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MPSC takes next steps on utility pilot programs, seeks public comment on DTE Electric Co.'s proposed framework

The MPSC is seeking public input on DTE Electric Co.'s application for approval of its expedited pilot review workplan, the first step in the MPSC's process toward quicker evaluation of pilot programs as part of efforts to promote innovation in energy delivery ([Case No. U-21653](#)).

The Commission in 2020 launched the [New Technologies and Business Models workgroup](#) as part of [MI Power Grid](#), the MPSC's multiyear effort to maximize the benefits of Michigan's transition to clean, distributed sources of electricity. The Commission in 2023 approved a voluntary 90-day review process for utility pilot programs, aiming to explore the applicability of new tech and business models, faster testing and refinement of new models, and support the rapid transformation of Michigan's energy system.

Utilities participating in the expedited pilot review process must first submit a pilot workplan addressing up to five areas of exploration, conducting robust public engagement as the utility develops the plan.

DTE Electric Co. filed its application for approval of its workplan on June 14, 2024, saying it had conducted significant public engagement including public open houses, focused on five broad areas: grid reliability and resilience, distributed energy resource integration, decarbonization, beneficial electrification, and equality, access and affordability.

The Michigan Energy Innovation Business Council, the Institute for Energy Innovation, and Advanced Energy United filed objections to the DTE plan's problem statements, arguing among other things that many of the problems or issues DTE identified aren't new or prime for innovative solutions.

The Commission declined to approve the workplan, finding approval premature. Today's order instead calls for additional public comment on DTE Electric's proposed workplan in an effort to identify areas in which significant consensus exists that would allow for expedited approval of specific proposals.

Interested persons may file comments on DTE Electric's proposal by 5 p.m. Sept. 12, 2024. Comments may be submitted through the [MPSC's E-Dockets system](#); mailed to Executive Secretary, Michigan Public Service Commission, P.O. Box 30221, Lansing, Michigan 48909; or emailed to LARA-MPSC-Edockets@michigan.gov. Comments should reference Case No. U-21653.

MPSC ACCEPTS CAPACITY DEMONSTRATION RESULTS, ADOPTS MINOR FILING REQUIREMENT CHANGES, OPENS DOCKET FOR 2028-29 PLAN YEAR

The MPSC today accepted MPSC Staff's March 24, 2023, capacity demonstration results report ([Case No. U-21393](#)) showing that all investor-owned utilities, alternative electric suppliers, cooperative electric utilities and municipally owned electric utilities own or have contractual rights to sufficient capacity to obligations in all four seasons of the 2027-28 planning year as set by the appropriate independent system operator. The Commission adopted minor revisions to the MPSC's Capacity Demonstration Filing Process and Requirements document. Electric utilities required to file capacity demonstrations pursuant to MCL 460.6w(8)(a) for the 2028-29 planning year must do so by 5 p.m. on Feb. 24 and March 3, 2025, in Case No. U-21775. Load serving entities (LSEs) required to file capacity demonstrations pursuant to MCL 460.6w(8)(b) for the 2028-2029 planning year must do so by March 17, 2025, in Case No. U-21775. Utilities and LSEs shall include capacity resource data for the prompt and interim years as well as the compliance year, 2028/2029, in their filings. MPSC Staff must file its report analyzing the sufficiency of the 2027-2028 capacity demonstrations by May 12, 2025. This year's capacity demonstrations were the first to use the new seasonal construct established by the Midcontinent Independent System Operator (MISO), as well as MISO's newly adopted Reliability-Based Demand Curve that is designed to more accurately reflect the value of electric generation capacity to the broader grid.

COMMISSION OKS RENEWABLE ENERGY CONTRACTS FOR THREE UTILITIES

The Commission today took a number of steps on matters involving expanded electric generating capacity and clean energy in Michigan:

- In [Case No. U-21090](#), the Commission approved a PPA between Consumers Energy and Century Oaks Energy Storage LLC for the output of the 200 MW, 800-megawatt-hour (MWh) energy storage facility in Huron County. Consumers estimates a total lifetime PPA cost of \$769 million over the 20-year contract. The company's most recent IRP required the utility to issue a one-time competitive solicitation for projects to provide the company capacity credit in the Midcontinent Independent System Operator's Zone 7 starting in the 2025 planning year.
- In [Case No. U-20350](#), the Commission approved a 15-year PPA between Upper Peninsula Power Co. (UPPCO) and Copper Country Power LLC for the output of the 62.5 MW Groveland Mine Solar Project in Dickinson County housed at the site of a long-vacant iron mine. The PPA will help the utility procure 125 MW of additional capacity identified in the utility's IRP filed in 2019. The total lifetime cost of the PPA is about \$151.5 million.
- In [Case No. U-18425](#), the Commission approved Consumers Energy Co.'s application for approval of an amended power purchase agreement (PPA) with

STS Hydropower LLC for the output of the 1,400-kilowatt Ada Hydro Plant on the Thornapple River near Ada. Consumers Energy and the plant's original owner entered into a long-term PPA in 1984 that was initially set to expire in 2016, but Consumers has continued to contract for the plant's power. Today's order approves a new PPA with current owner STS Hydropower for a one-year term ending May 31, 2025, with a total estimated cost of \$167,721.

COMMISSION OKS ALLOWING IP-BASED 911 PROVIDERS TO SUBMIT SOME COST STUDIES ELECTRONICALLY

The MPSC said it supports updating the submission process for internet protocol-based 911 service providers to submit cost studies for review, allowing some to be shared electronically ([Case No. U-20146](#)). The Commission said IP-based 911 providers may share information using Microsoft OneDrive, as has been tested successfully with providers and MPSC Staff, but providers should continue to submit initial cost studies via printed hard copies and on flash drives. IP-based 911 providers may work with Staff to submit renewal cost studies using Microsoft OneDrive or submit them as previously directed.

MPSC DENIES INDIANA MICHIGAN POWER CO. PETITION FOR REHEARING

The Commission denied a petition for rehearing from Indiana Michigan Power Co. (I&M) over disallowed costs in its power supply cost recovery (PSCR) reconciliation that the Commission approved in April ([Case No. U-20805](#)). The MPSC's April 11 order, among other actions, disallowed \$10,149,232 in energy-only costs associated with the Rockport plant for electric generation that I&M receives through a unit power agreement with its affiliate, American Electric Power Generating Company Inc. The Commission found the costs unreasonable and well above other long-term supply benchmarks. I&M disagreed with the Commission's order, but the Commission today said it was not persuaded to reverse previous findings.

COMMISSION TO HOLD PUBLIC HEARING ON ADOPTION OF UPDATED NATIONAL ELECTRIC CODE

The MPSC will hold a public hearing Sept. 18 on the Commission's move to amend Michigan Administrative Code R 460.813, part of the MPSC's rules governing Electrical Supply and Communication Lines and Associated Equipment, to adopt by reference the 2023 National Electric Safety Code (Case No. U-21373). The amended rules are working through the administrative review process, and the MPSC is seeking public comment at a hearing at 1 p.m. Sept. 18 at 7109 W. Saginaw Highway, Lansing. Written comments also may be submitted by 5 p.m. Oct. 2, 2024, and should reference Case No. U-21373. Comments may be mailed to Michigan Public Service Commission, Executive Secretary, P.O. Box 30221, Lansing, MI 48909, submitted through the [MPSC's E-Dockets system](#) or emailed to LARA-MPSC-Edockets@michigan.gov.

COMMISSION APPROVES CONSUMERS ENERGY'S VOLUNTARY GREEN PRICING PROGRAM

The Commission approved Consumers Energy Co.'s application for approval of its voluntary green pricing (VGP) program, through which ([Case No. U-21374](#)) customers

may voluntarily specify a certain amount of electricity purchases to be from renewable energy resources, with the costs of the programs billed to participating customers. The Commission also directed Consumers to conduct an outreach session on the purchase of renewable energy credits from distributed generation customers. The Commission directed the utility to include a new proposal for the purchase of renewable energy credits from distributed generation customers that comports with the state's revamped energy laws enacted in 2023. The Michigan Energy Innovation Business Council, Institute for Energy Innovation, and Advanced Energy United, Environmental Law and Policy Center, Ecology Center and Vote Solar intervened in the case. MPSC Staff also participated.

MPSC OKs ALTERNATIVE ELECTRIC LICENSE FOR UPPER PENINSULA FIRM

The MPSC granted a license for American Rural Cooperative Power Inc. (ARC Power) to serve as an alternative electric supplier in Michigan ([Case No. U-21650](#)). ARC Power is an Upper Peninsula-based nonprofit organized in 2021 whose members include Cloverland Electric Cooperative, the Sault Ste. Marie Tribe of Chippewa Indians and Acumen Engineering Services. The Commission found ARC Power's request reasonable and in the public interest, helping foster competition. ARC Power's Michigan office is at 2916 W. M-28 in Dafer in Chippewa County.

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To look up cases from today's meeting, access the [MPSC's E-Dockets filing system](#). Watch recordings of the MPSC's meetings on the [MPSC's YouTube channel](#).

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