

STATE OF MICHIGAN
BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

* * * * *

In the matter of the application of	)	
CONSUMERS ENERGY COMPANY	)	
for a financing order approving the	)	Case No. U-17473
securitization of qualified costs.	)	
_____	)	

At the July 10, 2025 meeting of the Michigan Public Service Commission in Lansing,
Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair
Hon. Katherine L. Peretick, Commissioner
Hon. Alessandra R. Carreon, Commissioner

ORDER

In its December 6, 2013 order in this docket (December 6 order), the Commission authorized Consumers Energy Company (Consumers) to securitize up to \$389.6 million of qualified costs pursuant to the issuance of securitization bonds related to the expected costs of early retirement and demolition of BC Cobb units 1-5, Weadock units 7-8, and Whiting units 1-3.¹ Among other issues addressed by the order, the Commission concluded that there must be periodic true-ups of the securitization charges to ensure that the amounts collected are sufficient to service the securitization bonds. The Commission stated:

¹ Consumers filed its application seeking a financing order on September 9, 2013 in this docket, pursuant to the Customer Choice and Electric Reliability Act, Public Act 141 of 2000; the Michigan Administrative Procedures Act, Public Act 306 of 1969; and Public Act 3 of 1939 that, among other things, permit certain utilities the option of reducing costs through the issuance of securitization bonds. See, MCL 460.10 *et seq.*, 24.201 *et seq.*, and 460.1 *et seq.*

True-ups of the securitization charges shall be conducted periodically, in accordance with the schedule and the methodology approved in this order. Mid-year true-up results may be implemented immediately for any mid-year true-up that is uncontested.²

As stated in the December 6 order, the 4 coincident peak (4CP) 50/25/25 allocator, as calculated in that proceeding, shall determine each customer class's annual responsibility for the total revenue requirement of the securitization.³ Accordingly, in the event that sales attributable to a particular customer class decrease to zero, this directive necessarily means that Consumers will recalculate the allocator using the 4CP 50/25/25 methodology for future true-ups to ensure that the company remains capable of collecting the required revenues sufficient to timely meet the special purpose entity's bond payment obligation.⁴

On May 23, 2025, Consumers filed its annual routine true-up adjustment report in this docket to reflect new securitization surcharges for the period of August 2025 through July 2026. The current and proposed surcharges are set forth on page 2 of Attachment A of Consumers' application (attached to this order as Exhibit A).

² See, December 6 order, p. 64, ¶ H, approving Rule C9.2 of Consumers' electric rate tariff book. As of October 16, 2017, Rule C9.2 is referenced as Rule C9.1 in Consumers' electric rate tariff book.

³ The December 6 order, pp. 42-43, refer to "allocation of securitization costs to each rate class based on the most recent Commission approved production allocation (currently 4CP 50/25/25), and then spread to customers within a class based on a uniform kWh [kilowatt-hour] surcharge." The most recently approved production allocation as of December 6, 2013, was contained in the June 7, 2012 order in Case No. U-16794, pp. 106-108. As discussed in that order, the 4CP 50/25/25 allocation method consists of a calculation using a formula of 50% weighting of coincident peaks occurring from June through September, 25% weighting of on-peak use, and 25% weighting of total energy use.

⁴ See, December 6 order, p. 62, ¶ D.

The Commission Staff (Staff) reviewed the proposed adjustments contained within the application and concluded that the adjustments are routine, the calculations are accurate, and the proposed adjustments conform to the methodology approved by the Commission.

After considering Consumers' filing and the Staff's review, the Commission agrees that the proposed adjustments in the application are routine, the calculations are accurate, and the proposed adjustments conform to the approved methodology. Consumers is therefore authorized to implement the adjustments effective for bills rendered on and after the August 2025 billing month.

THEREFORE, IT IS ORDERED that:

A. For bills rendered on and after the August 2025 billing month, Consumers Energy Company shall implement the new securitization charges set forth in Attachment C of its application, attached to this order as Exhibit B.

B. Prior to the August 2025 billing month, Consumers Energy Company shall file with the Commission Staff tariff sheets essentially the same as those set forth in Exhibit B. After the tariff sheets have been reviewed and accepted by the Commission Staff for inclusion in the company's tariff book, Consumers Energy Company shall promptly file the final tariff sheets in this docket and serve all parties.

The Commission reserves jurisdiction and may issue further orders as necessary.

Any party desiring to appeal this order must do so in the appropriate court within 30 days after issuance and notice of this order, pursuant to MCL 462.26. To comply with the Michigan Rules of Court's requirement to notify the Commission of an appeal, appellants shall send required notices to both the Commission's Executive Secretary and to the Commission's Legal Counsel.

Electronic notifications should be sent to the Executive Secretary at LARA-MPSC-Edockets@michigan.gov and to the Michigan Department of Attorney General - Public Service Division at sheacl@michigan.gov. In lieu of electronic submissions, paper copies of such notifications may be sent to the Executive Secretary and the Attorney General - Public Service Division at 7109 W. Saginaw Hwy., Lansing, MI 48917.

MICHIGAN PUBLIC SERVICE COMMISSION

Daniel C. Scripps, Chair

Katherine L. Peretick, Commissioner

Alessandra R. Carreon, Commissioner

By its action of July 10, 2025.

Lisa Felice, Executive Secretary

EXHIBIT A

MICHIGAN PUBLIC SERVICE COMMISSION
Consumers Energy Company
U-17473 Securitization True Up

Attachment A
Page 1 of 2

Line No.	Description	Amount	Source
Next Period Required Securitization Revenue			
1	Principal Due	\$ 31,080,856	Attachment B Page 2 Line 13
2	Interest Due	3,132,870	Attachment B Page 2 Line 12
3	Fees Due (Est)	431,680	Attachment B Page 2 Line 14
4	Capital Subaccount Replenishment	-	Attachment B Page 2 Line 5
5	Total	\$ 34,645,406	
True Up Period Actual Securitization Revenue			
6	Cash Collected	\$ 34,436,138	Attachment B Page 1 Line 2
True Up Period Actual Securitization Costs			
7	Principal Due	\$ 30,043,979	Attachment B Page 1 Line 13
8	Interest Due	4,169,748	Attachment B Page 1 Line 12
9	Fees Due (Est)	431,680	Attachment B Page 1 Line 14
10	Capital Subaccount Replenishment	-	Attachment B Page 1 Line 5
11	Required General Subaccount Funding	(684,895)	Footnote ¹
12	Total	\$ 33,960,511	
13	Next Period Securitization Charge	\$ 34,169,779	Line 5 less Line 6 plus Line 12

Footnotes:

- ¹ Cash balances are impacted by fluctuations in sales and scheduled payments. The amount on line 11 represents the cash adjustment necessary to maintain cash balances at a reasonable level at all times in the forecast period

Line No.	Rate Class	Allocation	Allocated Securitization Charge Amount	Sales	Rate	Current Securitization Charge	Proposed Securitization Charge
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Residential	42.0%	\$ 14,337,639	12,682,087,000	Rate RSP	\$ 0.001187	\$ 0.001131
2					Rate RSH	\$ 0.001187	\$ 0.001131
3					Rate RSM	\$ 0.001187	\$ 0.001131
4					Rate RPM	\$ 0.001187	\$ 0.001131
5	Secondary	25.3%	\$ 8,638,120	7,069,071,862	Rate GS	\$ 0.001263	\$ 0.001222
6					Rate GSTU	\$ 0.001263	\$ 0.001222
7					Rate GSD	\$ 0.001263	\$ 0.001222
8	Primary	32.4%	\$ 11,060,757	14,516,403,098	Rate GP		
9					CVL 1	\$ 0.000880	\$ 0.000762
10					CVL 2	\$ 0.000880	\$ 0.000762
11					CVL 3	\$ 0.000880	\$ 0.000762
12					Rates GPD, GPTU, EIP,LTILRR,LED, and GSG-2		
13					CVL 1	\$ 0.000880	\$ 0.000762
14					CVL 2	\$ 0.000880	\$ 0.000762
15					CVL 3	\$ 0.000880	\$ 0.000762
16	Lighting/Other	0.4%	\$ 133,262	204,184,730	Rate GML	\$ 0.000698	\$ 0.000653
17					Rate GUL	\$ 0.000698	\$ 0.000653
18					Rate GU-LED	\$ 0.000698	\$ 0.000653
19					Rate GU	\$ 0.000698	\$ 0.000653
20					Rate PA	NA	NA
21					Rate ROA-R	NA	NA
22					Rate ROA-S	NA	NA
23					Rate ROA-P	NA	NA
24	Total	100.00%	\$ 34,169,779	34,471,746,690			

POWER PLANT SECURITIZATION CHARGE

The actual Power Plant Securitization Charge is authorized pursuant to Rule C9.1, Power Plant Securitization Charges, Initial Implementation and True-up Methodology. The Power Plant Securitization Charge is billed to all full service customers, shown in the rate schedules identified below, based upon usage. This charge shall be shown separately on the customer's bill.

The actual Power Plant Securitization Charge applied to customers' bills is as follows:

<u>Rate Schedule</u>	<u>Power Plant Securitization Charge (Case No. U-17473) Effective beginning with the August 2025 Billing Month</u>
Rate RSP	\$ 0.001131 /kWh
Rate RSH	0.001131 /kWh
Rate RPM	0.001131 /kWh
Rate RSM	0.001131 /kWh
Rate GS	0.001222 /kWh
Rate GSTU	0.001222 /kWh
Rate GSD	0.001222 /kWh
Rate GP	
CVL 1	0.000762 /kWh
CVL 2	0.000762 /kWh
CVL 3	0.000762 /kWh
Rates GPD, GPTU, EIP and GSG-2	
CVL 1	0.000762 /kWh
CVL 2	0.000762 /kWh
CVL 3	0.000762 /kWh
Rate LED	0.000762 /kWh
Rate LTILRR	0.000762 /kWh
Rate GML	0.000653 /kWh
Rate GUL	0.000653 /kWh
Rate GU-LED	0.000653 /kWh
Rate GU	0.000653 /kWh
Rate PA	NA
Rate ROA-R ⁽¹⁾	NA
Rate ROA-S ⁽¹⁾	NA
Rate ROA-P ⁽¹⁾	NA

⁽¹⁾ Customers taking ROA service on December 6, 2013 are excluded from the Power Plant Securitization Charge. This exclusion does not apply to customers first taking ROA service after December 6, 2013 or to customers taking service on December 6, 2013 who discontinue taking ROA service any time after December 6, 2013. Customers who discontinue taking ROA service any time after December 6, 2013 and who return to ROA service will pay the Power Plant Securitization Charge applicable to the customer's otherwise applicable Company Full Service Rate Schedule.

**Issued XXXXXX XX, 2025 by
Garrick J. Rochow,
President and Chief Executive Officer,
Jackson, Michigan**

**Effective for bills rendered on and after
the Company's August 2025 Billing Month**

**Issued under authority of the
Michigan Public Service Commission
dated XXXXXX XX, 2025
in Case No. U-17473**

PROOF OF SERVICE

STATE OF MICHIGAN)

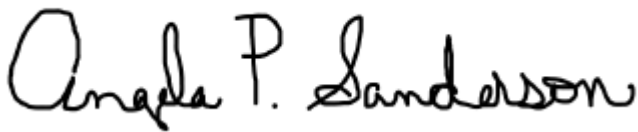
Case No. U-17473

County of Ingham)

Brianna Brown being duly sworn, deposes and says that on July 10, 2025 A.D. she electronically notified the attached list of this **Commission Order via e-mail transmission**, to the persons as shown on the attached service list (Listserv Distribution List).


Brianna Brown

Subscribed and sworn to before me
this 10th day of July 2025.



Angela P. Sanderson
Notary Public, Shiawassee County, Michigan
As acting in Eaton County
My Commission Expires: May 21, 2030

Service List for Case: U-17473

Name	On Behalf Of	Email Address
Bret A. Totoraitis	Consumers Energy Company	bret.totoraitis@cmsenergy.com
Consumers Energy Company (1 of 2)	Consumers Energy Company	mpsc.filings@cmsenergy.com
Consumers Energy Company (2 of 2)	Consumers Energy Company	kelly.hall@cmsenergy.com