

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

In the matter, on the Commission’s own motion, )  
to open a docket for certain regulated electric )  
utilities to file their distribution investment and )  
maintenance plans and for other related, )  
uncontested matters. )  
\_\_\_\_\_ )

Case No. U-20147

**COMMENTS OF THE**  
**MICHIGAN ENERGY INNOVATION BUSINESS COUNCIL**  
**AND**  
**ADVANCED ENERGY UNITED**

**Introduction**

On September 26, 2024, the Michigan Public Service Commission (“Commission”) issued an Order in Case No. U-20147 addressing comments previously submitted in response to the most recent distribution system plans (“DSPs”) of certain Michigan electric public utilities. Attached to the Order as Exhibit A is a Distribution Planning Staff Proposal (“Straw Proposal”) setting forth guidelines for future utility DSP filings. The Michigan Energy Innovation Business Council (“Michigan EIBC”)<sup>1</sup> and Advanced Energy United (“United,” collectively “Michigan

---

<sup>1</sup> The Michigan Energy Innovation Business Council is a trade organization tasked with growing Michigan’s advanced energy economy by fostering opportunities for innovation and business growth and offering a unified voice in creating a business-friendly environment for the advanced energy industry in Michigan.

EIBC/United”)<sup>2</sup> offer these comments in response to the Commission’s request for feedback on the Straw Proposal. Michigan EIBC/United appreciate this opportunity to provide comments because, while the Straw Proposal is generally well designed, there are areas that can be improved upon.

### **Prefatory Comment Concerning the Order**

Although not an aspect of the Straw Proposal, Michigan EIBC/United would like to take this opportunity to emphasize their concern that DSPs are not subject to the same level of scrutiny as the electric utilities’ integrated resource plans (“IRPs”), where intervenors provide formal input, and the Commission enters an order approving the IRP with modifications if warranted.<sup>3</sup> Michigan EIBC/United recognize that the Order states that the DSPs “feed into” general rate filings and that “specific funding proposals and funding amounts for projects in distribution plans will naturally either be approved or rejected in a subsequent rate case order.”<sup>4</sup> Nevertheless, Michigan EIBC/United remain concerned that the lack of greater scrutiny of the DSPs impede more comprehensive planning that could result in more cost effective distribution system investments. In fact, the unvetted DSPs not only play a significant role in the preparation and design of each utility’s rate cases, but the DSPs are also often referenced in utility rate cases as supporting

---

<sup>2</sup> Advanced Energy United is a national business association representing leading companies in the advanced energy industry. United supports a broad portfolio of technologies, products, and services that enhance U.S. competitiveness and economic growth through an efficient, high-performing energy system that is clean, secure, and affordable.

<sup>3</sup> Michigan Public Service Commission, Comments of Michigan Energy Innovation Business Council and Advanced Energy United on Consumers Energy’s Electric Distribution Infrastructure Investment Plan, Case No. U-20147, February 16, 2024, p. 13.

<sup>4</sup> Michigan Public Service Commission, Order in Case No. U-20147, September 26, 2024, p. 136. See also, p. 137 (“The Commission sees distribution plans as containing higher level support and justification and rate cases then containing more granular and detailed support and justification.”) and p. 139 (“...the Commission reminds utilities that they are required to support the reasonableness and prudence of all spending proposals in their rates cases, including spending proposals described in their distribution plans for which they are seeking to recover costs.”)

evidence to justify investments. Given that the DSPs are not formally reviewed and stakeholder comments do not need to be incorporated by the utility, it would appear to be a circular argument to point to these documents in a rate case as record evidence. In their prior comments in this proceeding, Michigan EIBC/United noted that statutory direction may be needed regarding the scope of the Commission's authority on this point,<sup>5</sup> but in the meantime, Michigan EIBC/United suggest that the Commission consider the broad authority it has under MCL 460.6(1) to more closely examine and approve, modify, or reject utility DSPs.<sup>6</sup> Michigan EIBC/United acknowledge that the Commission need not make a decision on this issue in the context of the Straw Proposal, but respectfully encourage the Commission to consider its existing authority over utility planning.

### **Schedule**

Michigan EIBC/United support the DSP filing schedule set forth in the Straw Proposal. Michigan EIBC/United also find merit in the filing of updates of the DSPs, but are not convinced that updates should only be optional. While utilities should be free to submit an update when they believe doing so is warranted, the Commission should consider identifying situations when updates are mandatory. For example, an update should be required when an underlying law affecting an aspect of a DSP has changed. Rather than wait until the next DSP filing, which could be three years in

---

<sup>5</sup> Michigan Public Service Commission, Comments of Michigan Energy Innovation Business Council and Advanced Energy United on DTE Electric's Distribution Grid Plan, Case No. U-20147, March 15, 2024, p. 19.

<sup>6</sup> MCL 460.6(1) "The public service commission is vested with complete power and jurisdiction to regulate all public utilities in the state except a municipally owned utility, the owner of a renewable resource power production facility as provided in section 6d, and except as otherwise restricted by law. The public service commission is vested with the power and jurisdiction to regulate all rates, fares, fees, charges, services, rules, conditions of service, and all other matters pertaining to the formation, operation, or direction of public utilities. The public service commission is further granted the power and jurisdiction to hear and pass upon all matters pertaining to, necessary, or incident to the regulation of public utilities, including electric light and power companies, whether private, corporate, or cooperative; water, telegraph, oil, gas, and pipeline companies; motor carriers; private wastewater treatment facilities; and all public transportation and communication agencies other than railroads and railroad companies."

the future, a utility should update its DSP to reflect the new requirements it is operating under. Similarly, if new federal or state opportunities emerge affecting, for example, consumer interests in distributed energy resources (“DERs”), such as additional rebates on electric vehicles or charging facilities, or funding for utility infrastructure improvements, such as new federal funding to utilities to strengthen grids against the effects of extreme weather, a utility should update its DSP to reflect the impacts on the DSP.

### **Interested Party Outreach**

Michigan EIBC/United applaud the minimum requirements for soliciting input from interested parties during the development of DSPs, but offer a few suggestions for improvement. Notably, the Straw Proposal requires at least one outreach meeting, but also specifies that at least half of all outreach meetings, with a minimum of one, “must be held outside of normal business hours and offered in the utility’s service territory in geographic locations convenient to customers.”<sup>7</sup> The Straw Proposal also recommends that meeting formats include in-person, phone-in, and virtual options. These requirements and recommendation raise three issues.

First, for smaller utilities, this may mean that there will be only one outreach meeting, and it will be held outside of normal business hours. With today’s busy schedules, while holding such meetings outside of regular business hours may allow for public participation, it may pose an obstacle to attendance for community leaders and advocacy groups, including typical intervening parties. Michigan EIBC/United suggest that the Straw Proposal be modified to require at least two meetings, one during regular business hours and one outside of regular business hours.

---

<sup>7</sup> Exhibit A Straw Proposal, p. 2.

Second, some utilities serve large areas of Michigan. Consumers Energy, for example, provides electric service in an area that spans from Michigan's border with Indiana to the Mackinac Bridge—a distance of at least 300 miles. Rather than defer to the utility to determine what is convenient for customers, Michigan EIBC/United suggest that the Commission consider establishing an outer limit of reasonable travel time for customers. In Illinois, for instance, 220 ILCS 5/8-306(n) requires in the context of water and sewer rate cases that the Illinois Commerce Commission (“ICC”) schedule public forums in locations within approximately a 45-minute drive time of the municipalities or townships where public forum have been requested. The Commission should consider establishing a similar standard for the outreach meetings called for in the Straw Proposal. In the interest of efficiency, the Commission could require each utility to notify stakeholders that they may request additional outreach meetings in particular geographic areas and only hold such meetings if requested to do so.

Third, the recommendation, rather than requirement, that utilities provide hybrid meeting formats may deter stakeholder participation to the extent that utilities opt for only in-person participation. To support broad participation in the DSP outreach meetings, Michigan EIBC/United recommend that the Commission require utilities to hold outreach meetings that all include in-person, phone-in, and virtual options. The voices of those unable to travel and unable to use online applications should not be restricted. Allowing phone-in and virtual participation will be particularly beneficial to older people and those with young children at home. Requiring the use of phone-in and virtual formats will also be useful if the Commission does not accept Michigan EIBC/United's suggestion that multiple outreach meetings be held within a specified travel time.

Separately, Michigan EIBC/United recommend that there are several topics that may be best addressed with additional technical stakeholder workgroups. Specifically, prior to finalizing a utility distribution system plan, a utility should meet with stakeholders, including technical experts to discuss issues related to grid modernization, electrification, electric vehicles, DERs, and non-wires alternatives. These are areas of innovation and, in general, are new to electric utilities. As such, it would be helpful to gather the most up-to-date information from technical experts prior to filing the plan. The Commission should direct utilities to host a sufficient number of stakeholder meetings to cover the referenced issues, as well as other emerging issues, early enough in the planning process so that they can be meaningfully considered in the preparation of the DSP.

### **Distribution Plan and Documentation**

Under the heading of Distribution Plan and Documentation, the Straw Proposal provides an outline for utilities to follow when preparing their DSPs. Michigan EIBC/United support the standardization of the DSP filings, as it will ensure the availability of minimum information about utility plans and facilitate greater comparison among the utilities. Section IV(f) of the outline concerns grid modernization efforts within distribution system planning, stating specifically, “the utility shall detail its efforts to address ongoing and upcoming distribution technologies and improvements to create a modern grid.” Michigan EIBC/United fully support the permanent incorporation of a grid modernization section within utility DSPs as this will allow for the holistic evaluation not only of DERs, non-wires alternatives, and electrification, but also, of the grid architecture required to support them. To this point, electric utilities should evaluate, as part of distribution system planning, complementary grid-side investments that leverage and optimize existing infrastructure in order to support greater DER integration and utilization. To the extent

that existing infrastructure is no longer able to support a modernized, DER-enabled grid, Michigan EIBC/United recommend that utilities report on these topics and provide detailed replacement strategies that align with previous Commission Orders, reports, and legislative mandates.

Separately, Michigan EIBC/United noted in previous comments that the largest utilities, DTE and Consumers Energy, either did not address the impact of building electrification (e.g., heat pumps) on their system or gave the topic only rudimentary attention.<sup>8</sup> Given the impact that building electrification, DER adoption, and transportation electrification could have on distribution system planning, Michigan EIBC/United recommend that the Commission modify Section IV(f) of the outline in the Straw Proposal to call additional attention to these issues and add additional weight to these requirements. Specially, the Straw Proposal outline should identify building electrification in addition to transportation electrification (as in subsection (f)v). In addition, the Straw Proposal should require consideration of the benefits of these technologies to the grid, to customers, and to utility financial investments (e.g., avoided distribution costs). This consideration should be added to the final paragraph in Section IV(f).

An additional area that the Commission should consider including in the Straw Proposal outline relates to third-party owned assets. It would likely be useful to the Commission and other stakeholders to know how each utility is facilitating and interacting with third-party owned DERs. Under Section IV(f) of the outline, for instance, the Commission could direct utilities to identify

---

<sup>8</sup> Michigan Public Service Commission, Comments of Michigan Energy Innovation Business Council and Advanced Energy United on Consumers Energy's Electric Distribution Infrastructure Investment Plan, Case No. U-20147, February 16, 2024, pp. 10, 12-13; Comments of Michigan Energy Innovation Business Council and Advanced Energy United on DTE Electric's Distribution Grid Plan, Case No. U-20147, March 15, 2024, pp. 17-19.

how they intend to improve the interconnection process for third-party owned DERs and how they intend to encourage the use of third-party owned DERs to benefit the grid. Third-party owned DERs can play a significant role in shoring up the distribution system, and thus represent an appropriate area to be addressed in utility DSPs.

Finally under Section IV(g) of the Straw Proposal outline is an entry concerning hosting capacity analysis. As proposed, utilities would only have to provide hosting capacity “go/no go” maps, which Michigan EIBC/United understand will simply indicate whether or not capacity is available (given a certain size DER) without any additional information. The Order also references the frequency of updates to the maps, indicating that they “should also be published and updated annually or more frequently.”<sup>9</sup> From this statement, it appears to Michigan EIBC/United that utilities are only expected to update these basic maps annually but may do so more frequently if they wish. This is troubling because it represents an industry minimum at a time when Michigan will need to increase interconnected DERs not only to attain its clean energy goals but also to ensure sufficient capacity to accommodate load growth. Michigan EIBC/United encourage the Commission to require DSPs that plan for and include regularly updated hosting capacity maps containing significantly more data. For a hosting capacity or load carrying capacity analysis to provide the most benefit, it must be updated whenever major changes occur on a circuit.<sup>10</sup> For comparison, Commonwealth Edison Company (“ComEd”) in Illinois began updating its hosting capacity maps quarterly in September 2023. Under a multi-year integrated grid plan currently

---

<sup>9</sup> Michigan Public Service Commission, Order in Case No. U-20147, September 26, 2024, p. 141.

<sup>10</sup> Steffel, S., Pepco Holdings - an Exelon Company, “Hosting Capacity – Lessons Learned,” November 2018, presented at NARUC Annual Meeting, available at <https://pubs.naruc.org/pub/EDC90F3E-A16E-AAEE-2FBF-63D6DAC9AEAC>, at slide 41.

under review by the ICC, ComEd itself proposed to start updating its maps monthly in September 2024. ComEd’s maps currently depict hosting capacity broken out in six tiers.<sup>11</sup> According to ComEd, “[f]uture enhancements will include the addition of a data sheet with available feeder and substation data, the identification of limiting factors at a specific location, a dynamic hosting capacity evaluation, and the location of DERMS deployments.”<sup>12</sup> Similarly, Pepco Holdings, an Exelon Company, generates a report on a monthly basis that shows those feeders that require updated hosting capacity information due to a change of 500 kW or more in generation on that feeder.<sup>13</sup> Michigan EIBC/United recommend that the Commission use this opportunity to push Michigan’s electric utilities to provide more granular and more frequently updated hosting capacity maps.

## **Conclusion**

Michigan EIBC/United recognize and appreciate the significant work the Commission and Staff have done to draft the Straw Proposal. Michigan EIBC/United strongly urge the Commission and Staff to update the Straw Proposal to incorporate the above changes to continue making Michigan’s grid cleaner, more reliable, and secure. Michigan EIBC/United look forward to continuing to engage on this topic with the Commission, Staff, and other stakeholders.

---

<sup>11</sup> ComEd, “PV Hosting Capacity Map,” available at <https://exelonutilities.maps.arcgis.com/apps/webappviewer/index.html?id=d282a890afb34956a906ae224c9f708e>.

<sup>12</sup> ICC Docket No. 22-0486, ComEd Revised Multi-Year Integrated Grid Plan, Chapter 5, p. 11.

<sup>13</sup> Steffel, S., Pepco Holdings - an Exelon Company, “Hosting Capacity – Lessons Learned,” November 2018, presented at NARUC Annual Meeting, available at <https://pubs.naruc.org/pub/EDC90F3E-A16E-AAEE-2FBF-63D6DAC9AEAC>, at slide 35.