

STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

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| In the matter of the application of           | ) |                  |
| <b>DTE ELECTRIC COMPANY</b>                   | ) |                  |
| for approval to implement a performance-based | ) | Case No. U-21909 |
| ratemaking mechanism.                         | ) |                  |
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At the May 14, 2026 meeting of the Michigan Public Service Commission in Lansing, Michigan.

PRESENT: Hon. Daniel C. Scripps, Chair  
Hon. Katherine L. Peretick, Commissioner  
Hon. Shaquila Myers, Commissioner

**ORDER**

Background

In the April 24, 2023 order in Case No. U-21400 (April 24 order), the Commission established the Financial Incentives and Disincentives workgroup as part of the MI Power Grid Initiative to develop metrics relating to reliability, including, but not limited to, system average interruption duration index (including and excluding major event days), system average interruption frequency index, customers experiencing multiple interruptions, and customer average interruption duration index. The Commission also directed the workgroup to explore and evaluate resilience, including, but not limited to, downed wire response and the frequency and duration of outages during extreme weather, using the Commission’s recently updated Service Quality and Reliability Standards for Electric Distribution Systems (SQRS) rules, Mich Admin Code, R 460.701 *et seq.*, as a baseline. *See*, April 24 order, p. 12. Additionally, the Commission directed the workgroup to

explore rate structures by which incentives and disincentives may be applied, otherwise known as a “Reliability Plus” approach. *Id.* To facilitate discussion on these issues, the Commission developed a straw proposal that identified candidate distribution investment and maintenance plan<sup>1</sup> performance metrics and applicable methods by which incentives and disincentives may be applied.<sup>2</sup> The straw proposal was issued on August 30, 2023, in Case No. U-21400, at which time the Commission solicited comments from interested persons regarding the candidate metrics, the proposed target performance identified for each metric, the potential incentive/disincentive mechanisms to be applied to each metric, and alternative metrics or approaches to those identified in the straw proposal. The Commission received hundreds of comments in Case No. U-21400 regarding the straw proposal.

The Commission Staff (Staff) hosted two engagement sessions with interested persons following the comment periods to discuss the straw proposal and alternative approaches. On December 19, 2023, in Case No. U-21400, the Staff filed a status report and a revised straw proposal in response to the comments and feedback received.

On December 21, 2023, the Commission issued an order in Case No. U-21400 directing the Staff to convene an additional engagement session with interested persons to discuss the revised straw proposal and the Commission invited additional comment. Several utilities and advocacy groups, a municipality, and a multitude of citizens filed initial and reply comments in Case No. U-21400 regarding the revised straw proposal. On May 3, 2024, the Staff filed a Financial

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<sup>1</sup> Distribution investment and maintenance plans are now referred to as distribution system plans. *See*, July 10, 2025 order in Case No. U-20147.

<sup>2</sup> The straw proposal initially focused on metrics and methods for DTE Electric Company (DTE Electric) and Consumers Energy Company (Consumers), and the workgroup expects to discuss the applicability of these metrics to other investor-owned utilities through future engagements and the review of comments.

Incentives and Disincentives Workgroup Report and updated straw proposal in Case No. U-21400 (updated straw proposal). *See*, Case No. U-21400, filing #U-21400-0040.

On June 6, 2024, the Commission issued an order in Case No. U-21400 (June 6 order) that reviewed the initial comments and reply comments received in response to the revised straw proposal and provided a summary of the Staff’s updated straw proposal. The Commission also requested “comments on the updated straw proposal, including implementation steps for the financial incentives/disincentives mechanism as they may interact with existing rate case proceeding processes and filing requirements.” June 6 order, p. 31. The Commission again received a multitude of comments on these topics.

On February 27, 2025, the Commission issued an order in Case Nos. U-21400 and U-21122 (February 27 order) summarizing the comments received regarding the updated straw proposal, defining the steps for implementing the financial incentive/disincentive mechanism, and discussing a number of additional issues. The Commission also approved a financial incentive/disincentive mechanism for Consumers and DTE Electric and directed each company to file a proposed performance mechanism in a company-specific standalone proceeding by April 15, 2025.

DTE Electric filed its application requesting approval of its proposed performance-based ratemaking mechanism<sup>3</sup> in this docket on April 15, 2025.

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<sup>3</sup> Throughout the order the phrase “performance-based ratemaking” is used, reflecting the terminology used by DTE Electric in its application. The Commission notes that performance-based ratemaking is a subset of the more general concept of performance-based regulation, or PBR. In addition to reflecting the terminology used in the initial filing, the Commission finds the term “performance-based ratemaking” more accurately reflects the substance of the proceeding, which involves the establishment of metrics and tying them to incentives and disincentives and is a form of ratemaking.

A prehearing conference was held on June 3, 2025, before Administrative Law Judge Lesley C. Fairrow (ALJ) at which she recognized the intervention of the Michigan Department of Attorney General (Attorney General) and granted petitions to intervene filed by the Association of Businesses Advocating Tariff Equity (ABATE), Citizens Utility Board of Michigan (CUB), the City of Ann Arbor (Ann Arbor), and Great Lakes Renewable Energy Association (GLREA). DTE Electric and the Staff also participated in the proceeding. A schedule for the case was also established by the ALJ.

On September 24, 2025, DTE Electric, the Staff, the Attorney General, ABATE, Ann Arbor, and CUB (the parties) filed a settlement agreement in this docket (September 24 settlement agreement) regarding DTE Electric's proposed performance-based ratemaking mechanism. On October 8, 2025, GLREA filed objections in this docket to the September 24 settlement agreement (October 8 objections). On that same date, the Staff filed a brief in this docket supporting the parties' contested settlement agreement (Staff's October 8 brief).

On October 13, 2025, the Commission filed a memorandum in this docket requesting that the ALJ establish a schedule to adjudicate the contested settlement agreement, consistent with Mich Admin Code, R 792.10431(5)(a) (Rule 431(5)(a)) on or before December 4, 2025. The ALJ established a schedule for the contested settlement agreement on October 15, 2025, that required direct testimony to be filed on October 24, 2025, rebuttal testimony to be filed on October 31, 2025, initial briefs to be filed on November 24, 2025, and reply briefs to be filed by 4:00 p.m. (Eastern time) on December 4, 2025.

The Staff, Ann Arbor, and GLREA filed direct testimony on October 24, 2025, in this docket. DTE Electric filed a letter in this docket on October 24, 2025, stating that "[t]he pre-filed testimony and exhibits in this case support a finding that the Settlement Agreement represents a

reasonable and prudent resolution of this matter” and that the company “will not be filing additional direct testimony as part of the contested settlement proceeding.” Filing #U-21909-0039, p. 1.<sup>4</sup>

On October 31, 2025, DTE Electric filed rebuttal testimony in this case. The Staff, the Attorney General, and Ann Arbor each filed a letter in this docket on October 31, 2025, stating that they would not be filing rebuttal testimony. DTE Electric, the Staff, Ann Arbor, and GLREA filed initial briefs in this docket on November 24, 2025. DTE Electric, the Staff, and GLREA filed reply briefs in this docket on December 4, 2025.

On December 18, 2025, the Commission issued an order in this docket (December 18 order) approving the contested settlement agreement finding that: (1) “GLREA was provided a reasonable opportunity to present evidence and argument in opposition to the September 24 settlement agreement,” (2) “the parties who entered into the September 24 settlement agreement adequately represent the public interest,” (3) the settlement agreement represents “a fair and reasonable resolution of the proceeding,” and (4) the settlement agreement “is supported by substantial evidence on the record as a whole.” December 18 order, pp. 36, 38-39.

On January 17, 2026, GLREA filed a petition for rehearing of the December 18 order in this docket (GLREA’s petition for rehearing) pursuant to the Commission’s Rules of Practice and Procedure, Mich Admin Code R 792.10437 (Rule 437). On February 6, 2026, DTE Electric filed an answer opposing GLREA’s petition for rehearing (DTE Electric’s answer).

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<sup>4</sup> DTE Electric’s October 24, 2025 letter in this docket is unpaginated. Therefore, the citation references the pages in natural order beginning with the first page of the letter.

## Great Lakes Renewable Energy Association's Petition for Rehearing

In its petition for rehearing, GLREA disputes the Commission's finding in the December 18 order that GLREA's October 8 objections were an impermissible collateral attack on the February 27 order. GLREA asserts that "[t]he Commission's finding fails to recognize that the Commission's Orders in [Case No.] U-21400 were non-final orders purported to set forth a suggested framework for performance-based ratemaking, including the identification of performance metrics." GLREA's petition for rehearing, p. 1. According to GLREA, the February 27 order did not set numerical targets for metrics and did not define baseline performance; rather, the Commission required DTE Electric to file the actual target levels in this separate, contested-case docket, which would establish the performance-based ratemaking mechanism, performance targets, and baseline that would be used for establishing rates for the financial incentive/disincentive mechanism.

GLREA objects to the Commission's reliance on the Michigan Supreme Court case *In re Ives*, 314 Mich 690, 696; 23 NW2d 131 (1946) to support the Commission's finding of collateral estoppel. GLREA argues that "[t]he *In Re Ives* court case involved an issue concerning the validity of a Washtenaw County Court order in view of a prior Wayne County Circuit Court order, and associated jurisdictional issues. In contrast, this case is a rate case subject to the Commission's ratemaking jurisdiction." GLREA's petition for rehearing, p. 3. GLREA asserts that even if the immediate case involved court case decisions, collateral estoppel and/or *res judicata* do not apply in this case. Instead, GLREA states that *King v Munro*, 329 Mich App 594; 944 NW2d 198 (2019) provides the criteria for applying collateral estoppel or *res judicata*.

According to GLREA:

Case [No.] U-21400 comprised a non-final docket to articulate Commission guidance, and a general framework for performance-based ratemaking. In contrast,

Case [No.] U-21909 constituted the follow-up case to actually implement the ratemaking specifics, which had to be undertaken as a contested case. The specific issues litigated in [Case No.] U-21909 were not (and could not be) fully litigated in [Case No.] U-21400, nor was GLREA barred from addressing the specific ratemaking issues in [Case No.] U-21909 because it did not file comments in the informal comment docket, [Case No.] U-21400.

GLREA's petition for rehearing, p. 4.

GLREA contends that Case No. U-21400 may not be considered a ratemaking case because it was not commenced to be a contested case, which is legally required for setting rates, and, therefore, the orders in that case are not final orders. In addition, GLREA asserts that the December 18 order "also has failed to recognize the Court's venerable precedent in *Pennwalt Corp v Public Service Comm*, 166 Mich App 1; 420 NW2d 156 (1988) that 'fixing and regulating rates is a legislative function, not a judicial one' and that 'res judicata and collateral estoppel cannot apply in the pure sense.'" GLREA's petition for rehearing, p. 5 (quoting *Pennwalt*, 166 Mich App at 8-9). GLREA also cites *In re Application of DTE Electric Company to Increase Rates*, unpublished per curiam decision of the Court of Appeals, issued December 21, 2021 (Docket No. 353767), p. 8, that cites the *Pennwalt* principles.

Contrary to the Commission's finding in the December 18 order, GLREA asserts that its evidentiary presentation in the immediate case does not relitigate any issues in Case No. U-21400.

Instead, GLREA argues that its:

presentation focused on the specific issues raised by the Commission in its Notice of Hearing, and focused on the specific targets and baseline that should be set for the metrics suggested in [Case No.] U-21400, and to compare the recommended targets with the performance levels achieved by other regional, national, or peer utilities, as the benchmark or baseline that the Commission in its [Case No.] U-21400 orders specifically delegated for development in the subsequent contested cases to be filed by DTE Electric and Consumers Energy by April 15, 2025.

GLREA's petition for rehearing, p. 5.

Next, GLREA asserts that the December 18 order is not based on competent, material, and substantial evidence on the whole record. GLREA avers that its “expert witnesses in this case presented evidence that DTE Electric’s performance results fall within the lowest quartile of performance, compared to other large utilities nationally.” GLREA’s petition for rehearing, p. 6. In GLREA’s opinion, the evidence it provided complied with the requirements in the April 24 order to compare DTE Electric’s performance with other utilities on a regional, national, and peer group basis.

GLREA contends that the December 18 order disregarded GLREA’s evidence regarding DTE Electric’s performance and failed to implement GLREA’s recommendation to disqualify the company for incentive bonuses for slight improvements from poor and mediocre performances. GLREA states that “the grant of such incentives for mediocre performance would undermine the credibility of any PBR mechanism, and would place an undue burden upon DTE [Electric]’s ratepaying customers, without leading to any measurable benefits.” GLREA’s petition for rehearing, pp. 6-7.

GLREA asserts that the Commission incorrectly found that GLREA:

ignored or relitigated issues already decided by the Commission in its non-final comment docket, [Case No.] U-21400. These findings are erroneous as GLREA has not challenged the general framework of [Case No.] U-21400, or the metric categories identified by the Commission in those orders, but instead has appropriately focused on the actual numerical targets and baselines that should be utilized with respect to the metrics, and to compare the performance of DTE [Electric] against a peer group of utilities on a regional or national basis.

GLREA’s petition for rehearing, p. 7.

GLREA also objects to DTE Electric’s claim that GLREA did not timely respond to the company’s discovery requests. GLREA states that, “[t]o the contrary, within the very short

hearing schedule set by the Commission, GLREA answered on a timely basis all of DTE [Electric]’s discovery requests.” *Id.*, p. 8.

Finally, GLREA asserts that the Commission failed to follow the standards established in the Case No. U-21400 orders. According to GLREA, in the Case No. U-21400 orders, the Commission stated that performance standards should align with benchmarks achieved by other utilities on a regional, national, and peer-group basis and that the metrics for these standards would be set in this contested case. GLREA argues that in the December 18 order, the Commission:

essentially concludes that all of the issues and determinations were previously made in the Commission’s informal comment proceeding, [Case No.] U-21400, but at the same time the Commission recognized the need to conduct a contested case hearing in this case, [Case No.] U-21909, to meet the legal requirements that ratemaking must be decided pursuant to contested case proceedings. If it were correct that the Commission could make its ratemaking decisions in the informal comment proceeding, [Case No.] U-21400, then why did the Commission commence this case, [Case No.] U-21909, to implement the general concepts which were presented in [Case No.] U-21400[?]

GLREA’s petition for rehearing, p. 9. Therefore, in GLREA’s opinion, the Commission’s decision in the December 18 order is arbitrary and capricious and an unlawful use of discretion, which violates the requirements of MCL 24.285, meets the requirements for reversal under MCL 24.306, and justifies the requirements for rehearing pursuant to MCL 462.26.

#### DTE Electric Company’s Answer Opposing Petition for Rehearing

DTE Electric asserts that GLREA’s petition does not meet the standards for rehearing under Rule 437 “because it fails to establish any errors, newly discovered evidence, or unintended consequences that will occur as a result of the December 18 Order.” DTE Electric’s answer, p. 4. In addition, the company contends that much of the relief requested by GLREA is outside the scope of rehearing and not sufficiently supported by GLREA.

In response to GLREA’s claim that the February 27 order was not a final order and, therefore, *res judicata* and collateral estoppel do not apply, DTE Electric asserts that the parties to the February 27 order had the right to appeal and, thus, it was a final order. The company states that “Michigan law generally distinguishes between final orders, meaning orders from which a party has a right to appeal, and non-final or interlocutory orders, from which there is no right to appeal.” DTE Electric’s answer, p. 5 (citing *Pioneer State Mut Ins Co v Michalek*, 330 Mich App 138, 144 n 6; 946 NW2d 812 (2019); *Downriver Loan Co v Gabbert*, 37 Mich App 411, 412; 195 NW2d 34 (1971)). Because the Commission directed DTE Electric “to file a ‘company-specific, *standalone* proceeding’ to establish a performance mechanism that must use the financial incentive/disincentive metrics that were approved and fixed in Exhibit A of the February 27 Order,” the company contends that “the use of the term ‘standalone’ is a clear signal that this case is a separate case, and not merely a continuation of an unresolved Case No. U-21400.” DTE Electric’s answer, pp. 5-6 (emphasis in original). The company asserts that, although the February 27 order directed DTE Electric to adjudicate other issues, it does not negate the finality of the February 27 order. DTE Electric states that “GLREA chose not to exercise its right to appeal the PBR mechanism practices and regulations fixed in the February 27 Order, and it cannot now collaterally attack the February 27 Order in this case, as the Commission correctly recognized.” DTE Electric’s answer, p. 6.

DTE Electric notes that the purpose of the immediate case is not to create a performance-based ratemaking framework—that framework was established in the February 27 order. DTE Electric states that, “[r]ather, the purpose of this case was to determine specifically how the Company will comply with that previously established broad PBR framework. In other words, GLREA seeks to litigate in this case issues that are outside the scope of this case, and which it

failed to oppose or timely appeal in Case No. U-21400.” DTE Electric’s answer, p. 7 (citing February 27 order, Exhibit A; 2 Tr 59).

DTE Electric objects to GLREA’s claim that the December 18 order is “not supported by ‘competent, material and substantial evidence on the whole record.’ (Petition, p 6, citing Const 1963, art 6, § 28; MCL 460.6a *et seq.*; and ‘the Michigan Administrative Procedures Act, MCL 24.201 *et seq.*, including Chapter 4 thereof’).” DTE Electric’s answer, p. 8 (quoting GLREA’s petition for rehearing, p. 6). However, the company argues that “those authorities do not govern the evidentiary standard that the Commission applies to settlement agreements per Rule 437,” and that the applicable evidentiary standard is Mich Admin Code, R 792.10431(5)(c) (Rule 431(5)(c)), which provides authority to the Commission to approve a contested settlement agreement if it is “supported by substantial evidence on the record as a whole.” DTE Electric’s answer, pp. 8-9 (quoting Rule 431(5)(c)). DTE Electric avers that, in the December 18 order, the Commission appropriately found that the September 24 settlement agreement was supported by the testimony of several witnesses, which constitutes more than a “mere scintilla” of evidence. DTE Electric’s answer, p. 9. Accordingly, the company asserts that the Commission’s decision in the December 18 order to approve the September 24 settlement agreement complies with the provisions of Rule 431(5)(c).

Next, DTE Electric contends that GLREA’s final argument is difficult to follow. According to the company, it appears that “GLREA [is] rehashing its prior positions and disagreeing with the Commission’s rejection of those positions, which is contrary to well-established rehearing requirements.” DTE Electric’s answer, p. 10. DTE Electric agrees that the Commission established the financial incentives/disincentives framework in the February 27 order but disputes GLREA’s claim that the Commission then failed to follow the guidelines and policies in the

December 18 order. The company states that the September 24 settlement agreement approved by the December 18 order established quantifiable metrics and targets, which are described in detail, are appropriately tied to incentives and penalties, and conform to the requirements in the February 27 order. In the company's opinion, "it was not 'disingenuous and counterintuitive' for the Commission to decide not to adopt GLREA's preferred approach." DTE Electric's answer, p. 12 (quoting GLREA's petition for rehearing, p. 9).

### Discussion

Rule 437 provides that a petition for rehearing may be based on claims of error, newly discovered evidence, facts or circumstances arising after the hearing, or unintended consequences resulting from compliance with the order. A petition for rehearing is not merely another opportunity for a party to argue a position or to express disagreement with the Commission's decision. Unless a party can show the decision to be incorrect or improper because of errors, newly discovered evidence, or unintended consequences of the decision, the Commission will not grant a rehearing.

In its petition for rehearing, GLREA asserts that the Commission erred in the December 18 order by finding that GLREA's arguments were barred by collateral estoppel. According to GLREA, the February 27 order did not set numerical targets for the metric categories and did not define baseline performance and, therefore, it was not a final order and collateral estoppel does not apply. The Commission disagrees. Pages 26-33 of the February 27 order described the procedural history of how the financial incentives/disincentives mechanism was developed and it established the framework for the mechanism, which was set forth in Exhibit A to that order. Specifically, the February 27 order fixed regulations and practices for DTE Electric to file a proposed performance-based ratemaking mechanism. Furthermore, the February 27 order directed the company to

initiate a “standalone proceeding” to adjudicate other issues associated with the financial incentives/disincentives framework. This demonstrates that the issues litigated in the February 27 order were concluded and that it was a final order subject to the right of appeal. *See*, MCL 426.26(1).

The Commission notes that, in the immediate case, GLREA argued that the metrics approved in the February 27 order and set forth in the September 24 settlement agreement were inappropriate and should be reset. However, in the December 18 order, the Commission found that GLREA had “engaged in discovery, submitted direct and rebuttal testimony, provided exhibits, filed initial and reply briefs, and appeared at an evidentiary hearing regarding the contested settlement agreement” and, therefore, GLREA’s objections to the September 24 settlement agreement were an attempt to relitigate the metrics set in the February 27 order. December 18 order, p. 36. The Commission finds that it was not an error to determine in the December 18 order that GLREA’s disagreement with the September 24 settlement agreement was an impermissible collateral attack on a final order.

Next, GLREA contends that the September 24 settlement agreement was not supported by “competent, material, and substantial evidence on the whole record.” GLREA’s petition for rehearing, p. 6 (citing Const 1963, art 6, § 28; MCL 460.6a *et seq.*; MCL 24.201 *et seq.*). As noted by DTE Electric, the constitutional provision cited by GLREA is the evidentiary standard applied by courts reviewing appeals of decisions made by administrative agencies such as the Commission and is not the correct evidentiary standard for reviewing the approval of a contested settlement agreement. The correct standard is Rule 437(5)(c), which states in relevant part that:

[t]he commission may approve a settlement agreement if all of the following conditions are met:

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- (c) The commission finds that the settlement agreement is in the public interest, represents a fair and reasonable resolution of the proceeding, and, if the settlement is contested, is supported by substantial evidence on the record as a whole.

In the December 18 order, the Commission stated that it “reviewed the record and finds that the September 24 settlement agreement includes the reliability performance metrics that were approved in the February 27 order.” December 18 order, p. 39 (citing the September 24 settlement agreement, pp. 2-3). Specifically, the Commission reviewed and described the testimony of Ally Durfee, a public utilities engineer in the Electric Operations section of the Energy Operations Division of the Commission; Valerie Brader, an attorney, consultant, and partner at Rivenoak Law Group, P.C., for Ann Arbor; Dr. Melissa Stults, Sustainability and Innovations Director for Ann Arbor; and Aaron Willis, Director of Regulatory Affairs for DTE Electric. *See*, December 18 order, pp. 13-23. Additionally, the Commission reviewed and described the arguments set forth in the parties’ initial and reply briefs, including those filed by GLREA. *See, id.*, pp. 23-35. In the December 18 order, the Commission found that GLREA was not alleging that there was not substantial evidence in the September 24 settlement agreement to conform with the February 27 order. Rather, the Commission found that GLREA was arguing that “the metrics approved in the February 27 order and set forth in the September 24 settlement agreement are inappropriate, contrary to the public interest, and should be reset.” December 18 order, pp. 37-38.

On pages 39-42 of the December 18 order, the Commission noted the metrics set forth in the September 24 settlement agreement and cited evidence on pages 2-7 of the September 24 settlement agreement demonstrating how the targets, thresholds, and maximums used to determine incentives or penalties for 2026-2030 conform with the calculation on pages 28-31 and in Exhibit A of the February 27 order. Furthermore, the Commission noted in the December 18 order

that DTE Electric included additional commitments not required by the February 27 order that were fair and reasonable and in the public interest.

Accordingly, the Commission finds that the December 18 order approving the September 24 settlement agreement was supported by substantial evidence on the whole record—more than a “mere scintilla” of evidence. *Black v Dep’t of Social Servs*, 195 Mich App 27, 30; 489 NW2d 493 (1992) (quoting *Soto v Director, Michigan Dep’t of Social Servs*, 73 Mich App 263, 271; 251 NW2d 292 (1977)).

Next, the Commission finds unpersuasive GLREA’s claim that the Commission erred by departing from the policies and standards set forth in the February 27 order. It appears that GLREA is arguing that the April 24 and February 27 orders determined that the performance standards must be equivalent to benchmark standards achieved by other utilities on a regional, national, or peer-group basis. The Commission disagrees. In the April 24 order, the Commission stated that in the May 8, 2020 order in Case No. U-20561 (May 8 order), the Commission noted that “[p]erformance metrics should be linked to regional, national, and/or peer utility benchmarks, where possible.” April 24 order, p. 7 (quoting May 8 order, p. 106). However, the April 24 and February 27 orders did not *require* that performance standards “comport with such benchmark standards achieved by other utilities on a regional, national basis, or peer group basis.” GLREA’s petition for rehearing, p. 8. Therefore, the Commission finds that it did not erroneously depart from the standards set in the April 24 and February 27 orders.

In addition, GLREA contends that the purpose of the immediate case, not the February 27 order, was to set the specific targets for the general metrics. In the February 27 order, based on the comments and analyses provided by the parties, the Commission approved a “balanced and effective financial incentives/disincentives mechanism.” February 27 order, p. 27. The

Commission then directed DTE Electric to file a “proposed performance mechanism in a company-specific standalone proceeding . . . .” *Id.*, p. 33. As discussed above, in the December 18 order, the Commission found persuasive the testimony of Ms. Durfee, Ms. Brader, Dr. Stults, and Mr. Willis and determined that there was substantial evidence on the record to support approval of the September 24 settlement agreement, finding that it conformed to the directives of the February 27 order. Therefore, the Commission finds that there was no error in approving the September 24 settlement agreement.

THEREFORE, IT IS ORDERED that Great Lakes Renewable Energy Association’s petition for rehearing is denied.

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](mailto:LARA-MPSC-Edockets@michigan.gov) and to the Michigan Department of Attorney General - Public Service Division at [sheacl@michigan.gov](mailto: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

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Daniel C. Scripps, Chair

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Katherine L. Peretick, Commissioner

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Shaquila Myers, Commissioner

By its action of May 14, 2026.

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Lisa Felice, Executive Secretary

# PROOF OF SERVICE

STATE OF MICHIGAN )

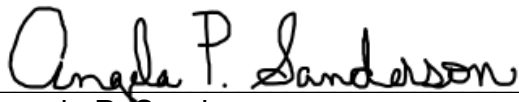
Case No. U-21909

County of Ingham )

Brianna Brown being duly sworn, deposes and says that on May 14, 2026 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 14<sup>th</sup> day of May 2026.



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

## Service List for Case: U-21909

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| Name                 | On Behalf Of  | Email Address                         |
|----------------------|---|---------------------------------------|
| Adam M. Cozort       | MPSC Staff  | cozortal@michigan.gov                 |
| Ally Durfee          | MPSC Staff  | durfeeal@michigan.gov                 |
| Benjamin J. Holwerda | Association of Businesses<br>Advocating Tariff Equity | bholwerda@clarkhill.com               |
| Daniel E. Sonneveldt | MPSC Staff  | sonneveldtd@michigan.gov              |
| Don L. Keskey        | Great Lakes Renewable Energy<br>Association           | donkeskey@publiclawresourcecenter.com |
| DTE Electric Company | DTE Electric Company                                  | mpscfilings_account@dteenergy.com     |
| Joel B. King         | Department of Attorney General                        | kingj38@michigan.gov                  |
| John A. Janiszewski  | DTE Electric Company                                  | john.janiszewski@dteenergy.com        |
| Lauren A. Teichner   | Citizens Utility Board of<br>Michigan                 | lauren@teichnerlaw.com                |
| Lesley C. Fairrow    | ALJs - MPSC   | fairrowl1@michigan.gov                |
| Michael J. Pattwell  | Association of Businesses<br>Advocating Tariff Equity | mpattwell@clarkhill.com               |
| Nicholas M. Evans    | MPSC Staff  | evansn@michigan.gov                   |
| Stephen A. Campbell  | Association of Businesses<br>Advocating Tariff Equity | scampbell@clarkhill.com               |
| Tracy Jane Andrews   | Citizens Utility Board of<br>Michigan                 | tjandrews@tropospherelegal.com        |
| Valerie R. Jackson   | City of Ann Arbor                                     | vjackson@a2gov.org                    |