



NEWS RELEASE

Gretchen Whitmer, Governor

Dan Scripps, Chair

Katherine Peretick, Commissioner

Alessandra Carreon, Commissioner

[X/Twitter: @MichiganPSC](#)
www.michigan.gov/mpsc

FOR IMMEDIATE RELEASE Sept. 5, 2024
News media contact: [Matt Helms](#) 517-284-8300
Customer Assistance: 800-292-9555

Commission raises power outage credit to \$40 per day for customers who face lengthy loss of electric service

The Michigan Public Service Commission today raised the amount of the bill credit that customers who endure lengthy power outages are eligible to receive to \$40 per day, strengthening compensation for those who lose electric service and toughening an incentive for electricity providers to improve reliability and shorten the length of outages.

The Commission's order ([Case No. U-20629](#)) increases the outage credit by \$2 per day for each day the power is out and for repetitive interruptions. The credit is automatically applied to the accounts of customers whose outages meet thresholds for the credits, so customers no longer have to request the credit from their utility. The Commission posts monthly outage and credit statistics for utilities statewide on the MPSC's website.

Prior to the Commission updating the outage credit in 2023, customers were eligible only for a one-time \$25 credit, and customers had to ask for it from their utility. The Commission raised the credit initially to \$35 per day for each day a customer is without power, with the credits indexed to inflation. The Commission, which is required to adjust the credit each year, last raised the credit to \$38 in September 2023.

"We understand that the outage credit won't cover everything lost when the power goes out, but the credit will help customers while encouraging utilities to do all they can to restore service quickly," MPSC Chair Dan Scripps said. "The credits are one tool the MPSC is using to encourage utilities to improve the power grid to better withstand increasingly frequent extreme weather and restore power as rapidly as possible after outages."

The power outage credit kicks in after 96 hours during catastrophic conditions, defined as a utility having 10% or more of its customers without power; after 48 hours during gray sky conditions affecting between 1% and 10% of a utility's customers, and after 16 hours during normal conditions. Customers who endure more than 6 sustained power interruptions in one year also are eligible for the outage credit. More information on outage credits is available at the MPSC's [consumer tip sheet](#).

COMMISSION OKS ACCOUNTING MEASURES FOR CONSUMERS ENERGY TO RECEIVE FEDERAL FUNDING FOR GRID IMPROVEMENTS

The MSPC today approved two moves by Consumers Energy Co. to use federal and state funding for projects designed to improve grid reliability.

In [Case No. U-21773](#), the Commission approved Consumers Energy's application requesting accounting authority for a regulatory asset or liability associated with matching funds the utility would be required to contribute to receive a \$19.9 million grant from the U.S. Department of Energy through the federal Infrastructure Investment and Jobs Act of 2021 (IIJA). The funding is for a project to deploy distributed artificial intelligence (AI) modules on residential electric meters to provide an AI-enabled platform to manage electric vehicle and distributed energy resource integration while maintaining grid reliability. Consumers must still apply for approval of recovery of expenses in a future rate case.

In [Case No. U-21774](#), the MPSC approved Consumers Energy's application for accounting approval for a \$4.05 million federal matching grant through the IIJA for a project to move electric service underground in disadvantaged communities. Consumers must still apply for approval of costs in a future rate case or other proceeding.

Owing to uncertainty about federal funding and a lack of project details, the Commission directed the utility to engage regularly with MPSC Staff on the specifics of the funding, project design and implementation in both cases, which will assist Staff and the Commission in cost reviews in a future proceeding. The Commission also directed the utility to provide project updates in both matters in future rate cases and provide the MPSC with a final report when the project is completed.

COMMISSION APPROVES DTE ELECTRIC CO. SOLAR PARK BUT ISSUES CAUTION ABOUT COMPETITIVE BIDDING PROCESS

The MPSC approved an application by DTE Electric Co. for approval of its Cedar Fields Solar Project, including its engineering procurement, construction master service agreement and master supply agreement for solar panel modules ([Case No. U-21193](#)). But the Commission expressed concern that DTE Electric ultimately selected a company-owned project with a commercial operation date beyond what was specified in the request for proposals (RFP) process the utility used to competitively bid new solar resources. The RFP called for projects ready to operate by the first quarter of 2026, while Cedar Fields isn't expected to operate until the second quarter of 2027. DTE Electric's selection of Cedar Fields "raises concerns, which the Commission has voiced in the past, that DTE Electric is setting parameters of the RFP that are not ultimately binding and thus undermining the credibility of the competitive bidding process and calling into question the reasonableness of the project." The Commission cautioned DTE Electric that the MPSC will continue to closely review DTE's bidding process to ensure that company-owned projects aren't unreasonably favored, and said it expects the utility to demonstrate its commitment to fair and transparent competitive bidding. Final costs for the project will be reviewed for reasonableness and prudence once the

solar park is in commercial operation in a future renewable energy reconciliation proceeding.

For information about the MPSC, visit www.michigan.gov/mpsc, sign up for its [monthly newsletter](#) or other [listservs](#). Follow the MPSC on [Facebook](#), [X/Twitter](#) or [LinkedIn](#).

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](#).

DISCLAIMER: This document was prepared to aid the public's understanding of certain matters before the Commission and is not intended to modify, supplement, or be a substitute for the Commission's orders. The Commission's orders are the official action of the Commission.

#