hmmm...

\*After the closing of its WI rate case hearing record

# WPS Rate Case Comparison

## Wisconsin v. Michigan

### Base charge – Residential electric customers

	2014 (actual)	2015 (proposed)	2015 approved
WPS-MI	\$9.00	\$12.00	Not decided
WPS-WI	\$10.30	\$25.00	\$19.00

### Energy rates – Residential electric customers

	2014	2015 (proposed)	2015 (approved)
WPS-MI	\$0.08469	\$0.09783	Not decided
WPS-WI	\$0.11345	\$0.09402	~\$0.102

# **We Energies Rate Case Outcomes**

*WE comes close to running the table*

## **Residential/small business classes -2015**

- ✓ Higher fixed charge (\$9.13 → \$16/mo.)
- ✓ Lower energy rate (13.9 → 13.5 cents/kWh)

# We Energies Rate Case Outcomes

## Solar Customer-Generators – 2016 (residential/small business classes)

- ✓ New capacity demand charge (\$3.80/kW/mo.)
- ✓ Higher 2nd meter fee (\$1.40 → \$3.40/mo.)
- ✓ Monthly netting instead of annual netting
- ✓ 10-year exemption for certain existing solar owners  
(installations after 10/1/2014 not covered)
- X Prohibiting leased generation arrangements (current legal ambiguity continues)

# MV observations/predictions

- ✓ Solar industry will file legal challenges to WEPCO's solar rate changes, especially the capacity demand charge (a/k/a "tax")
- ✓ Solar rate changes will have little impact on WE's C&I customers
- ✓ We Energies poisoned the well for solar – was denied cost recovery for its proposed 7.5 MW, \$25 million solar project.
- ✓ If the utilities want to go up to \$25/month in their next rate cases, the PSC will approve that request

# Outlook for MGE

PSC approval of MGE's proposed rate redesign for residential customers (monthly base charge - \$10.40 → \$19.00 -- per kWh energy rate 14.4 → 13.3 cents) a foregone conclusion.

PSC could make changes to MGE's proposal to create new net metering classes for existing customers (e.g., reduce duration from 15 years to 10 years)