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July 29, 2014

Ms. Mary Jo Kunkle
Michigan Public Service Commission
4300 W. Saginaw Highway
P.O. Box 30221
Lansing, MI 48909

Re: Case No. U-17643

Dear Ms. Kunkle:

Attached for paperless electronic filing is Retail Energy Supply Association's Petition to Intervene. Also attached is a Proof of Service indicating service on the parties.

Thank you for your assistance in this matter.

Sincerely yours,

VARNUM

Timothy J. Lundgren

TJL/mrr

c. Parties

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the matter of the application of)
CONSUMERS ENERGY COMPANY)
For authority to increase its rates for the)
distribution of natural gas and for other relief) Case U-17643
_____)

PETITION TO INTERVENE OF THE RETAIL ENERGY SUPPLY ASSOCIATION

The Retail Energy Supply Association ("RESA"), by its attorneys Varnum LLP, hereby files this Petition with the Michigan Public Service Commission ("Commission") for leave to intervene in and become a party to the above-titled proceedings pursuant to R 460.17201 (Rule 201) of the Commission's Rules of Practice and Procedure. In support of this Petition, RESA states as follows:

1. RESA is a broad and diverse group of retail energy suppliers who share the common vision that competitive retail energy markets deliver a more efficient, customer-oriented outcome than does a regulated utility structure.¹ The comments expressed in this filing represent the position of RESA as an organization but may not represent the views of any particular member of RESA.

¹ RESA's members include: AEP Energy, Inc.; Champion Energy Services, LLC; ConEdison *Solutions*; Constellation NewEnergy, Inc.; Direct Energy Services, LLC; GDF SUEZ Energy Resources NA, Inc.; Homefield Energy; IDT Energy, Inc.; Integrys Energy Services, Inc.; Interstate Gas Supply, Inc. dba IGS Energy; Just Energy; Liberty Power; MC Squared Energy Services, LLC; Mint Energy, LLC; NextEra Energy Services; Noble Americas Energy Solutions LLC; NRG Energy, Inc.; PPL EnergyPlus, LLC; Stream Energy; TransCanada Power Marketing Ltd. and TriEagle Energy, L.P. The comments expressed in this filing represent only those of RESA as an organization and not necessarily the views of each particular RESA member.

2. RESA members are licensed to sell natural gas to retail customers in Michigan. Constellation NewEnergy-Gas Division, LLC ("CNEG"), Direct Energy Services, LLC ("Direct Energy"), Integrys Energy Services, Inc. ("Integrys Energy"), and Interstate Gas Supply, Inc. d/b/a IGS Energy ("IGS") are licensed Alternative Gas Suppliers ("AGSs"). CNEG, Direct Energy, Integrys Energy, and IGS currently serve Gas Customer Choice ("GCC") customers on the Consumers Energy Company ("Consumers") system.

3. On July 1, 2013, Consumers filed its Application in this matter with the Commission, seeking authority to increase its rates and modify its tariffs to, among other things, incorporate a rate increase in the amount of approximately \$88.3 million, such that residential customers' rates would increase approximately 9.2%, general service would increase approximately 17.4%, and transportation would increase approximately 13%, according to Schedule F-2 of witness Dziejatkowski. Furthermore, Exhibit R-12 of witness Dziejatkowski indicates that the existing "Aggregation of Accounts" tariff provision is being moved from Section E9 to C4.7, and that new language is being proposed that would explicitly exclude Gas Customer Choice customers from participation in such aggregation.

4. RESA members are directly affected by these proceedings because the rates, terms and conditions of service are subject to alteration in this proceeding, and those that are approved will affect the operations of RESA members and be paid by RESA members or their customers participating in the Consumers transportation market. Furthermore, any terms of service adopted that specifically target Gas Customer Choice customers or their suppliers would directly and potentially adversely affect members of RESA.

5. Capacity reservation charges and other changes in the terms, rules and conditions of service have recently been proposed by other gas utilities in this state, and these have directly and adversely affected AGSs that are members of RESA. While no such reservation charge has been proposed by Consumers in its Application, it is necessary for RESA to have a presence in this docket so as to be able to respond to such proposals if they are made subsequently - either by Consumers or by one of the intervenors.

6. As an organization representing licensed AGSs with their own distinct interests, RESA's interests in this proceeding cannot be adequately represented or protected by any other party.

7. RESA is therefore entitled to intervene because the issues to be addressed in this proceeding are likely to have a direct and substantial impact upon RESA members and upon their customers. RESA also needs to be present in this proceeding in order to ensure that changes proposed to Consumers' tariffs, rules and conditions of service, whether introduced by the company or by intervenors, do not unreasonably and adversely affect AGSs, including RESA's members. The proposed tariff revisions have the potential to create an injury in fact for RESA members.

8. Under the Order in Michigan Consolidated Gas Company Case U-9138, dated November 10, 1988, standing to intervene as of right in a proceeding is established by a showing which requires a party to demonstrate two things: 1) that the party will suffer an injury in fact as a result of the outcome of the case; and 2) that the party must be within the zone of interest protected by the statute involved.

9. RESA meets the "injury in fact" test because the proposed tariff revisions include changes that directly target the Customer Choice market. As entities that utilize and purchase services from Consumers, RESA members are termed "customers" under utility tariffs and as such will be directly affected by changes to the tariff sheets and rules, including increases in transportation costs. Thus, RESA members are within the zone of interest protected by statutes.

10. RESA is also entitled to a grant of Intervenor status on a permissive basis. RESA members, as AGSs serving customers on the Consumers system, have direct knowledge of the impact of proposed tariff changes on AGS entities operating on the Consumers system and on the customers they serve. RESA, as the representative of AGSs, has a perspective that is unique and that perspective is not directly represented by any other party to this matter.

11. RESA has been granted intervention as a party in Consumers Energy General Rate Case U-16418, SEMCO Cases U-15953 and U-16169, in Michigan Consolidated Gas General Rate Case U-16400 and U-16999 and in DTE Gas Company GCR Cases U-17131 and U-17332.

12. As an Intervenor in this case, RESA will take the position that any revisions to the tariffs of Consumers must be just, reasonable and non-discriminatory, in particular with respect to their impacts on Consumers' Gas Customer Choice program.

13. WHEREFORE, RESA respectfully requests that the Commission grant its Petition to Intervene in this matter.

Respectfully submitted,

Varnum,^{LLP}
Attorneys for Retail Energy Supply Association

July 29, 2014

By: _____
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STATE OF MICHIGAN

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CONSUMERS ENERGY COMPANY)
For authority to increase its rates for the)
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Case U-17643

PROOF OF SERVICE

STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

Monica Robinson, the undersigned, being first duly sworn, deposes and says that she is a Legal Secretary at Varnum LLP and that on the 29th day of July, 2014, she served a copy of Retail Energy Supply Association's Petition to Intervene upon those individuals listed on the attached Service List by email at their last known addresses.

Monica Robinson

SERVICE LIST U-17643

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