

**STATE OF MICHIGAN**  
**BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION**

In the matter of the application of )  
CONSUMERS ENERGY COMPANY )  
for approval of interconnection )  
procedures and forms. )  
\_\_\_\_\_ )

Case No. U-21480

**Introduction**

The Michigan Energy Innovation Business Council (“Michigan EIBC”) appreciates the opportunity to provide comments on the final electric utility procedures. Michigan EIBC was involved in the development of the new Interconnection and Distributed Generation Standards (“MIXDG rules”) over the last several years. In addition to the comments on Consumers Energy’s proposed final interconnection procedures, Michigan EIBC members are already experiencing issues with the implementation of these new procedures, which are detailed below.

Michigan EIBC notes that in addition to the comments contained herein, conversations are ongoing at the Michigan Legislature regarding the underlying statutes governing certain aspects of Michigan’s interconnection standards and procedures. It will be important for the Commission to ensure that any changes in statute that occur this year are reflected in the approved utility interconnection procedures.

**General Implementation Concerns**

*Timelines*

As a result of the newly implemented interconnection procedures, Michigan EIBC members and their customers have experienced significantly longer timelines for approval of interconnection applications. For example, Michigan EIBC members have found that approvals for Level 1 projects used to take approximately two weeks and those same approvals now take four to ten weeks. Some of these delays may be related to the new timelines in the procedures, but others appear to be due to a lack of appropriate online processing systems, including for payment

processing, and apparent lack of appropriate staff capacity. For example, minor typographical errors in applications are often not reviewed/returned to applicants before the full 10-day review period is complete. In other cases, an applicant may be told of one error, only to wait for a 10-day review to be told of another error. Every error should be identified and presented during the initial review period. Moreover, the timelines in the rules are not meant to be the defined time by which each step shall occur; instead, the timelines are meant to be the maximum amount of time for each step. There is no reason to believe that the MIXDG rules were intended to *lengthen* the interconnection process.

#### *Rejections based on minimal errors*

As referenced above, multiple Michigan EIBC members have experienced rejections of applications for very small, often typographical, errors. These tend to come at the end of the allowed 10-day review timeline, resetting the clock yet again and unnecessarily lengthening the interconnection process. In addition to responding to applications in a timelier manner, utilities should act reasonably and in the interest of their customers by not rejecting applications for minor errors when it is otherwise clear that the application is complete and filled out properly.

#### *Requirements for new or different information*

It is critical during the implementation of these new procedures that each utility make it very clear to customers and developers what information is required and, even more importantly, what has changed from the old and new requirements. Michigan EIBC members are experiencing rejected applications because the applications are missing information that has never been requested for any previous project. In addition, applicants have submitted information using the incorrect form, only to be provided with the new form, resetting the timeline for review and restarting a new 10-day review period. If new information or new forms are required because of the new standards and new procedures, this needs to be made very clear at the outset to applicants and developers. Michigan EIBC would be happy to work with any interested utility to host a webinar or other information sharing opportunity to ensure that developers are aware of the new requirements.

### *Apparent confusion over procedures and lack of communication*

Michigan EIBC members have found that the relevant utility staff are not always fully up to speed regarding the new interconnection procedures. According to Michigan EIBC members, this is resulting in confusion and the inappropriate rejection of applications. Each utility should ensure that their public facing staff are fully aware of and consistently applying the new procedures. In addition, when errors do occur, it would be helpful for each utility to identify one or more liaisons for developers as a direct line of contact.

### *System size issues*

For years, Michigan EIBC members have experienced issues with allowable system sizes, for example, in new homes and in homes with expected future increases in load. Utilities have also challenged a system's nameplate capacity despite there being site-specific conditions that influence expected system production. As such, Michigan EIBC recommends that applicants should be able to provide their own capacity factor with supporting evidence if desired. In addition, Michigan EIBC encourages each electric utility to adopt procedures to accept systems expected to exceed the customer's historic consumption if the customer can demonstrate an expected future increase in load such as the purchase of an electric vehicle or other home electrification device.

### **Consumers Energy-Specific Comments**

Michigan EIBC appreciates many of changes made by Consumers Energy to address comments from stakeholders including Michigan EIBC on the draft procedures. Specifically, Michigan EIBC supports Consumers Energy's decision to exclude electric vehicles that operate as load from the definition of DER, and thereby, the interconnection application requirements. Michigan EIBC also supports Consumers' decision to reduce the supplemental review fees from \$5,000 to \$1,000 to maintain alignment with the interconnection standards. Finally, Michigan EIBC agrees with Consumers' decision to add an export-only option to energy storage configuration options for legacy net metering participants.

### *Direct Transfer Trip*

Consumers Energy requires Direct Transfer Trip (“DTT”) for non-certified inverter-based systems. Michigan EIBC appreciates that Consumers does not require DTT for certified inverter-type projects. However, where it is required, this is an unnecessarily conservative and costly requirement, which may limit penetration of larger DER projects. Several utilities that still screen for risk of islanding have taken a more advanced approach to determine if a risk of islanding study is warranted before applying DTT. Considering that risk of islanding from solar systems, which is worst-case when capacity is equal to 2/3 of maximum load (e.g., 200-400% of minimum load), is on the order of  $8.3 \times 10^{-6}$  per year,<sup>1</sup> such a blanket application of DTT for non-certified inverter-based systems is unwarranted.

### *Power-Limited Export*

Michigan EIBC appreciates that Consumers Energy added a clarification indicating that customers can power limit below 80% of the DER Capacity. However, we recommend that each application should be studied (including through the fast track screening process) at the power limited level, not at 80% of the DER Capacity. Otherwise, Consumers is assuming steady-state operating conditions that will not occur. Instead, the Company could look closer at worst-case inadvertent export under “rapid voltage change” conditions using a screen such as that suggested by the Storage Interconnection Committee of the Building a Technically Reliable Interconnection Evolution for Storage (“BATRIES”) Project Team for projects >250 kW in capacity.<sup>2</sup>

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<sup>1</sup> Cullen, N., Thornycroft, J, and Collins, A. 2002. International Energy Agency. Report IEA PVPS T5-08. *Risk analysis of islanding of photovoltaic power systems within low voltage distribution networks*. Available at [https://iea-pvps.org/wp-content/uploads/2020/01/rep5\\_08.pdf](https://iea-pvps.org/wp-content/uploads/2020/01/rep5_08.pdf).

<sup>2</sup> Building a Technically Reliable Interconnection Evolution for Storage (BATRIES) Project Team. Storage Interconnection Team. “Toolkit & Guidance for the Interconnection of Energy Storage & Solar-Plus-Storage.” March 2022. Available at: <https://energystorageinterconnection.org/resources/batrics-toolkit/>.