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Dan Scripps, Chair
Tremaine Phillips, Commissioner
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Media contact: [Matt Helms](mailto:Matt.Helms@mpsc.com) 517-284-8300
Customer Assistance: 800-292-9555

MPSC approves updates to Michigan's integrated resource planning parameters and filing requirements

The Michigan Public Service Commission today approved two orders adopting updated planning parameters and filing requirements for integrated resource plans, or IRPs, which are the long-range plans for providing electricity that are required of Michigan's regulated electric utilities.

The MPSC's [Statewide Energy Assessment](#), conducted in 2019 after a statewide energy emergency during a severe winter cold snap, identified gaps in current planning processes and identified areas that could be improved, including IRP modeling parameters and filing requirements. The Commission began its effort to update the planning parameters as part of its [MI Power Grid](#) initiative designed to help guide Michigan residents and businesses through fast-paced changes in the energy industry and better enable a transition to clean, distributed sources of electricity. The Commission later directed MPSC Staff to factor in the carbon-reduction goals of Gov. Gretchen Whitmer's [MI Healthy Climate Plan](#) in drafting the updates.

Input from these processes led to the development of updated drafts of the Michigan Integrated Resource Planning Parameters and filing requirements. The Commission in September held public hearings in Lansing and Marquette to take public comment on draft updates to the planning parameters ([Case No. U-21219](#)). Simultaneously, the Commission sought public input on proposed IRP filing requirements ([Case No. U-18461](#)). Public input was sought after months of work by MPSC Staff and stakeholders in the MI Power Grid Integration of Resource, Transmission, and Distribution Planning workgroup's Advanced Planning Phase III that provided input.

Today's order in Case No. U-21219 adopts the final updated Michigan Integrated Resource Plan Parameters and directs regulated utilities to demonstrate modeling scenarios and sensitivities in accordance with the updated parameters in the IRP filings. An order today in Case No. U-18461 approves amended Filing Requirements for Integrated Resource Plans and Certificate of Public Convenience and Necessity Application Instructions.

"We appreciate the work of MPSC Staff and stakeholders on these updated parameters and filing requirements," MPSC Chair Dan Scripps said. "Their collaboration produced

well-informed improvements that will have a lasting positive impact on Michigan's energy future.”

IRPs lay out an electric utility's long-range forecasts for ensuring reliable service over 20 years, with specific requirements for reporting 5-, 10- and 15-year projections. IRPs were established under Michigan's 2016 energy laws and are required for each electric utility whose rates are regulated by the MPSC.

MPSC APPROVES MULTIPLE RENEWABLE ENERGY CONTRACTS FOR CONSUMERS ENERGY CO., DTE ELECTRIC CO.

The Commission approved amendments to power purchase agreements between Consumers and Allegheny Solar LLC; Aluminum Solar LLC; Hogan Solar LLC; Johnsfield Solar LLC; Surbrook Solar LLC; and Topanga Solar LLC ([Case No. U-20604](#)). The PPAs were part of a requirement for Consumers — as part of a settlement agreement in Case No. U-20615 regarding rights and obligations of the utility and developers under the federal Public Utility Regulatory Policies Act of 1978 — to enter into contracts for up to 414 megawatts (MW) of electricity and capacity. The solar PPA amendments extend the start dates of the 20-year contracts for a combined 70.699 MW of electric capacity. In the same case, the Commission approved amended PPAs with Byrne Solar LLC; Lightfoot Solar LLC; Shipsterns Solar LLC; and Willford Solar LLC, as well as new PPAs between Consumers and Addle Solar LLC; Copenhagen Solar LLC; Holly Solar LLC; Olivier Solar LLC; Puck Solar LLC; Shoreline Solar LLC; and Sunbelievable Solar LLC. The amended PPAs also extend the start dates of the 20-year contracts, while the new PPAs replace earlier PPAs with other developers for a total contract capacity of 132 MW. Separately, the Commission approved contracts as DTE Electric advances work on four solar energy projects the company will own and operate to supply renewable energy for its voluntary green pricing program: Gratiot Co-Location Solar Park; Polaris Co-Location Solar Park; Pine River Co-Location Solar Park, and Sauk Solar Park ([Case No. U-20851](#)) for 380 MW of electric capacity. The Commission approved master supply agreements (MSAs) between DTE Electric Co. and New East Solar Energy Inc. and Vietnam Sunergy Joint Stock Co. for solar panel modules, as well as engineering, procurement, and construction contracts with Barton Malow Co. and J Ranck Electric Inc. covering design, engineering, construction, installation, start-up and testing. Today's contract approvals will not result in an increase in rates for customers of Consumers Energy or DTE Electric.

COMMISSION APPROVES DTE ELECTRIC CO.'S POWER SUPPLY COST AND REVENUE RECONCILIATIONS AND DTE GAS CO.'S GAS COST RECOVERY PLAN

The MPSC today approved cost measures for the gas and electric utilities of DTE Energy. The Commission gave the nod to DTE Electric Co.'s reconciliation of its power supply costs and revenues collected pursuant to its power supply cost recovery (PSCR) plan for 12 months ending Dec. 31, 2020 ([Case No. U-20528](#)) with a total underrecovery of \$99,883,041, including interest. The Commission approved a disallowance of \$1.14 million in power replacement costs associated with a repair-related outage at the Ludington Pumped Storage Plant on Lake Michigan. But it rejected other proposed disallowances for natural gas costs related to the Nexus Gas

Transmission LLC pipeline and the Texas Eastern Appalachian Lease (TEAL) Amendment, and for costs related to a repair-related outage at the Enrico Fermi Nuclear Generating Station near Monroe. The Commission also approved DTE Gas Co.'s gas costs recovery (GCR) plan and factors for the 12 months ending March 31, 2022, and accepted the company's 5-year forecast for April 2021 to March 2026 ([Case No. U-20816](#)). DTE Gas is authorized to implement a GCR factor of \$2.53 per thousand cubic feet of gas effective April 1, 2021, through March 31, 2022, adjustable by a contingency factor matrix based on the New York Mercantile Exchange gas commodity prices. The utility also is approved to include a supplier of last resort reservation charge of \$0.42 per thousand cubic feet for gas cost recovery customers and a reservation charge of \$0.28 per thousand cubic feet for gas customer choice customers, to be reflected in monthly billings.

MPSC OKS CONSUMERS ENERGY VOLUNTARY GAIN SHARE WITH CUSTOMERS FOCUSED ON ELECTRIC RELIABILITY AND ENERGY ASSISTANCE

The MPSC approved Consumers Energy Co.'s request for approval of a one-time voluntary gain sharing with the utility's customers, as well as authorization for accounting procedures related to the transaction, stemming from the May 22, 2022, sale of an 800 megahertz radio tower system the company no longer needed ([Case No. U-21283](#)). Consumers requested approval to share \$7 million, 50% of its gain from the sale, with customers. For electric customers, the sharing is in the form of \$4.75 million toward vegetation management to help reduce downed power lines and improve reliability, with any amount not spent given to customers as a bill credit. For gas customers, the sharing is in the form of \$2.25 million in donations to nonprofit agencies that provide energy bill payment assistance to income-qualified households.

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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